

Report to the Future Melbourne Committee**Agenda item 6.3****Economic Development Strategy: Progress and next steps****6 February 2024****Presenter:** Andrew Wear, Director, Economic Development and International**Purpose and background**

1. This report provides an update on the City of Melbourne (CoM) economy, including progress to deliver on the Economic Development Strategy and proposed further initiatives to support sustained economic growth.
2. At the height of the COVID-19 pandemic, Melbourne was arguably the most locked-down city in the world. During much of 2020 and 2021, Melbourne experienced 263 days of lockdown and the City of Melbourne's economy was the most impacted in Australia.
3. On 29 June 2021, Council endorsed *Melbourne's Thriving Economic Future. Economic Development Strategy 2031* (EDS). This strategy is aimed at growing the city's economy to \$150 billion over the decade. On 8 November 2022, Future Melbourne Committee (FMC) endorsed interim economic targets for 30 June 2024, of \$120 billion in Gross Local Product, 525,000 jobs and \$229,000 in Gross Local Product per job.
4. On 22 March 2023, FMC endorsed a range of measures to grow the economy and requested by April 2024 a progress report and recommendations for additional measures to grow the economy.
5. To support increased office attendance, on 5 December 2023, FMC requested that management lead a marketing campaign encouraging a return of office workers after the summer holidays. It also requested that the Chief Executive Officer convene a round table of major employers to discuss office attendance and requested that the Lord Mayor write to the Premier regarding the return of Victorian public servants to their CBD workplaces.

Key issues

6. Since the final COVID-19 restrictions were removed in April 2022, Melbourne's economy has recovered remarkably strongly. Consumer spending has returned to 2019 levels, pedestrian activity at night time and on weekends regularly exceeds 2019 levels, hotel room bookings exceed 2019 levels and there are five per cent more international students in the city than in 2019.
 - 6.1. Recent data continues to bear this out. In the week ending 14 January 2024, pedestrian activity at Town Hall (West) was five per cent above the pre-COVID benchmark. In December 2023, consumer spending (inflation-adjusted) was three per cent higher than in December 2019. Melbourne Airport has exceeded pre-pandemic international capacity and in December set an all-time record of 4,976 international flights.
7. Melbourne's economic recovery has been underpinned by a substantial and ongoing program of activity delivered by Council. This has included interventions ranging from extensive marketing efforts and delivery of new major events through to a substantial scaling up of cleaning and graffiti removal.
8. Implementation of the EDS continues to underpin the city's medium and long term growth. Of the 41 actions contained in the EDS, nine are now complete and the remaining 32 are in train. Attachment 2 provides an overview of progress against each of the actions.
9. Notwithstanding the impact of the pandemic, CoM's economic growth has been impressive. Over the decade to 2021-22 (the most recent available data), CoM's economy (measured by Gross Regional Product) grew from \$80.5 billion to \$114 billion. This is an increase of 42 per cent, twice the rate of growth as the Victorian economy, which increased by 21 per cent. Over this period, 34 per cent of Victoria's economic growth occurred in the City of Melbourne, including nearly all of the growth in the financial and insurance services sector.¹
 - 9.1. Most (82 per cent) of CoM's economic growth has come from the knowledge economy. Financial/insurance services and professional/scientific/technical services are the sectors that have been the source of the most economic growth.

¹ Economic data taken from economy.id platform, which is largely based on analysis of ABS data-sets. The most recent data available is for 2021-22.

