



Frankston City Council Economic Scorecard July–September 2023

Introduction

The purpose of this scorecard is to provide an overview of the current structure and recent performance of the Frankston City economy.

This quarterly report is used to monitor the performance of the economy and over time, track outcomes from the City's Economic Development and Skilled Community Strategy.

By analysing key indicators of the economy, Council and the community can build a clear understanding of the economic health and progress of the City. This supports Council, current businesses, investors, future businesses, and residents to make more informed decisions.

The scorecard has two components —

Annual snapshot: *(this data will be reviewed and updated on an annual basis)*

- Economic overview
- Workforce, skills and resilience
- Investment and spending

Council's commitment to local businesses

Quarterly Snapshot July – September 2023 including:

- Key Highlights
- Business Success Stories
- Business Engagement
- Business Concierge Service





01

**Economic
Overview**
Annual Snapshot



Frankston City’s activity centres and industrial areas

Frankston City has **1** Metropolitan activity centre, **1** Major activity centre, **21** Neighbourhood activity centres and **6** Industrial Areas.

The Frankston Metropolitan activity centre is a higher-order centre, as defined by the Victorian Government, that provides a diverse range of jobs, activities and housing. The centre serves the wider region and is well served by public transport.

Karingal is the only Major activity centre in the area. A major activity centre is an area that has been defined by the Victorian Government as the preferred hub for services, employment, housing, public transport and social interaction.

Neighbourhood activity centres are local centres that provide access to local goods, services, employment opportunities and serve the needs of the surrounding community. These centres serve smaller, local areas and have an important role in giving people the ability to meet most of their everyday needs within 20 minutes of their home.

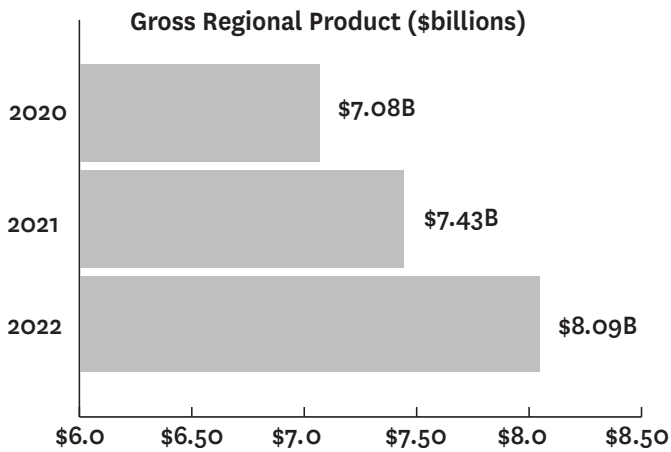
The City’s industrial areas comprise of **6** distinct precincts which together are a leading source of regional employment growth, economic activity and investment attraction. These include Carrum Downs, Seaford North, Seaford, Frankston, Frankston East and Langwarrin.

Growth in the Frankston City economy

The Frankston City economy has been growing steadily over recent years, with a significant spike in Gross Regional Product (GRP) between 2020 and 2022 as the economy bounced back from the economic effects of the Covid-19 pandemic.

The top four contributing industries to the City's GRP are rental, hiring and real estate; health care and social assistance; construction; and manufacturing.

Frankston City's Gross Regional Product, 2021-2022



Source: REMPLAN, Release 2, 2022 (published May 2023)

Top 4 industries contributing to Frankston City's GRP

\$1.18B

Rental, hiring and real estate

\$1.17B

Health care and social assistance

\$1.03B

Construction

\$542M

Manufacturing

Source: REMPLAN, Release 2, 2022 (published May 2023)

Industry sector	Gross Value Added
Rental, Hiring & Real Estate Services	\$1,182,330
Health Care & Social Assistance	\$1,173,972
Construction	\$1,031,488
Manufacturing	\$542,127
Electricity, Gas, Water & Waste Services	\$503,846
Retail Trade	\$473,400
Education & Training	\$460,413
Professional, Scientific & Technical Services	\$334,916
Public Administration & Safety	\$313,249
Wholesale Trade	\$244,512
Financial & Insurance Services	\$242,022
Transport, Postal & Warehousing	\$209,090
Administrative & Support Services	\$177,884
Accommodation & Food Services	\$152,755
Other Services	\$146,836
Information Media & Telecommunications	\$98,718
Agriculture, Forestry & Fishing	\$53,438
Arts & Recreation Services	\$47,236
Mining	\$42,929

Source: REMPLAN, Release 2, 2022 (published May 2023)

Business and industry

Frankston City's businesses and local industries are growing.

