

BUSINESS AUDIT 2019



GRIFFITH BUSINESS PREMISES MOVEMENT AS AT 31 JANUARY 2019

Produced by Griffith City Council

Please note that while all due care has been taken to ensure the data included in this report is accurate and current, there may be errors or omissions in it. Griffith City Council and its employees accept no responsibility for the completeness, accuracy or reliability of the data.

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Purpose of the Audit

The Griffith Business Audit was first conducted in 2012 to establish data in relation to the number of bricks-and-mortar businesses in Griffith and to track movement in and out of the various business precincts. This is the eighth successive year Griffith City Council's Economic Development Unit has undertaken a business audit. The data that informs this report was obtained during January 2019.

The Griffith Business Audit is one of Council's key economic development monitoring tools. This data provides a wealth of information to assist Council to deliver the most appropriate development and growth strategies for the City as well as identifying challenges and opportunities for our local businesses.

Aims

The aims of the Griffith Business Audit are to:

- Observe the diversity of retail and commercial activities which occupy bricks and mortar premises in the designated commercial zones.
- Observe the retail and commercial vacancy rates as one of many barometers of business health.
- Establish evidence to determine commercial trends and to identify commercial hubs.
- Create spatial mapping of industry sectors in the Griffith Local Government Area (LGA).
- Identify where retail and commercial activity is thriving, in decline, changing /not changing, by undertaking trend analysis.
- Undertake comprehensive, accurate and annual data to assist in informing assumptions about the retail and commercial status of the Griffith business precincts.