10. CoM's economy is on-track to reach the 2031 targets as well as most of the interim targets noting that municipal level data for 2022-23 is not yet available.
 - 10.1. In the 12 months to 2021-22, CoM's economy grew by 4.85 per cent to \$114 billion. To meet the interim target of \$120 billion by 2023-24, CoM will need to experience two years of growth at three per cent per annum.
 - 10.2. As at 31 December 2022, there were 480,600 jobs in the municipality, behind the interim target of 525,000 jobs by 30 June 2024. Note that these figures exclude construction workers, home-based workers and itinerant workers, which represent a large number of jobs. Management is currently trialling a new platform for economic data that includes these important cohorts.
 - 10.3. As at 31 December 2022, each job in the municipality contributed \$237,000 in Gross Local Product (up from \$209,000 in 2019). This exceeds the interim target of \$229,000.
 - 10.4. Shopfront vacancies continue to decline steadily from a peak of 31 per cent in November 2021 to 12 per cent in December 2023. There is still some way to go before the EDS target of five per cent is achieved, but commercial real estate services company, CBRE, reports that Melbourne has the lowest retail vacancy rate in Australia.
11. While the recovery has been strong, challenges remain. The rhythm of the city is different to the pre-pandemic period. This has created opportunities for some businesses, but challenges for others. Changing patterns of work mean there are fewer office workers in the city, and mornings are much quieter, with commuter traffic at Flinders Street Station between 6-9am on weekdays at just 61 per cent of 2019 levels. While some parts of the city (eg the central retail core, Southbank) have recovered strongly, others lag behind.
12. In the wake of the pandemic, hybrid work has become normalised for office-based workers. CBRE reports that in the September 2023 quarter, Melbourne's office occupancy averaged 56 per cent. Reflecting the extent of Melbourne's lockdowns, this is substantially lower than in other Australian cities (Sydney and Brisbane were at 75 per cent). Melbourne should ultimately aspire – and expect – to achieve office occupancy rates similar to other capital cities. Key activities underway to address this include:
 - 12.1. To coincide with the end of the summer holidays, the Only in the City summer campaign is positioning the 'city as the ultimate playground for work and play' with targeted city worker marketing.
 - 12.2. On 15 February, the CEO will convene a roundtable discussion with 20 major employers to discuss return of office workers
13. Despite the challenges hybrid working poses, it appears likely that the central city will continue to be the location of choice for knowledge businesses, even if their staff are in the office less than full time. The city is where businesses get to be near other businesses (customers, suppliers, support services, investors), where their staff are able to enjoy the street-level benefits of the city (hospitality, retail, entertainment, arts) and it is the location that is most easily accessible for a broader labour market.
14. The challenge in this context is to continue to position the central city as the best place to do business. This needs to involve: a) attracting talented people to the city by enhancing liveability and keeping the city active and vibrant; b) ensuring that the city is inclusive, and that barriers to participation in the economy are eliminated; and c) ensuring the city is an easy place to start and grow a productive business, and that it continues to be the centre of innovative activity in Victoria. Attachment 3 summarises this approach.
15. Key economic development priorities for the next six months include:
 - 15.1. A marketing plan will be developed to position Melbourne as a vibrant place of business
 - 15.2. Work is being progressed with the Australian Retailers' Association and Melbourne retailers to update trading hours to reflect the new rhythm of the city.
 - 15.3. A Destination Management Plan for Melbourne will be finalised, guiding interventions to support CoM's visitor economy
 - 15.4. Work with major employers will reduce the barriers to the employment of international students
 - 15.5. Work with five priority innovation sectors (life sciences, climate technology, digital gaming, education technology and sporting technology) will identify opportunities for collaboration and support that could underpin significant growth in these sectors.
16. The November 2023 appointment of the City Economy Advisory Committee (CEAC) will also provide additional input to support Melbourne's economic growth. The two instances of the City Economy Summit

held in December 2023 saw almost 350 business leaders, owners and traders come together to explore ideas to drive economic activity. CEAC is currently considering the Summit outcomes and will shortly present recommendations to council for consideration.

Recommendation from management

17. That the Future Melbourne Committee requests management:
 - 17.1. Provide a report in March detailing outcomes of the City Economy Summit and recommendations from the City Economy Advisory Committee.
 - 17.2. Commence work to refresh the Economic Development Strategy, for consideration by Council before June 2025.
 - 17.3. Update councillors via briefing paper with progress towards Economic Development Strategy interim targets when 2022-23 data becomes available.

Attachments:

1. Supporting Attachment (page 4 of 14)
2. Economic Development Strategy implementation progress (page 5 of 14)
3. Conceptual framework for the City of Melbourne economy (page 14 of 14)

Supporting Attachment

Legal

1. There are no direct legal implications for council in the recommendation of this report.

Finance

2. There are no direct financial implications arising from the recommendation from management. Provision of funding for activities to support the implementation of the EDS during the current financial year has been confirmed.

Conflict of interest

3. No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a material or general conflict of interest in relation to the matter of the report.

Health and Safety

4. In developing this proposal, no Occupational Health and Safety issues or opportunities have been identified.

Stakeholder consultation

5. The design of the EDS was informed by stakeholder consultation during the first half of 2021.

Relation to Council policy

6. The EDS is an endorsed strategy of council, and its implementation is a major initiative in the Council Plan.

Environmental sustainability

7. In developing this report, environmental sustainability issues have been considered and no direct issues were identified