There are over 160 businesses in Frankston City with a turnover greater than \$10m.

These are vital economic anchors and export earners for the economy. However, most of the City's business community is comprised of small and medium enterprises which are essential to the success and growth of the local economy.

Health care and social assistance continues to be the biggest employer in the region and strong growth in the industry is expected to continue.

15,017

Businesses registered with GST as at 30 June 2023

\$4.4B

Regional exports in 2022

\$8.09B

Gross regional product in 2022

Source: REMPLAN, Release 2, 2022 (published May 2023)

Frankston City's Top 4 Regional Export Industries as compared to Greater Melbourne

Rank	Industry sector	Export value (\$'000) Frankston City	Greater Melbourne (\$'000)
1	Manufacturing	\$1,374,966	\$57,524,645
2	Construction	\$1,117,843	\$25,564,265
3	Electricity, Gas, Water & Waste Services	\$651,632	\$5,464,362
4	Health Care & Social Assistance	\$504,825	\$930,327

Source: REMPLAN, Release 2, 2022 (published May 2023)

Frankston City's key anchor institutions



Source: SGS Economics and Planning, 2023

Key anchors

Key anchors are institutions and businesses that have an important presence in Frankston City as large-scale employers and purchasers of goods and services.

Key anchors play a vital role in the local economy by providing stability, generating employment opportunities, fostering community development, and attracting investments. They serve as economic pillars by driving growth, supporting other sectors, and creating a sense of place.

Anchor institutions are typically situated and operate in the same locations for long periods of time. Anchor institutions provide stability for smaller local businesses to be attracted to the area and provide goods and services to the institution and its employees.

Anchor institutions can commit to building local wealth in an area through local procurement, investment and workforce.



02

Workforce, skills and resilience

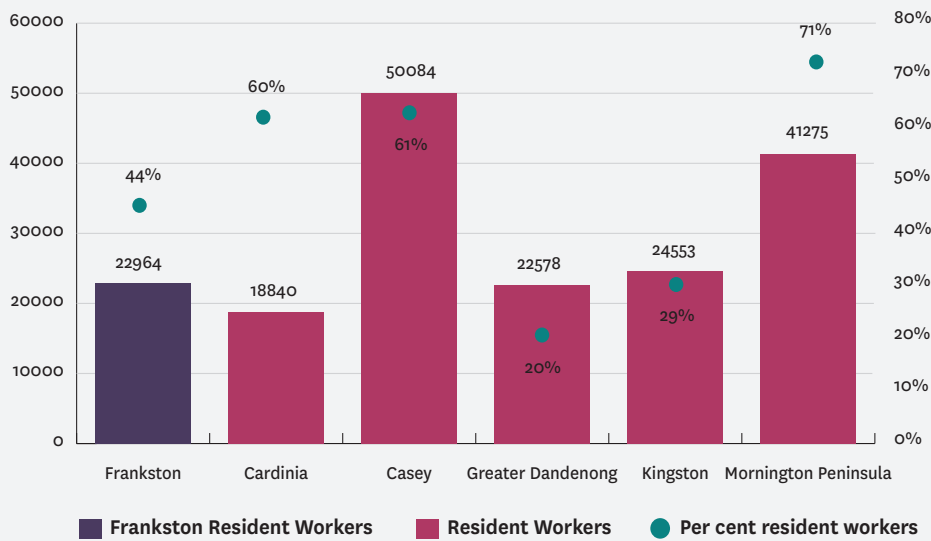
Annual Snapshot

Local population, workers and skills

Nearly half of Frankston City's workers are also residents. As more people work locally and work from home, more spending is captured locally. The stock of knowledge, experience and skills in the economy is critical to economic performance.

Without a stock of knowledgeable and skilled people, businesses cannot function. An undersupply of skilled labour will impede economic growth and development.

