



# Frankston City Council Economic Scorecard

January - March  
2024

# 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.

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 January - March 2024 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.

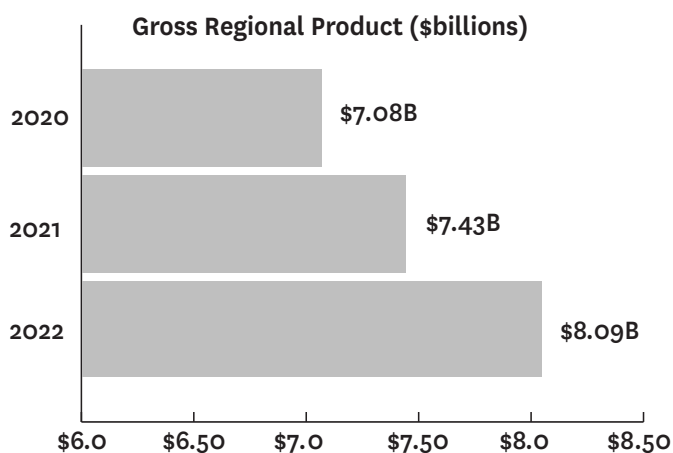
The City's industrial areas comprise of **6** distinct precincts which together are a leading source of regional employment growth, economic activity and investment attraction. These include Carrum Downs, Seaford North, Seaford, Frankston, Frankston East and Langwarrin.

## 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.

**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

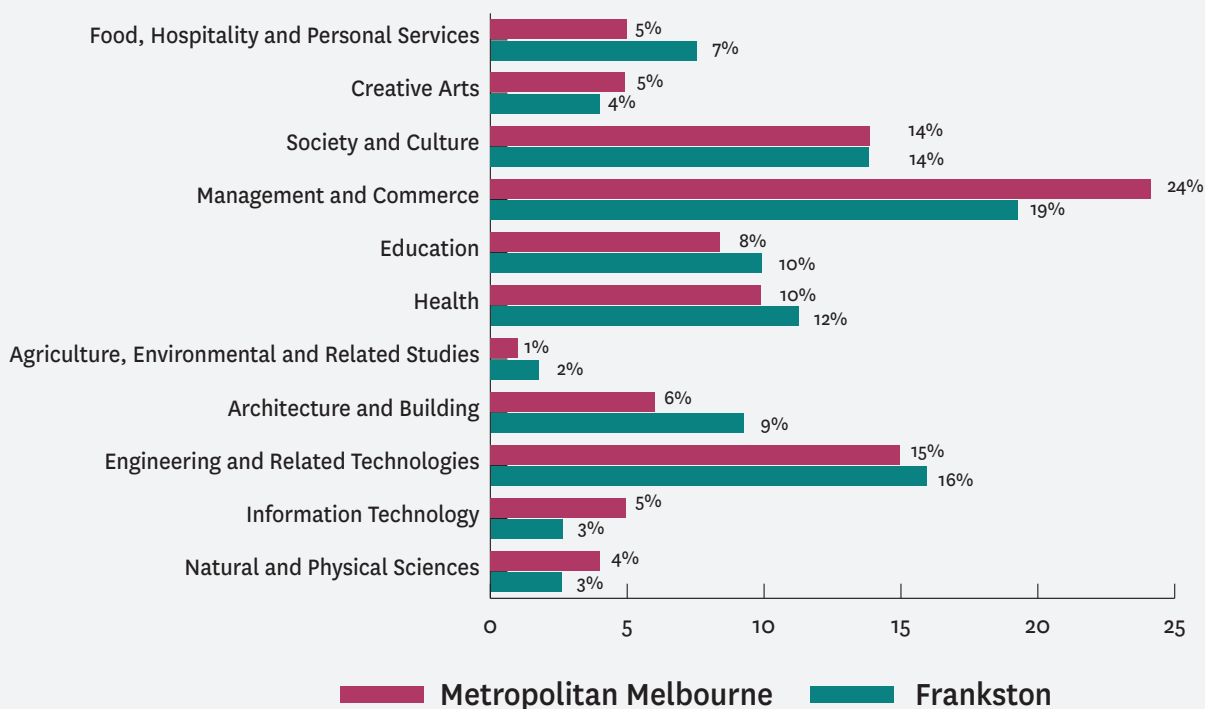
Source: REMPLAN, Release 2, 2022 (published May 2023) and Profile.Id (informed decisions), February 2023