Economic Development Strategy: Implementation

Progress as at January 2024

Attachment 2
Agenda item 6.3
Future Melbourne Committee
6 February 2024

1. A business-friendly city: Building the recovery on new business formation, investment and growth

Action #1: Deliver an enhanced Business Concierge Service that will assist city businesses to navigate council processes and regulations and be the first port of call for business enquiries.	
Key milestones and activity	<ul style="list-style-type: none"> Consolidated a Business Concierge team comprised of subject matter experts to assist small businesses establish themselves in the City of Melbourne (CoM). In 2022–23, the team worked with 46 small businesses to fast track their entry into the municipality, and in doing so contributed approximately \$55 million in expedited Gross Local Product.
Status	Completed
Action #2: Facilitate major new investment proposals - especially global headquarters and research and development centres - through the establishment of Invest Melbourne, which will offer assistance to identify suitable locations and streamlined planning and permitting.	
Key milestones and activity	<ul style="list-style-type: none"> Developed the 'Invest Melbourne' entity, which currently has an investment pipeline of over 160 projects including international, national and local businesses considering CoM as a location for their operations. In 2022–23, Invest Melbourne supported and delivered 67 investment projects with two headquarters established within the municipality. A further 52 businesses in the life sciences and technology sectors are being provided support and advice through the TradeStart program to become export ready.
Status	Completed
Action #3: Provide coordinated support for Melbourne's innovation; entrepreneurship and startup ecosystem, including international enterprises, to encourage business development and capacity building. This includes supporting and fostering business and industry innovation events.	
Key milestones and activity	<ul style="list-style-type: none"> Continued delivery and support for several innovation-focused events to facilitate connections, enhance capabilities, and promote business development. Supported the participation of Melbourne startups in the Australian Round of the global She Loves Tech 2023 competition and the inaugural HEXPO. The latter brought together 200 business owners, creatives, students, and founders to engage in discussions addressing future challenges.
Status	In Progress
Action #4: Digitise CoM permits and streamline processes eg. By digitising construction and business permits and statutory planning processes.	
Key milestones and activity	<ul style="list-style-type: none"> Successfully deployed 22 permit application processes on the Salesforce Public Sector Solution platform and began streamlining the residential parking permit process. The past six months have seen 6,950 Applications submitted and 5,784 Permits issued.
Status	In Progress
Action #5: Implement mechanics for delivering affordable commercial and creative workspaces, to ensure a productive mix of industries and businesses.	
Key milestones and activity	<ul style="list-style-type: none"> Working with Fishermans Bend IDEAS, a two-year state led project to embed enterprise and creative industries into the precinct with a focus on the National Employment and Innovation Cluster area.
Status	In Progress
Action #6: Facilitate startups and entrepreneurs in Melbourne to connect with international investment and commercialisation opportunities, particularly in Asia, North America and Europe.	
Key milestones and activity	<ul style="list-style-type: none"> Delivered several initiatives to facilitate and support Melbourne startups and entrepreneurs to connect with opportunities in Asia, such co-hosting the 2023 Nexus pitch competition and Nexus Alumni Night. Delivered and supported more than thirteen innovation related inbound delegations, with highlights including City of Osaka 45th Anniversary Mayoral Delegation, Business Partner City Roundtable, Technology and Innovation Roundtable with Jiangsu delegations, and the Global Entrepreneurship Congress.
Status	In Progress

Action #7: Deliver a collaborative program with local partners in social enterprise, social impact, hybrid business model, blended finance instruments and capital raising, to grow the impact investing market in Melbourne's precincts.	
Key milestones and activity	<ul style="list-style-type: none"> Delivered the 2023 Social Enterprise Grants Program supporting social enterprises with grant funding of up to \$20,000 per business to locate to Melbourne and to strengthen their operations, through projects of up to a year duration. The Micro-Labs pilot offered a shared and flexible venue for community members and organisations to collaborate, meet people, co-work or host/join an event. More than 23,000 visits, 500 events, and 80 organisations used the space between May 2022 to December 2023.
Status	In Progress