The number and percentage of local residents employed in local jobs



Source: ABS Census, 2021

54,633

Jobs in Frankston City

141,002

Population in 2022

34

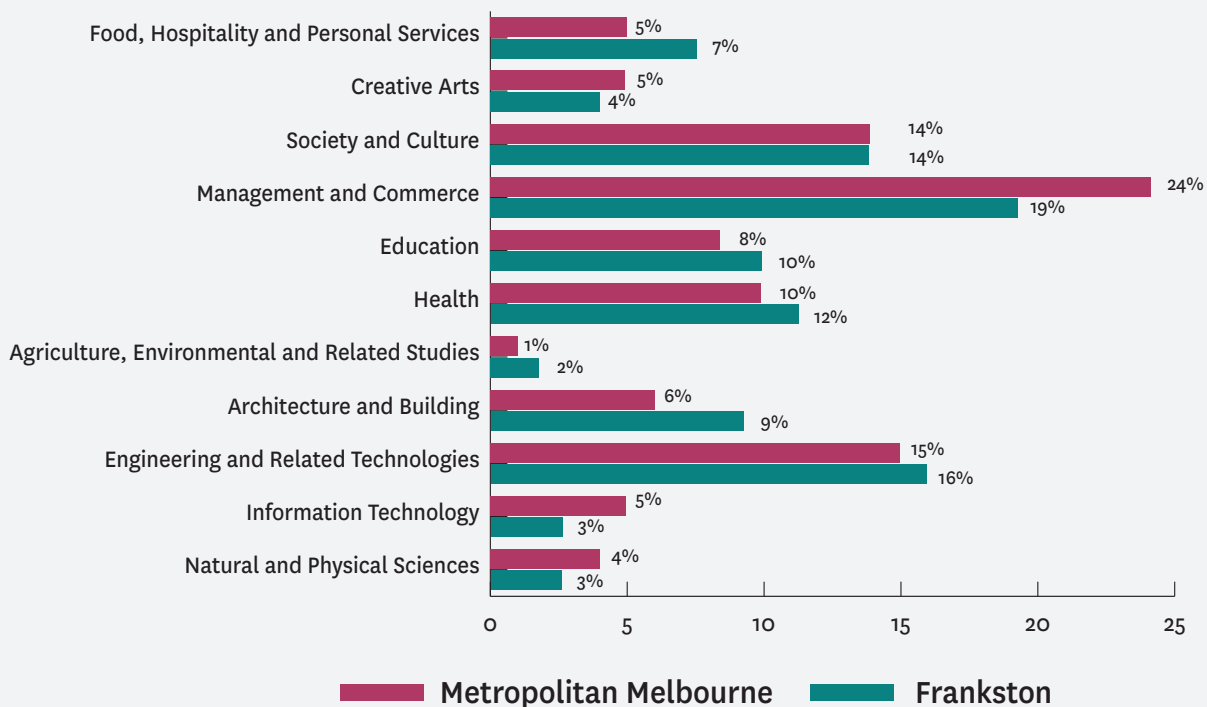
Jobs per 100 residents in Frankston City

161,660

Projected population in 2041

Source: REMPLAN, Release 2, 2022 (published May 2023) and Profile.id (informed decisions), February 2023

Frankston City resident qualifications compared to Metropolitan Melbourne



Source: ABS Census, 2021

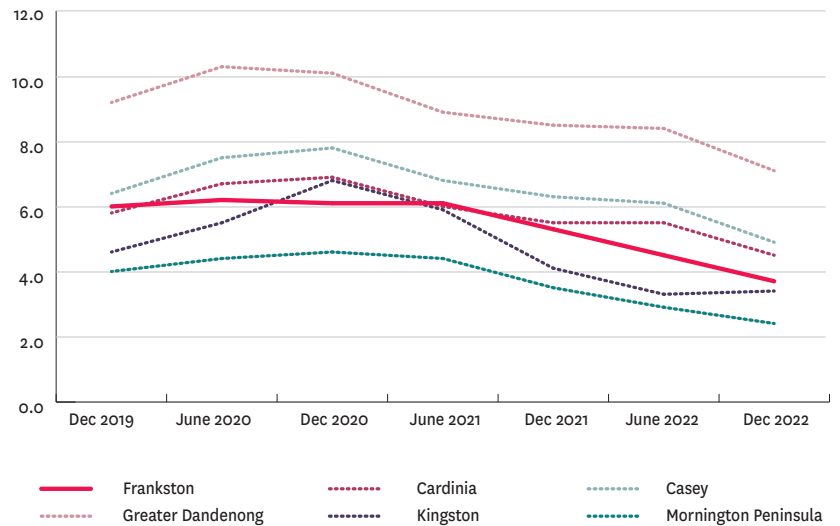


Unemployment rates

Frankston City has an engaged workforce with low unemployment rates in the municipality. A low unemployment rate is a core aim of economic development.