The number and percentage of local residents employed in local jobs



Source: ABS Census, 2021

Frankston City resident qualifications compared to Metropolitan Melbourne



Source: ABS Census, 2021

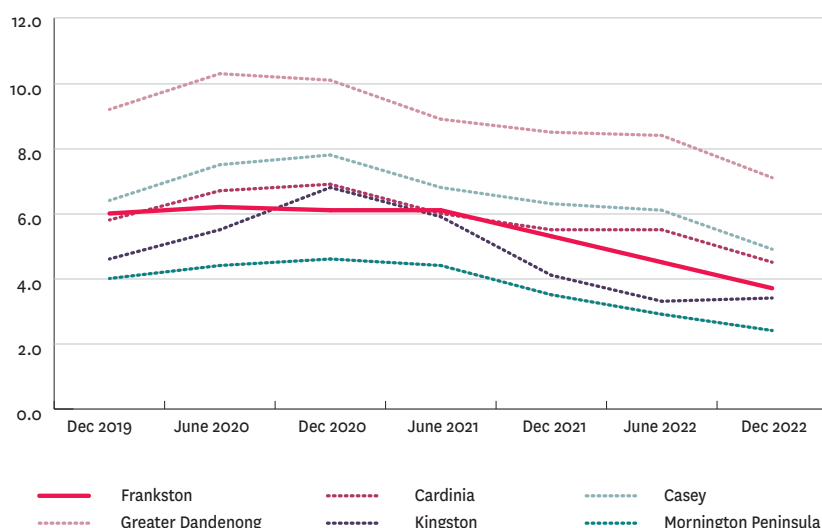


## Unemployment rates

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

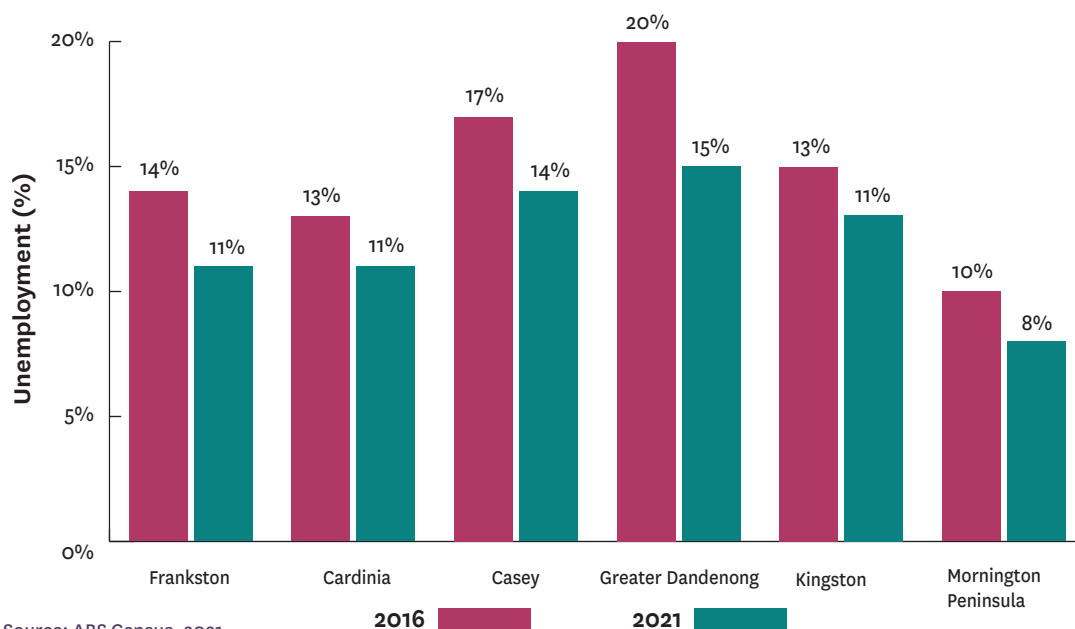
- Unemployment in Frankston City peaked at 7 per cent in 2017. During the pandemic it reached 6.5 per cent before falling back to 4.6 per cent in 2022. In 2023, the unemployment rate has gone further down to 3.6 per cent.
- In Frankston City's youth unemployment for people aged 15-24 has declined since 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