2. A creative resurgence: Designing a new value proposition for the city

Action #8: Support Melbourne's creative industries through adaptive reuse and activation of precincts and vacant spaces throughout the city.	
Key milestones and activity	<ul style="list-style-type: none"> 271 Collins Street will open as a creative hub in March 2024, providing 18 new work spaces and supporting approximately 110 creative industry workers. Four creative retail businesses will open at Victoria Square in January 2024 for two years. This short term opportunity provides the lease holders a lower risk opportunity to test and develop a retail proposition and increases the number of creative businesses in the city.
Status	In Progress
Action #9: Through a new tourism entity called Visit Melbourne, we will position Melbourne as the premier international and domestic visitor destination in Australia. We will promote the breadth of our original, inspiring and unique experiences, and attract and deliver an exciting major events program throughout the calendar year.	
Key milestones and activity	<ul style="list-style-type: none"> Established 'Experience Melbourne' to drive visitation and spend to support the city's recovery from the impacts of COVID-19, whilst reaffirming Melbourne as the destination of choice. The entity involves a number of complementary functions, including destination marketing, branding, event sponsorship, event management, event permitting, visitor servicing and the visitor economy aligned in one team. New working relationships have been established with external agencies to drive improved outcomes for Melbourne's visitor economy.
Status	Completed
Action #10: Draw on advice from the Night Time Economy Advisory Committee to ensure that the central city economy responds to the impacts of COVID-19.	
Key milestones and activity	<ul style="list-style-type: none"> Established the Night Time Economy Advisory Committee to provide a collaborative platform for engagement and consultation between Council and the night-time economy sector. The committee provided strategic advice and direction from relevant industry representatives. The committee informed the Dusk till Dawn Activation Grants Program that delivered 17 activations in the city between May and December 2023. Night-time consumer spending is now higher than in 2019.
Status	Completed
Action #11: Collaborate with the Victorian Government and arts organisations on the development of the Melbourne Arts Precinct to ensure there is investment in all aspects of the arts, including affordable workspaces, rehearsal spaces, galleries and performance spaces.	
Key milestones and activity	<ul style="list-style-type: none"> The Lord Mayor, Chief Executive Officer and the Chief Executive Officer of MAPCo meet bi-monthly to discuss collaboration opportunities. Management meets regularly with senior officers at MAPCo to ensure alignment of strategy and operations for mutual benefit. Management is in regular dialogue with Creative Victoria around investment in all aspects of the arts including creative space making and grant funding.
Status	In Progress
Action #12: Continue to collaborate with the music industry to support and protect all aspects of the city's music ecosystem through industry development and regulation.	
Key milestones and activity	<ul style="list-style-type: none"> Monash University, with support from the Victorian Government and the CoM, released a report on the impact of sexual violence in urban music spaces. The study assessed how music workers and music participants navigate, deal with and try to prevent exposure to sexual violence. It also explored the impact of this epidemic on music participation, music production, music education and the music media space.

	<ul style="list-style-type: none"> With CoM as project partner, Music Victoria launched the Melbourne Live Music Census 2022. The report compared industry performance in 2019 against 2020–21, providing a benchmark to help guide the sectors growth trajectory and also made a number of recommendations.
Status	In Progress
Action #13: Work with the Victorian Government to facilitate investment in Docklands, including the redevelopment of Central Pier and Docklands Media Precinct, to establish it as a destination, extension of the central city, and emerging film and digital media hub.	
Key milestones and activity	<ul style="list-style-type: none"> Continued advocacy to the Victorian Government for the redevelopment of Central Pier and Harbour Esplanade, facilitating activation of Harbour Esplanade until redevelopment can occur. Currently investigating opportunities to deliver additional greening, activations and small scale public realm improvements on Yanonung Quay, as part of delivering on the short-term actions from the Docklands Summit.
Status	In Progress
Action #14: Continue to invest in Aboriginal artists and organisations, and support diversity in the arts through inclusive funding models.	
Key milestones and activity	<ul style="list-style-type: none"> Supported over 1,000 Aboriginal and Torres Strait Islander artists, over 3,200 artists from multicultural communities, over 800 artists who identified as deaf and disabled and in excess of 3,000 LGBTQIA+ artists through program including ACIP, Arts Grants, Aboriginal Arts Grants and Quick Response Arts Grants. Aboriginal and Torres Strait Islander funding round was separated from the Annual Arts Grant round to a stand-alone round with targeted advertising and communications plan which saw an increase of 633% in applications received.
Status	In Progress
Action #15: Collaborate with peak arts organisations on industry insights into how to sustain the city's visual art, craft, performance, dance, literature and music industries.	
Key milestones and activity	<ul style="list-style-type: none"> Over the last 6 months significant consultation undertaken with arts organisations and peak bodies to inform the development of several key pieces of work. The review and refresh of the Creative Funding Framework 2023-30 directly engaged 42 Arts Organisations and 7 Peak Bodies (incl. State/ Fed Gov). The development of a Creative Programming Framework 2025-34 involved 45 Arts Organisations and 9 Peak Bodies (incl. State/ Fed Gov) and is to be considered by Council in March 2024.
Status	In Progress
Action #16: Support the recovery of the creative community through the delivery of funding models that enable development and online work.	
Key milestones and activity	<ul style="list-style-type: none"> Supporting the creative sector ecosystem by encouraging development and online projects and ideas. This has built significant creative capacity and in the case of online work, attracted much wider attention to Melbourne artists.
Status	Completed