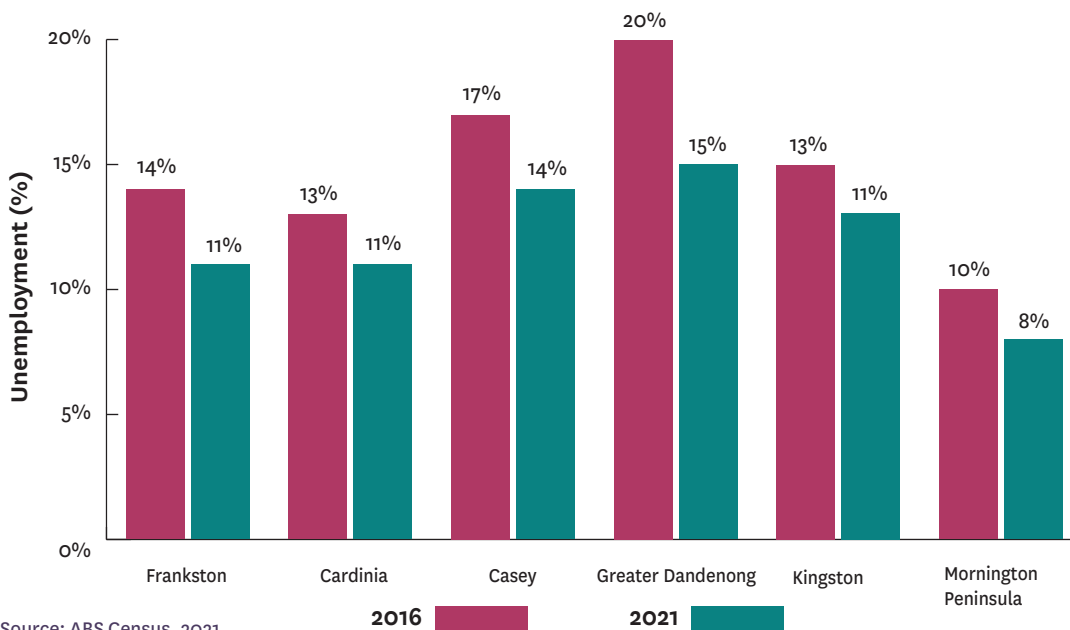
- Unemployment in Frankston City peaked at 7 per cent in 2017. During the pandemic it reached 6.5 per cent before falling back to 4.6 per cent in 2022. In 2023, the unemployment rate has gone further down to 3.6 per cent.
- In Frankston City's youth unemployment for people aged 15-24 has declined since 2016, down 3 per cent. Female unemployment is just over 4 per cent in Frankston. Compared to neighbouring LGA's, Frankston City has a low female unemployment rate.

Frankston City's Unemployment Rate compared with neighbouring LGA's



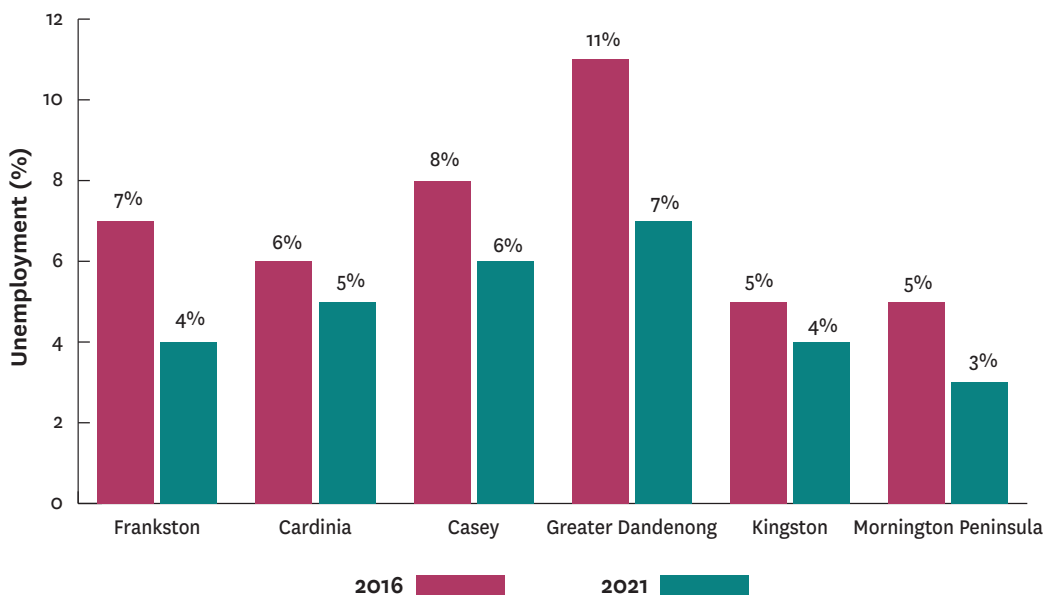
Source: National Skills Commission Small Area Labour Market, 2022 and REMPLAN, Release 2, 2022 (published May 2023)