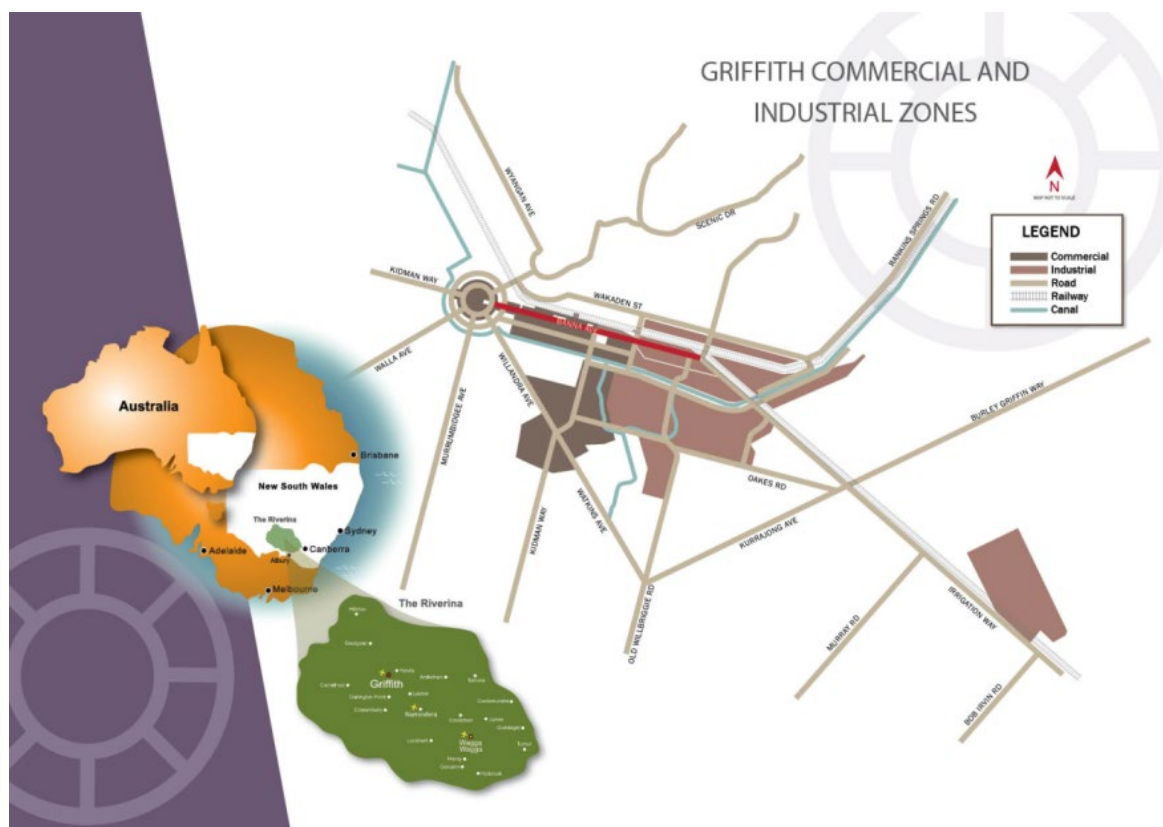


Methodology

1. The Business Audit is conducted on an annual basis, usually in January. Data is collected by driving through the various precincts and videoing the business frontages. Please note that while all due care has been taken to ensure the data included in the report is accurate and current, there may be errors or omissions in it, as the information is reliant on physical factors such as the shop frontage and signage.
2. Following collection of data the information is transferred onto a spreadsheet to allow for review of any variations against the previous year recordings.
3. The Business Audit document is then compiled using the collected data and any required research. In 2019 Business Categories have been introduced to the to gain a more meaningful insight as to what fluctuations are occurring in different industries.
4. The following terms have been used in disseminating and reviewing the data:

- **New** refers to a new business (including the changeover of a business) establishing itself in the location.
- **Closed** refers to a business that has completely closed. A name change and movement to an alternate location is not considered a closure.
- A **vacant** building refers to a building that does not house an operating business. Storage of the leaseholder's belongings is not included as a bricks and mortar business.
- **Movement outwards** refers to a business which has relocated its bricks and mortar shop front to an alternate location.
- As of the 2017 Audit, if a business **expands** into a neighbouring lot it is only counted as one bricks and mortar business.
- **Bricks and mortar** refers to the physical presence of a business in a building or other structure. The term brick-and-mortar business is often used to refer to a company that possesses or leases retail stores, factory production facilities, or warehouses for its operations as opposed to an e-commerce business.
- **Vacancy rate** is calculated by dividing the total number of vacancies by total number of businesses.
- **Total number of businesses** is calculated by adding the total number of bricks and mortar businesses and the total number of vacancies.

Griffith Business Targeted Areas



The business and commercial precincts targeted as part of the Griffith Business Audit include:

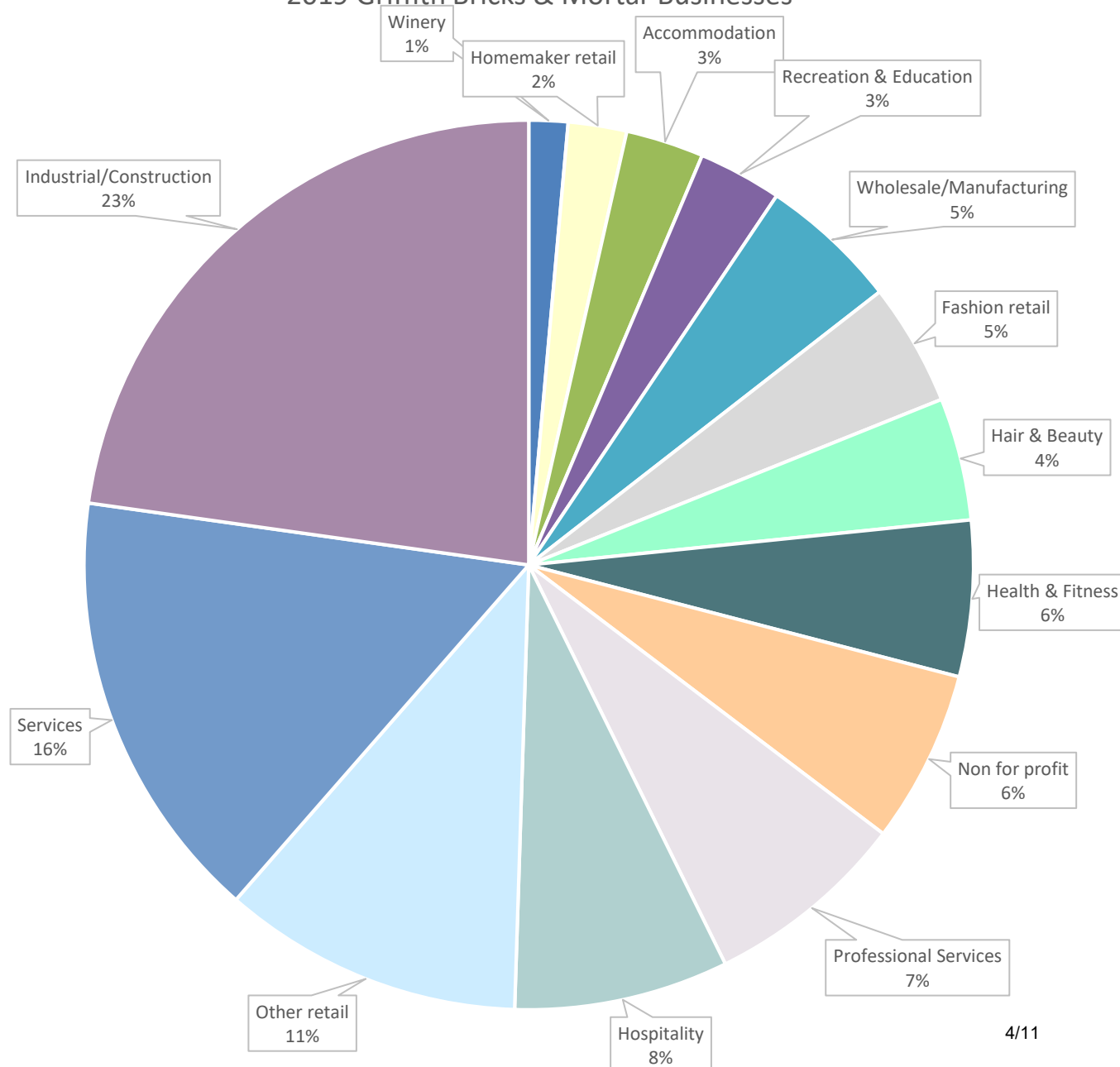
- Airport
- Banna Avenue (BA)
- Battista Industrial Area
- Beelbangera
- Benerembah Street
- Bilbul
- Bonegilla Road
- Canal Street
- Driver
- East Griffith
- Favell Street
- Gateway Megacentre
- Hanwood
- Hillston Road
- Hometown Centre
- Jondaryan Avenue
- Kooyoo Street
- Mackay Avenue
- Mooreville Industrial Area
- Murray Road
- Oakes Road
- Olympic Street
- North Griffith
- Palla Street
- Railway Street
- Tharbogang
- Ulong Street
- Wakaden Street
- West Griffith
- Wickhams Hill Industrial Area
- Willandra Avenue
- Yambil Street
- Yenda
- Yoogali