3. Post-COVID 3000: Increasing the supply of housing for city workers

Action #17: Deliver a marketing and communications strategy that will promote the central city as a great place to live.	
Key milestones and activity	<ul style="list-style-type: none"> Promotion of the central city as a great place to live through the Live Melbourne campaign run throughout 2022–23. Ongoing messaging about Melbourne features frequently in projects and initiatives across all Management's communications channels, including media releases, social media, Melbourne News, Melbourne Magazine, Business Concierge, Neighbourhood Portals and speech content.
Status	Completed

Action #18: Implement the Affordable Housing Strategy 2020-2030, including: (a) Supporting Homes Victoria to purchase vacant properties in existing residential, developments for use as affordable rental housing; (b) Delivering more affordable rental housing on CoM land; (c) Prioritising investment in CoM as part of Victoria's Big Housing Build, particularly in our urban renewal areas; (d) Working with the Victorian Government to introduce higher affordable housing requirements in all urban renewal precincts.	
Key milestones and activity	<ul style="list-style-type: none"> Working closely with Homes Victoria to deliver more affordable rental housing in the CoM. Homes Victoria spot-purchased a 34 unit affordable housing project in Kensington during 2023. Progress identifying CoM land for potential affordable housing sites. Consultation on these projects is planned to commence in 2024. Two affordable housing projects have been funded through the Big Housing Build at Shiel Street, North Melbourne and Lincoln Square North, Carlton. Advocacy continues for mandatory affordable housing contributions in urban renewal areas. Recent structure plans in Arden and West Melbourne have been approved with voluntary affordable housing contributions, while the Macaulay Structure Plan is currently being assessed by the Victorian Government before the Planning Panel process.
Status	In Progress
Action #19: Commit to a new partnership between Homes Victoria and the CoM, through its proposed new entity, Homes Melbourne, to deliver significant affordable and energy-efficient housing in the municipality.	
Key milestones and activity	<ul style="list-style-type: none"> Management and Homes Victoria have established regular working meetings and continue to advocate for establishment of the Social and Affordable Housing Compact between Homes Victoria and local governments across Victoria.
Status	In Progress
Action #20: Advocate for the Victorian Government to drive demand for existing city property in the immediate term with measures such as: (a) Removing land-tax on Build-to-Rent developments for two years, to increase supply of rental housing; (b) Removing the foreign purchaser additional duty for two years.	
Key milestones and activity	<ul style="list-style-type: none"> State and Federal tax incentives for Build-to-Rent projects have now been legislated. The value of these incentives exceed those outlined in the Economic Development Strategy. Greater Melbourne has now seen development of more Build-to-Rent units than any other Australian capital city.
Status	Completed
Action #21: Work with the Victorian Government to stimulate a resilient and sustainable pipeline of medium to long-term central city construction projects by: (a) Establishing a joint Victorian Government/CoM planning taskforce as in interim measure to fast-track planning assessment and approvals for all applications over 25,000 sqm; (b) Delivering planning fast-track processes including easing change of use for approved permits to maximise flexibility; (c) Committing to unlocking underused government land for resilient and sustainable development by the market or for strategic infrastructure investment	
Key milestones and activity	<ul style="list-style-type: none"> The Victorian Government 'Housing Statement' was released in September 2023. The Housing Statement outlines reforms which seek to address housing affordability, social housing provision, and streamlined planning permit processes. Planning Scheme Amendments VC242 and VC243 implemented the following fast-track processes into all planning schemes across Victoria Management has a team of fast track planners who facilitate the planning permits and amendments, this includes shop front fit outs and change of use applications. The recently released Housing Statement directs the Victorian Government to 'unlock surplus government land' through rezoning processes that would deliver approximately 9000 homes across Victoria. Details of surplus government land in CoM have not yet been announced.
Status	In Progress