Frankston City's Youth (aged 15-24) Unemployment Rate compared with neighbouring LGA's



Source: ABS Census, 2021

Frankston City's Female Unemployment Rate compared with neighbouring LGA's



Source: ABS Census, 2021

Economic resilience

Nearly 9 per cent of Frankston City’s population is involved in volunteering.

Volunteering is a pillar of strength in the community with nearly 12,000 residents making economic and social contributions without financial gain.

Frankston City’s residents are engaged, have a high sense of social inclusion and reasonably high levels of life satisfaction pointing to an engaged local community.

An engaged, local community can play a vital role in fostering economic resilience by creating a supportive environment for businesses, encouraging entrepreneurship, and fostering collaboration among community members.

By creating a supportive environment, the community strengthens its economy, adapts to challenges and shocks such as Covid-19, and sustains the wellbeing of its residents.

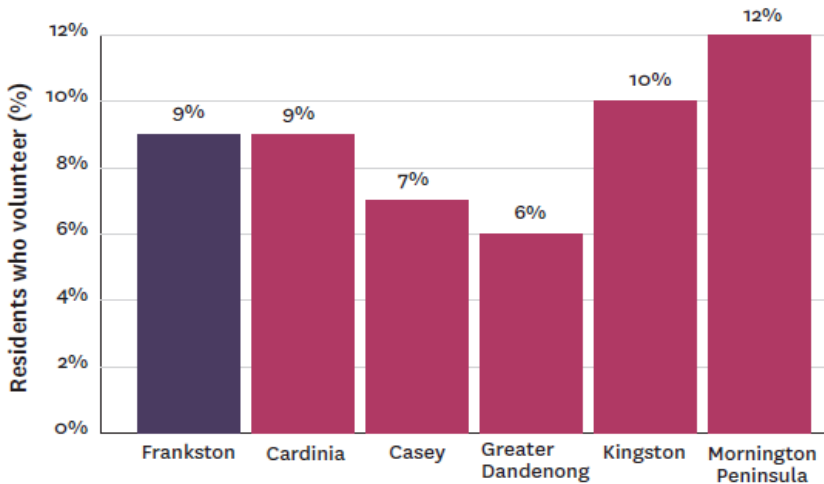
83%
of residents’ feel valued by society

83%
of residents’ feel most people can be trusted

75%
of residents’ have a high or very high life satisfaction

Source: Victorian Department of Health, Victorian Population Health Survey, 2020

Percentage of Frankston City residents volunteering compared with neighbouring LGA’s



Source: ABS Census, 2021

Local Business experience with the Economy, Investment & Activation Team

In September 2023, the Economy, Investment & Activation (EIA) team conducted an Annual Business Survey with local businesses to better understand how Council can help and support them and the type of services needed by business operators. 147 responses were received.



We asked whether “you have interacted directly with a member from Council’s Economy, Investment and Activation (EIA) team?”

Yes	14% (20 count)
No	72% (107 count)
Not sure	14% (20 count)



We asked “if yes, how satisfied were you with the service provided by the EIA team?”

Very Satisfied	45% (9 count)
Satisfied	50% (10 count)
Dissatisfied	0% (0 count)
Very Dissatisfied	5% (1 count)

03

Investment and spending Annual Snapshot



Local spending

While there was over \$3 billion spent locally in Frankston City, over \$1.7 billion was spent by residents in other municipalities between October 2022 - September 2023.

Escape spending reduces the circulation of money within the local economy, resulting in a weakened multiplier effect. On the other hand, escape spending highlights an opportunity to redirect and capture a portion of that spending back into the local economy.