Summary of Audit

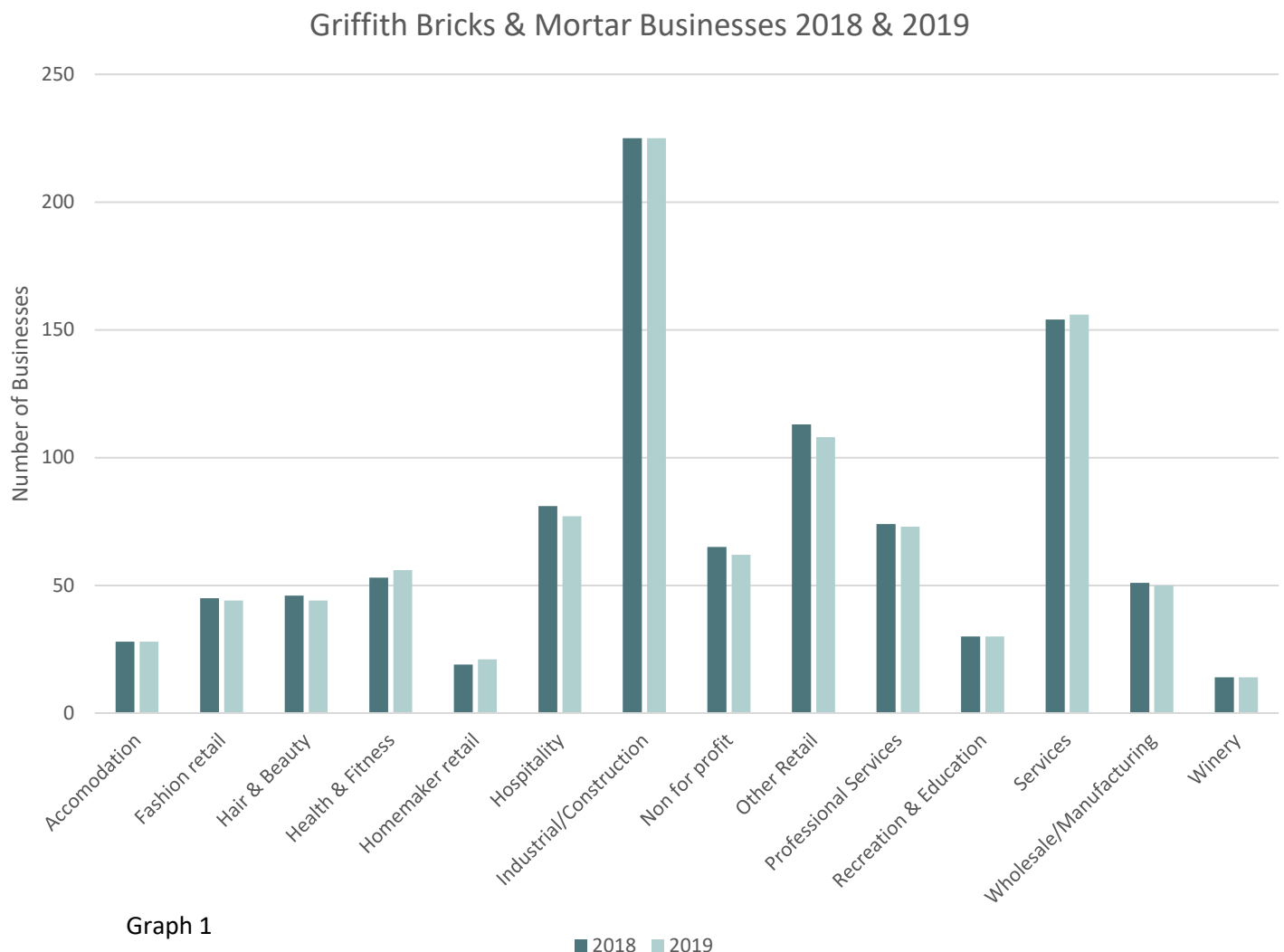
Griffith City Council local government area (LGA) has a resident population of 26,586 (ABS ERP 2017) and a retail catchment of over 55,000. There are 3,291 registered businesses (Australian Bureau Statistics Counts of Australian Businesses June 2017) and of this number, the Griffith Business Audit 2018 has recorded approximately 970 bricks and mortar businesses. Griffith City's Gross Regional Product was \$1.71 billion (NIEIR) in the year ending June 2018, increasing by an impressive 23% since the previous year.