4 Beyond the office: Stimulating a mix of industries through precincts and innovation

Action #22: Support the growth of technology sectors that have the capacity to be globally competitive, including biotech, medtech, advanced manufacturing and engineering.	
Key milestones and activity	<ul style="list-style-type: none"> • Council has endorsed five emerging innovation sectors that will support longer-term economic development objectives by fostering employment opportunities and driving economic growth. Those sectors are: Biotechnology, Climate technology, Digital gaming, Sporting technology, and Education technology. • The Business Event Sponsorship Program for 2022-2023 delivered 22 business events across the calendar year. The program focused on particular knowledge-intensive industry sectors with successful recipients represented in industry sectors of medtech, biotech, fintech, ICT/Digital Innovation, energy and the environment.
Status	In Progress
Action #23: Facilitate the development of more affordable commercial spaces through direct investment and planning mechanisms, including specialised spaces such as wetlabs and research infrastructure.	
Key milestones and activity	<ul style="list-style-type: none"> • Management is exploring potential changes to the planning scheme to support innovation uses in the area between the University of Melbourne and the Hoddle Grid. The potential changes would enable greater opportunities for access to space for innovation uses including startups and scaleups.
Status	In Progress
Action #24: Curate & coordinate the growth & development of existing, emerging & new globally competitive innovation districts in City North, Arden and Fishermans Bend.	
Key milestones and activity	<ul style="list-style-type: none"> • Delivered early infrastructure in Fishermans Bend to support and connect the future innovation precinct. The 'Gateway to GMH' project has delivered in partnership with the Department of Transport and Planning to provides new pedestrian and cycling infrastructure, street greening, digital infrastructure, events, and activation. • Working with the Victorian Government on the delivery of the Arden Structure Plan, including infrastructure identified in the Arden Development Contributions Plan. This will support the precinct's development as an innovation district.
Status	In Progress
Action #25: Partner with industry and the Victorian and Australian Governments to develop our innovation ecosystems, through international engagement, emerging technology trials, digital infrastructure delivery and more.	
Key milestones and activity	<ul style="list-style-type: none"> • Supported a range of international engagement activities to develop Melbourne's innovation ecosystem. These include delivering value-add activities to support the Global Entrepreneurship Congress, hosting a number of innovation-related international delegations and delivering international entrepreneurship programs. • The Melbourne Office Tianjin played a lead role in promoting the city's capabilities at events such as: the China International Import Expo; Victorian Education Mission (Shanghai); the 29th Intelligent Transportation System (ITS) World Congress for Sister Cities (Suzhou); 2023 International Science and Technology Cooperation and Exchange Conference (Nanjing); and China World Port City Cooperation Forum (Tianjin). • Supported and delivered the International Urban and Regional Cooperation Program, including reciprocal staff exchanges with Barcelona and Madrid to gain insights on innovation precincts and how CoM might expand its innovation capacity.
Status	In Progress
Action #26: Advocate for the Victorian Government to commit to delivering integrated public and active transport in urban renewal areas, including Melbourne Metro 2 and trams to Fishermans Bend and the Arden precinct.	
Key milestones and activity	<ul style="list-style-type: none"> • The bicycle connection between the future Fishermans Bend Innovation Precinct (FBIP) and the Birrarung (Yarra River) has been delivered. • The Victorian Government has added 460 new weekly bus services to Fishermans Bend, providing capacity for 32,000 extra people to and from Spencer Street. This is in addition to the 900 extra weekly services added in 2022. • The Victorian Government is progressing delivery of the new layout for the northern end of Laurens Street in Arden, as part of Metro Tunnel works. This includes improved provision for walking, cycling/micro-mobility, and buses. This will be the key interchange and future activity centre for Arden Precinct. • Working with the Victorian Government on the delivery of the Arden Structure Plan, including infrastructure identified in the Arden Development Contributions Plan. • Designs for separated bike lanes along Arden Street, between Moonee Ponds Creek and Macaulay Road, have been approved by the Department of Transport and Planning.

	<ul style="list-style-type: none"> Ongoing work to progress design for separated bike lanes on Queensberry Street, which will link the Arden precinct with North Melbourne and Carlton. Advocacy continues to support improved public and active transport connections into our renewal precincts including Arden, Macaulay, West Melbourne and Fishermans Bend.
Status	In Progress
Action #27: Create a health and biotech innovation hub, to accelerate commercialisation activity.	
Key milestones and activity	<ul style="list-style-type: none"> Jumar Bioincubator opened in late 2023 and is currently welcoming applications from startups seeking self-contained laboratories, offices, and co-working desks for lease.
Status	Completed