\$3.31B

Total local spend

\$1.78B

Resident escape spend

\$1.38B

Visitor local spend

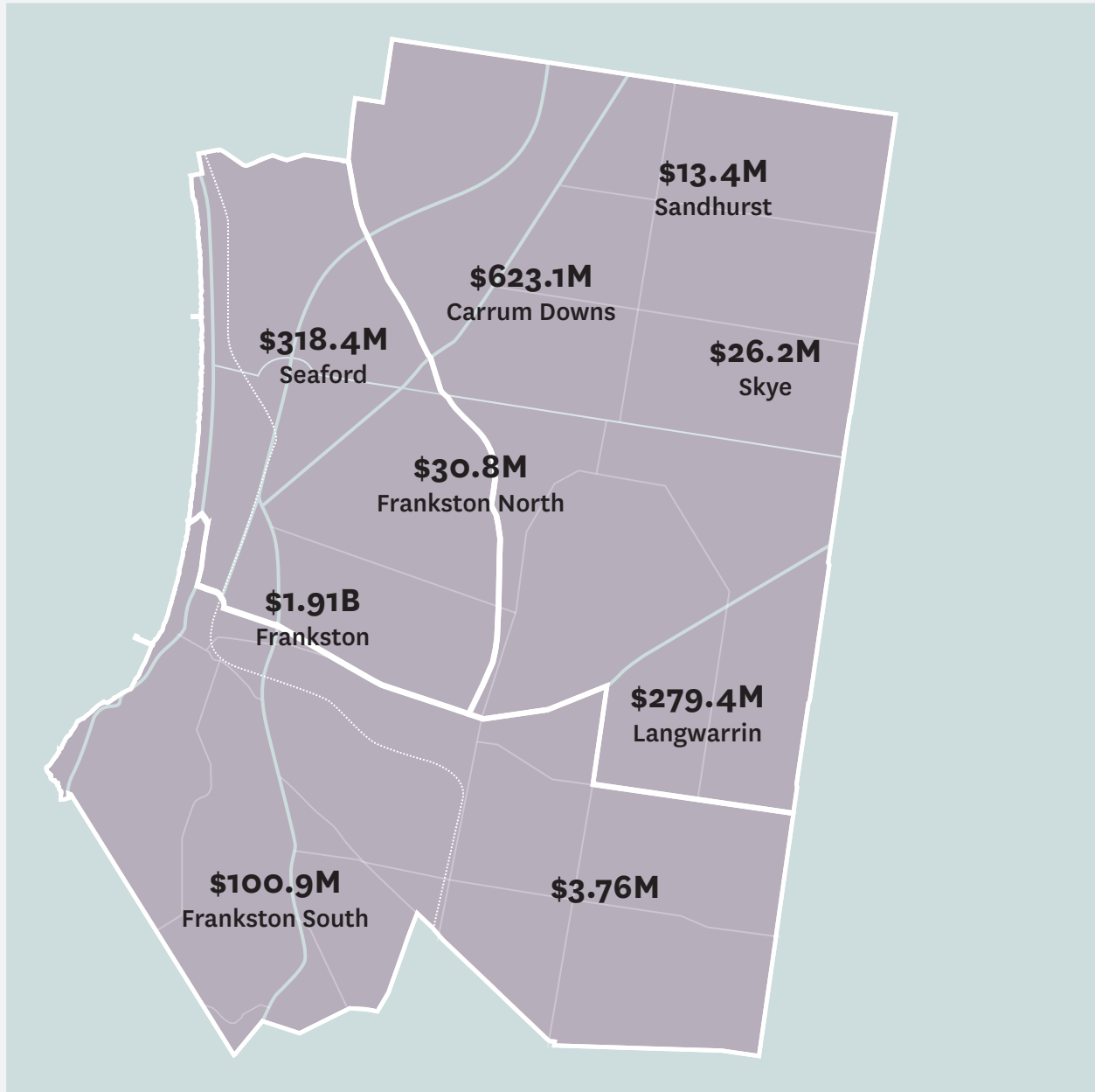
\$521M

Total local spend in the Night-time economy

Source: Spendmapp Oct 2022 - Sep 2023

Resident local spend by suburb within Frankston City

Of the \$3.31B total local spend, 57 per cent is spent within Frankston, with the remainder distributed across the municipality.



Source: Spendmapp Oct 2022 – Sep 2023

Local investment

Building approvals are a measure of construction activity in the economy. Approvals indicate confidence in the business community and residents to invest. The supply of available land is a vital determinant of the level of investment.