Summary	2019	2018	2017	2016	2015	2014	2013	2012
New + movement in	71	79	83	94	47	44	30	37
Closed	23	29	19	26	26	10	29	48
Vacant buildings	104	115	86	94	99	48	73	98
Movement out	18	34	9	10	47	14	30	86
Vacancy rate (%)	9.49%	10.60%	8.11%	9.8%	10.3%	5.1%	7.5%	13.1%
Total bricks and mortar	992	970	974	922	860	895	904	650

2019 Griffith Bricks & Mortar Businesses



The 2019 Business Audit results demonstrate an increase of 2% in the total number of bricks and mortar businesses since 2018 (see table below). There has been a 10% decrease in new businesses since the same period last year, with around 54 new businesses opening in the last 12 months. The pie graph illustrates the industries that Griffith's bricks and mortar businesses comprise of. The movement in industries since 2018 is tracked in the Graph 1 and it is apparent that fashion and other retail is declining but health & fitness and services are inclining. Industrial and Construction businesses comprise of 23% of Bricks and Mortar businesses in Griffith.



The audit has recorded a decrease in the number of business closures since 2018, going from 29 to 23 in the past year. According to the data, there were approximately 104 vacant buildings across the LGA of Griffith at the time of the audit (there were 115 vacancies in 2018). The vacancy rate throughout the LGA is currently 9.5%. In previous years the rate was 10.60 % (2018), 8.1% (2017) and 9.8% (2016).

It is clear that the retail sector in Griffith is changing as more businesses begin to look further than the traditional shop fronts. For example, 2019 Business Audit results show that there are a number of businesses that are renting a shared space whether it be a group of creatives, health therapies to

professional services. More retailers also appear to be expanding and moving to alternative precincts with 18 businesses relocating to another area within the LGA in 2019.

Business owners are shifting towards alternative retail business models in order to build creative businesses from home, online or in pop-up spaces such as food trucks.

“This is resulting in a gradual erosion of bricks and mortar market share to e-commerce, which looks set to continue. There is an insatiable hunger for convenience and the rise of the experience economy in Australia. To adapt, traditional retailers need to ensure their in-store shopping experience is as convenient as possible and offer experiences that engage and connect with shoppers,” Finn Trembath, Knight Frank Victoria, Associate Director for research and consulting services.