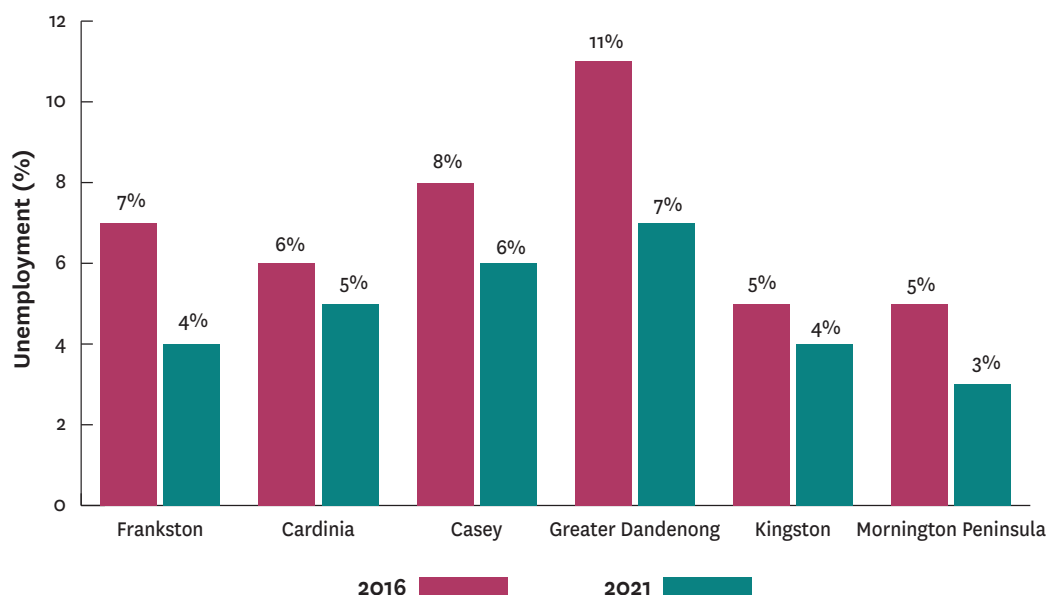
Source: National Skills Commission Small Area Labour Market, 2022 and REMPLAN, Release 2, 2022 (published May 2023)

## 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%**

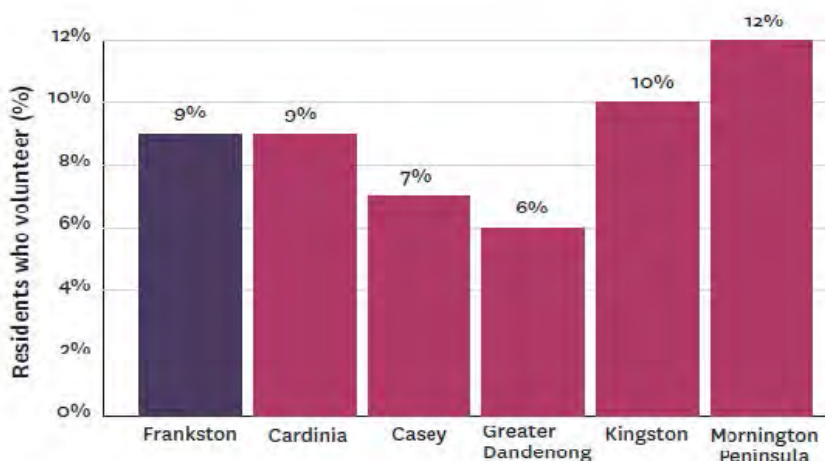
of residents' feel most people can be trusted

**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 Economic Development Team

In September 2023, the Economic Development (formerly Economy, Investment & Activation) 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 Economic Development 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 Economic Development 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**