The growth of Frankston City has the backing of Victorian Government investment and projects. Investment from government at different levels shows recognition of the areas value and a commitment to long term growth. Investment and funding acts as catalysts for economic activity

533

Residential building approvals
(2022-2023)

\$245M

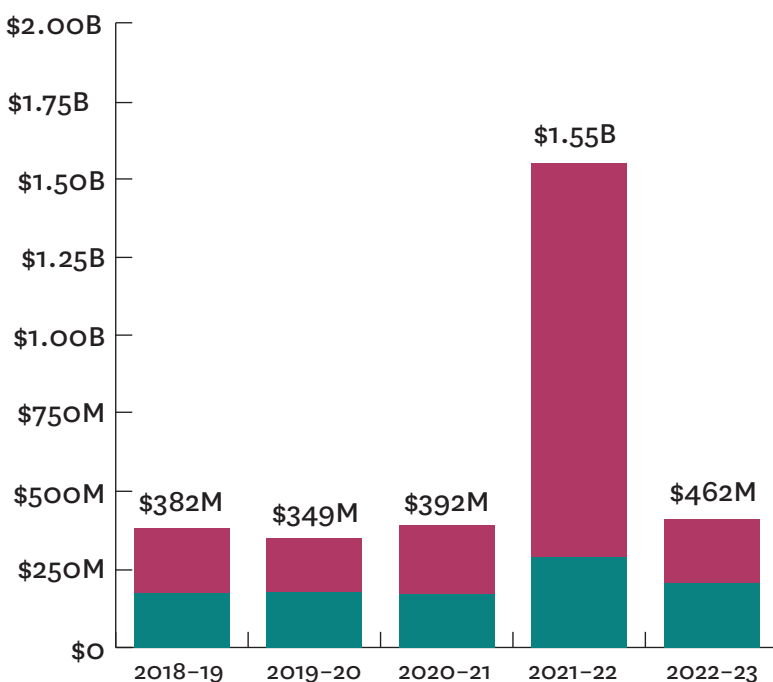
Value of residential building
approvals (2022-2023)

\$217M

Value of non-residential
building approvals (2022-2023)

Source: SGS Economics and Planning using ABS Building Approvals, 2023

Value of building approvals in Frankston City



■ Value of residential ■ Value of non-residential building

Source: SGS Economics and Planning using ABS Building Approvals, 2023

Key State Government investment and project commitments

Frankston Hospital
redevelopment and
expansion

New tech school to
improve students' skills
and knowledge

Level crossing removals

Chisholm Institute —
Stage 2 redevelopment

Commuter Car Park
infrastructure

Youth treatment facility
upgrades

Source: Victorian Government Budget, State Capital Program 2023-24

04

Council's commitment to local businesses

July - September 2023



Key highlights:

- Council's new Footpath Trading & Parklet Guidelines were made available on Council's website to assist business operators to take advantage of outdoor trading opportunities.
- Following an extensive review, including both mobile food van operator and community engagement, new Mobile Food Van Procurement Guidelines were endorsed by Council at the 21 August 2023 Council Meeting. At this meeting Council also endorsed the extension of all existing licence holders until 30 April 2024 to allow for a smooth transition process for both current and new operators.
- A new *Draft Economic Development and Skilled Community Strategy 2023-2026* was completed. The *Draft Economic Development and Skilled Community Strategy 2023-26* aims to support economic prosperity by using current economic and demographic data and information to build on existing strengths and advantages which are aligned with the Frankston City Community Vision and Council Plan.
- Council officers attended the South East Melbourne Manufacturers Alliance (SEMMA) Annual General Meeting on Thursday 24 August 2023.
- Council officers attended the South East Business Conference on 30 August 2023 where various speakers discussed how local governments and industry can collaborate to support the region. This event had around 200 attendees from various industry sectors come together.
- The Vicinity Jobs Fair, supported by Council officers, was held on 7 September 2023. 100's of students and job seekers attended the Fair to take part in on-site interviews for various jobs throughout the Frankston City area as well as at Vicinity Bayside itself.
- Council's Annual Business Survey was completed on 29 September 2023 with 147 responses received. Council officers will now review the survey responses to assist in identifying business training and other supports sought by local businesses.
- Promotion commenced for both the 2023-24 Business Grants and 2023-24 Façade Improvement Grants, both of which opened for applications in October 2023. The 2023-24 Business Grants have a total grant offering of \$180,000 and the Façade Improvement Grants have a total of \$150,000 available for local businesses.

Businesses successfully supported to establish or change location within the municipality

Business Movement	July 2023	August 2023	September 2023
Entering	3	2	1
Location change	0	1	1

Frankston City Business Success Stories

NetfocusIT

Family owned and operated NetfocusIT expanded its operations moving to a larger and more central location on Wells Street, Frankston. The IT company can now provide customers with a comfortable space to receive in-person help from expert technicians.