5 Unlock climate capital: Transitioning to a leading low-carbon economy

Action #28: Establish Melbourne as a leading market for innovative climate change solutions, by working on sustainable finance mechanisms, promoting ambitious projects that grow the local supply chain and demonstrating how to scale-up solutions.	
Key milestones and activity	<ul style="list-style-type: none"> The CoM team prioritised understanding the global financing opportunities for cities whilst at COP28. Direct engagements were made with key finance groups, and models from other cities were shared. The first stage of a comprehensive overview of the climate technology sector in Melbourne was completed in September with work that identified the opportunities – particularly around investment facilitation. Through the work of the Melbourne Climate Network, preparations are being made to convene a forum with major city-based professional sporting competitions that will uplift efforts around net-zero transition that could result in commercial opportunities for Melbourne-based businesses.
Status	In Progress
Action #29: Explore public-private partnerships to develop climate change solutions and leverage private equity investment.	
Key milestones and activity	<ul style="list-style-type: none"> The Melbourne Climate Network established and launched the first of two roundtables in partnership with Climate Zeitgeist. The first roundtable looked to further explore opportunities to accelerate investment in climate solutions and was attended by over 80 industry experts, startups, scale-ups and investors. The 2024 Open Innovation Competition will focus on zero-carbon activities and initiatives.
Status	In Progress
Action #30: Support small businesses and startups that demonstrate positive social and environmental impacts, through incubators and investment programs.	
Key milestones and activity	<ul style="list-style-type: none"> Developed a partnership with Climate Zeitgeist – an independent organisation established to increase investment in climate technology. Supported ten social enterprises through the Social Enterprise Grants Program 2023 round with up to \$20,000 per recipient. The program included a Circular Economy Stream and supports social enterprises to relocate to Melbourne and to strengthen their operations.
Status	In Progress
Action #31: Launch a Sustainable Development Goal investing initiative in partnership with Melbourne-based institutional investors to explore investment opportunities and hurdles, and serve as a leading city learning platform related to the goals.	
Key milestones and activity	<ul style="list-style-type: none"> The Lord Mayor became a Commissioner for Urban SDG Finance to develop and propose innovative mechanisms and policy reforms to secure greater access for cities to SDG finance. Renewable Energy is a priority sector for the Invest Melbourne Advisory Board. Marketing collateral that outlines Melbourne's value proposition as a leading investment destination is currently under development.
Status	In Progress

6 Diverse city: Leveraging Melbourne's diversity as an asset to society and the economy

<p>Action #32: Support the recovery and resurgence of our international and domestic education sector, by rebuilding Melbourne's reputation among students and their peers, communities and visiting parents through:</p> <p>(a) promoting the Study Melbourne website as the 'One-Stop Digital Community';</p> <p>(b) Developing a special way to welcome and support returning, new and continuing students, graduates and alumni;</p> <p>(c) Advocating for access to transport concessions;</p> <p>(d) Advocating for a standardised accommodation accreditation system;</p> <p>(e) Connecting students with distinct elements of our local culture and history;</p> <p>(f) Advocating for the full return of international students in 2022.</p>	
<p>Key milestones and activity</p>	<ul style="list-style-type: none"> Continued promotion of the Study Melbourne website as the 'One-Stop Digital Community' for new and current international students. Facilitated many events to welcome and support new and continuing students including the Lord Mayor's Student Welcome and an enhanced Student Welcome Program. All undergraduate international students studying full-time are eligible for the International Student Travel Pass. Work continues with Victorian Government to explore extending the concession fare to all students. Working with Victorian Government and peak bodies to ensure students are connected to resources they need to feel safe and supported when seeking accommodation. Through the My Melbourne Program and The Couch – International Student Centre, management engaged over 5,300 international students in a range of memorable experiences. The number of international students studying in Victoria is at 105% of pre-COVID numbers.
<p>Status</p>	<p>In Progress</p>
<p>Action #33: Leverage diaspora and alumni communities to strengthen international relationships and facilitate foreign investment.</p>	
<p>Key milestones and activity</p>	<ul style="list-style-type: none"> Supported and leveraged the CoM WeChat account for public diplomacy, promoting Melbourne as a destination to live, visit, study and do business to an Asian audience. In 2023, a total of 103 posts of featured stories generated 516,000 views, including reposts by the official DFAT Weibo account. Worked with the Australia Japan Business Co-operative Council to deliver Diversity and Inclusion Event celebrating women's relationships and networks within the wider Australia-Japan network
<p>Status</p>	<p>In Progress</p>
<p>Action #34: Partner with industry and government to support the entrepreneurial efforts of people of diverse ages, backgrounds and identifies with a focus on international students, new migrants and female entrepreneurs.</p>	
<p>Key milestones and activity</p>	<ul style="list-style-type: none"> Supported the entrepreneurial efforts of the community including the Open Innovation Competition, She Loves Tech Competition, Shopfront Activation Program; Melbourne International Student Conference, and supporting emerging community groups including empowering and advocating for female and diverse gender representation within the international students and alumni community.
<p>Status</p>	<p>In Progress</p>
<p>Action #35: Review Melbourne's International Engagement Strategy to ensure that future partnerships enable mutual growth and opportunity.</p>	
<p>Key milestones and activity</p>	<ul style="list-style-type: none"> CoM's framework for international engagement was endorsed by Council on 30 May 2023. This sets out guiding principles against which international relationships and activities across seven priority areas are delivered.
<p>Status</p>	<p>Completed</p>