Findings

2019 Bricks & Mortar Business Movement

	Banna North	Banna South	Yambil South	Yambil North	CBD	Benerembah, Kookora etc	Olympic and Railway	Hometown	Jondaryan	Wakaden	East	North	West
No. Businesses operating	75	167	115	50	36	40	15	8	28	51	8	25	27
Vacancies	8	6	14	2	4	1	2	0	1	4	2	1	2
Closed	4	4	2	0	3	0	0	0	0	0	2	0	0
Moved out	3	1	3	0	1	0	0	0	1	3	0	0	0
New	7	6	9	3	1	0	2	0	0	5	0	1	1
Moved in	2	2	2	5	1	1	0	0	1	0	1	0	0
Under Construction	1	0	0	0	0	0	0	0	0	0	0	0	0

	Yoogali	Hanwood	Yenda Bilbul Beelbangera	Driver	Battista	Wickhams Hill	Mooreville Industrial	Gateway & Willandra	Mackay Ave	Oakes	Airport
No. Businesses operating	20	32	23	17	17	77	97	16	17	15	16
Vacancies	3	3	6	0	0	11	20	1	9	3	1
Closed	2	0	0	2	0	0	3	0	1	0	0
Moved out	0	1	0	0	0	2	1	1	1	0	0
New	0	0	0	2	1	1	11	1	3	0	0
Moved in	0	0	0	0	0	0	1	0	1	0	0
Under Construction	0	0	0	0	0	1	1	0	0	0	0

Bricks & Motor Businesses

Business Category	2018	2019
Accommodation	28	28
Fashion retail	45	44
Hair & Beauty	46	44
Health & Fitness	53	56
Homemaker retail	19	21
Hospitality	81	77
Industrial/Construction	225	225
Non for profit	65	62
Other Retail	113	108
Professional Services	74	73
Recreation & Education	30	30
Services	154	156
Wholesale/Manufacturing	51	50
Winery	14	14



Conclusion

The 2019 Business Audit illustrates that there is relatively stable economic activity in all precincts and villages across the LGA. Whilst there have been increased closures and a high number of businesses relocating within the LGA in comparison to previous years, the number of bricks and mortar businesses remains fairly consistent.

To encourage economic growth and activity, Council continues to progress with the implementation of the CBD Strategy which will see the upgrade and transformation of Yambil Street, greatly improving the business and shopping experience in this precinct. Following on from this, Council is planning to rejuvenate Banna Avenue and Kooyoo Street to ensure our city retains a robust contemporary business character. Council has finished construction on the new skate park and secured grant funding to construct a new outdoor pool facility and for a major upgrade of our City's sporting facilities and ovals. These facilities would attract regional and state sports events which will in turn drive visitation to our City.

The Griffith Now Hiring campaign, which was driven and supported by Griffith City Council, together with local business partners, is achieving excellent results. This marketing campaign addresses the difficulties faced by business owners in attracting skilled workers by inviting people and their families to live and work in Griffith. It aims to draw attention to our progressive regional city and the diversity of skilled job vacancies across many industries. Council is working with local businesses to drive the continuation of this campaign to assist local businesses to grow. We actively promote the City and its community as a place where people want to visit, live, work, and raise their families.

To ensure ongoing success and growth into the future it is essential that Council continues to integrate economic considerations into its planning and regulatory activities. Council is currently undertaking a review of its planning instruments and assessment processes to improve current planning practices. Council has signed up to the Easy to do Business initiative which assists businesses in simplifying setting up their new business. These are some of the measures in place to support local businesses and help attract investors to our region.

Council is continuing work on building efficient transport corridors with initiatives such as the Griffith Southern Industrial Link which will remove constraints on the local road network, improving access to markets for regional producers. The Bagtown roundabout opened in June 2017 and is the first part of Council's Southern Industrial Link Road. When fully constructed the Griffith Southern Industrial Link will take all heavy traffic from the northwest of our local government area to the south allowing ease of access for industries to move freight around the outskirts of the City and connect with major transport routes.

The responsibility of driving economic development in our City through improved infrastructure and connectivity, education and a skilled workforce, business support, investment and attraction, liveability and tourism, is shared across many areas of Council and the community. A strong economy means more jobs and greater prosperity for the region. A new Public Hospital and Country Universities centre are also on the horizon and the new Western Riverina Regional Economic

Development Strategy 2018-2022 will provide our Council with the right tools to develop a Long Term Economic Development Strategy for Griffith.

Council will continue to monitor business activity across the City in order to further inform and develop Council's Economic Development policies and strategies in the future.



For further information please
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