On a Mission Services

On a Mission Services, which details and decontaminates Victoria Police vehicles, was recently awarded winner in the Trade and Construction category at the Frankston Business Excellence Awards. The successful Skye business began in 2021 with two employees and has since grown to a team of 12.

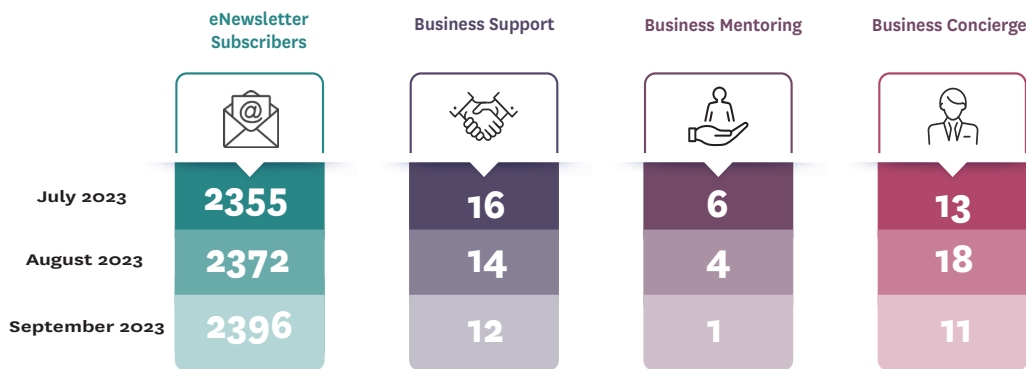
Susd

Showcasing more than 80 local makers and sustainable product brands, SUSSD Store opened on Station Street, Frankston in September, adding to the location's creative arts culture. Previously a pop-up shop, Susd now has a more permanent and prominent home.

The Triathlon Store

Opportunity came knocking for The Triathlon Store to join forces with Me Time Recovery and occupy a vacant and abandoned premises on Nepean Hwy. The two businesses have transformed the space into a busy one stop shop for all things swim, ride, run and recovery.

Business Engagement



eNewsletter Subscribers: Number of subscribers to the Business eNewsletter

Business Support: Number of businesses assisted with workshops, grant assistance, business relocation and more

Business Mentoring: Number of businesses who signed up for free mentoring and were assigned a mentor

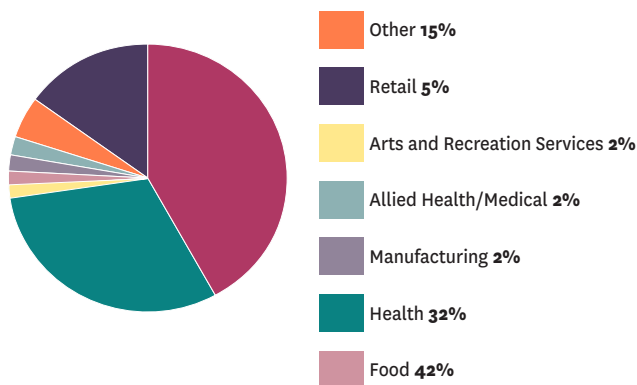
Business Concierge: Number of Business Concierge requests actioned

Business Concierge Service

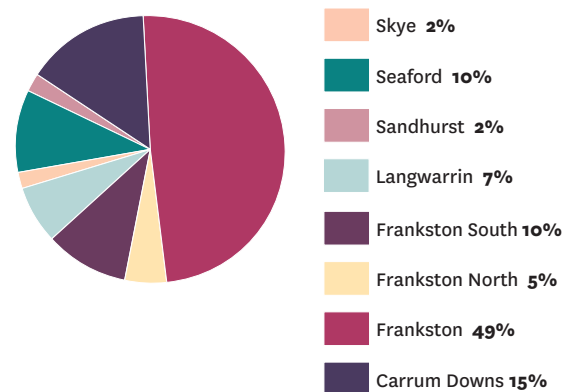
Our Business Concierge is a free service to help guide businesses to start up, grow or relocate by:

- providing information to help open or expand a business
- helping business operators to understand which permits they need
- help with completing and submitting these applications
- connecting business operators with Council's business mentoring service
- offering advice on other aspects of running a business

Business Concierge requests by industry type



Business Concierge request locations



Businesses assisted by the Business Concierge





**FRANKSTON CITY
COUNCIL**

30 Davey Street
Frankston VIC 3199
Australia
PO Box 490
Frankston VIC 3199

Phone 1300 322 322
Email business@frankston.vic.gov.au
frankston.vic.gov.au