Action #36: Deliver Aboriginal procurement, employment and economic development initiatives through a true model of co-development that is underpinned by the values of self-determination and community-led.	
Key milestones and activity	<ul style="list-style-type: none"> • Member of Supply Nation and Kinaway. Working closely with both organisations to increase procurement opportunities. During the year, collaborated with Kinaway to deliver an Aboriginal Business Expo to showcase 50 Aboriginal Businesses that operate in Victoria. Planning is underway for a First Nations Business Trade Fair in Melbourne in 2024. • CoM's Reconciliation Action Plan outlines the city's commitments to increase Aboriginal supplier diversity and to support improved economic and social outcomes. An Aboriginal Procurement Strategy was published to underpin this work. • Supported the participation of 20 businesses in the Finders Keepers Market. • Worked with key suppliers to increase Aboriginal employment outcomes. This includes the awarding of a contract to an enterprise in which 25% of its staff are Aboriginal. • Commenced work on the establishment of a small business hub pilot, which will be co-located with Management's Aboriginal Melbourne team.
Status	In Progress

7 Digitally connected city: Adapting to connectivity as a knowledge-enabled, smart city

Action #37: Advocate for investment in high quality digital infrastructure and work with the Victorian Government to facilitate adoption of high-speed digitalisation by Melbourne businesses, to maximise productivity and competitiveness.	
Key milestones and activity	<ul style="list-style-type: none"> • Substantial progress has been made in advancing digital infrastructure in Fishermans Bend. In collaboration with the Victorian Government, Fishermans Bend Gateway to GMH precinct is being outfitted with 8 smart nodes to provide smart lighting, and transport activity and environmental digital services. • Exploration for additional smart nodes in Fishermans Bend Site 1 and the Arden precinct is underway, aiming to expand the implementation of future proofed digital urban infrastructure to new areas. Additionally, the CoM's LoRaWAN network has been expanded from 2 to 6 gateways, substantially enhancing LoRaWAN coverage for businesses and the wider public across the city.
Status	In Progress
Action #38: Establish a City intelligence Hub that builds on CoM's open data platform, digitises our operations through digital twins, and models industry 4.0 adoption.	
Key milestones and activity	<ul style="list-style-type: none"> • Progress continues towards establishing a City Intelligence Hub, focusing on exploring digital twin capabilities within the existing tech infrastructure. These capabilities have been integrated into projects like the Greenline community engagement tool, incorporating real-time data, masterplan information, spatial data, and community feedback.
Status	In Progress
Action #39: Enhance our libraries, open data platform, open innovation agenda, skills development and educational programs, and expand knowledge sharing such as Melbourne Knowledge Week and Melbourne Conversations events	
Key milestones and activity	<ul style="list-style-type: none"> • In commitment to enhancing knowledge sharing and community engagement, the City Stories Melbourne Design Week exhibit has been successfully digitised and hosted on Participate Melbourne. • The Open Data Platform has been enhanced to include a central website for Insights and Analytics tools for ease of access for the community.
Status	In Progress

8 A Joint Effort: Collaborating for a thriving city economy

Action #40: Deliver the Melbourne City Revitalisation Fund, a joint initiative of CoM and the Victorian Government, to support the economic recovery of the municipality.

Key milestones and activity	<ul style="list-style-type: none"> Continued to deliver the Melbourne City Recovery and Revitalisation Funds until the end of 2023.
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Status	In Progress
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Action #41: Seek to establish a formal governance mechanism or entity to coordinate economic development in the central city, involving all levels of government and other key institutions.

Key milestones and activity	<ul style="list-style-type: none"> Established the City Economy Advisory Committee in November 2023, with representation from businesses, other organisations and the Victorian government.
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Status	In Progress
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Conceptual framework for the City of Melbourne economy

Interventions

Emerging tech sectors; Melbourne Climate Network; innovation districts; global engagement; Open Innovation; Smart Cities; etc

Small business support; investment facilitation; Business Concierge; digital permitting; data & information; etc

International student support, diversity and inclusion; accessibility; Aboriginal Melbourne; etc

Events, activations, active shopfronts, precinct associations, visitors; students; marketing; etc

Cleanliness; safety; built form; strategic planning; parks; city greening; public realm; recreation facilities; neighbourhoods; parking; transport etc



Productivity
Generate economic value

Participation
Get the best out of everyone

People
Attract talent