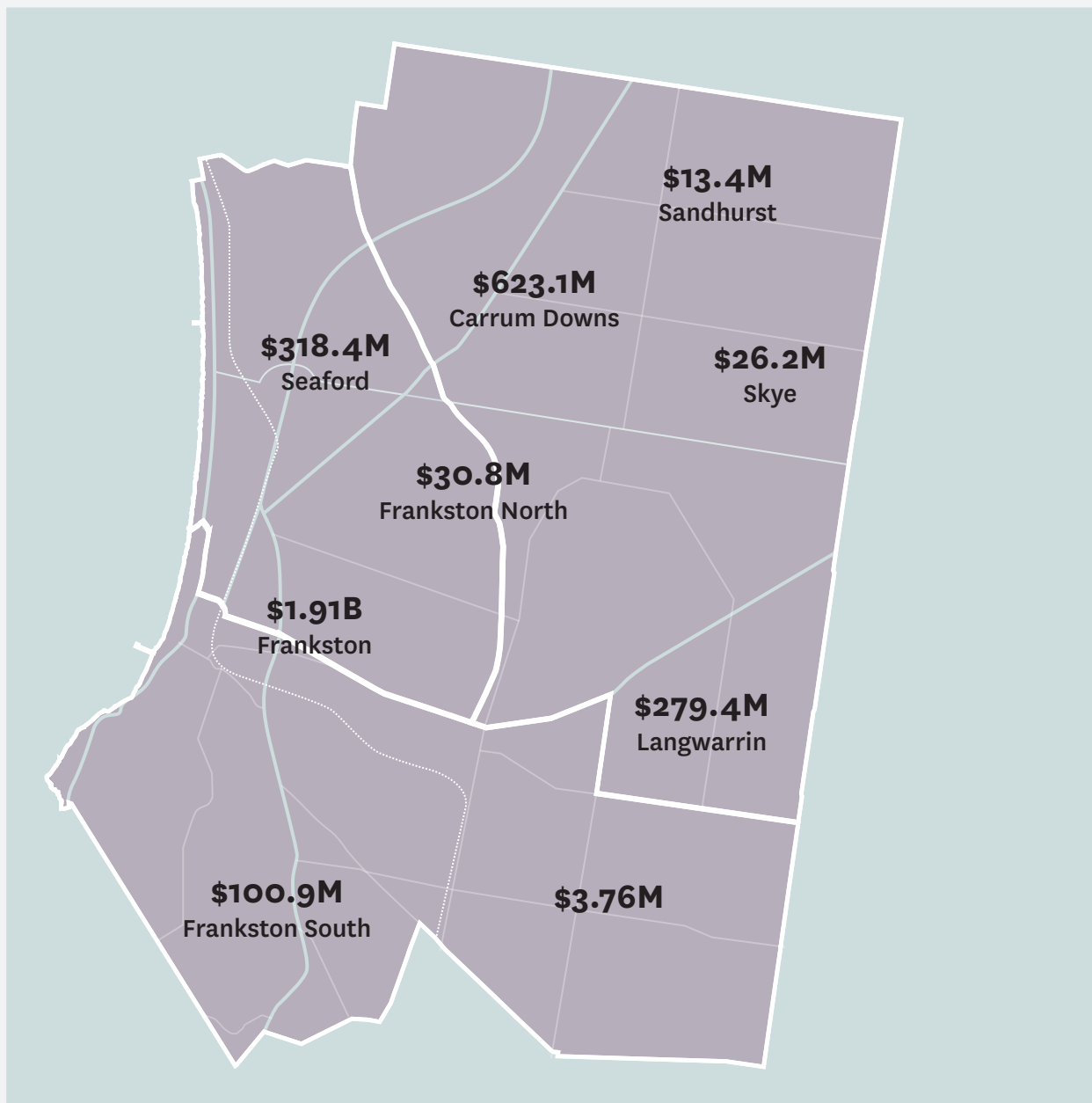
Total local spend in the Night-time economy

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

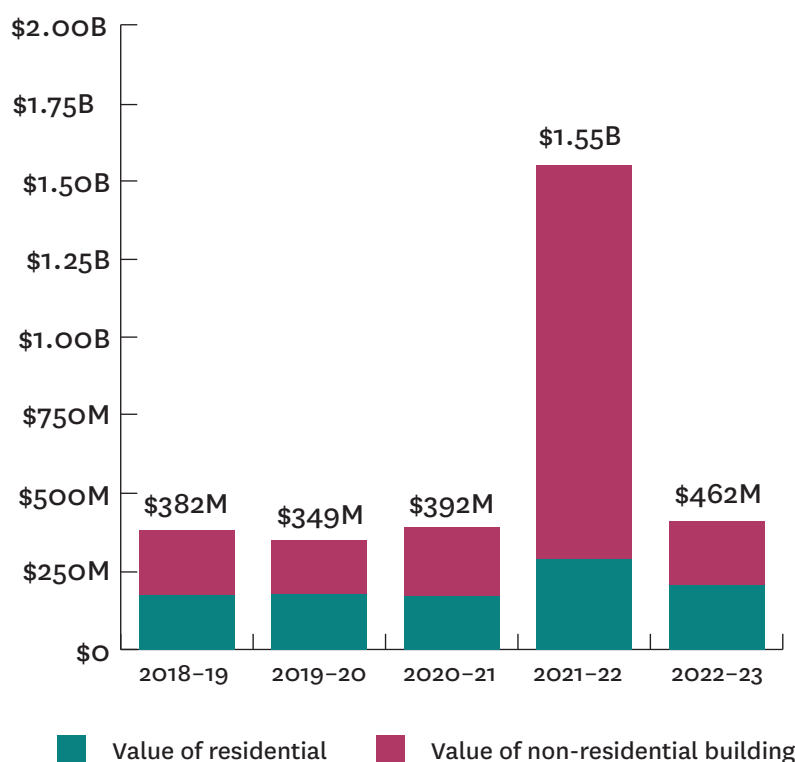
Value of residential building  
approvals (2022–2023)

# \$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



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

January - March 2024





# Key highlights

Council's Economic Development team delivered the first Frankston City Council Think Local Month in March. The month long program was jam packed with an Event Launch, Business Workshops, Shopping Strip Activations, a Small Business Expo and 100 x \$1,000 Think Local Grants. More details on each of these is below

- **Think Local Workshops**

To further support local business operators in Frankston City, 22 individual workshops were delivered as a part of Think Local Month. With topics including business start-ups, video marketing, balancing burnout, business wellbeing, a workshop series for trades and builders and much more. All workshops were developed in response to feedback from Council's annual business survey. All of the workshops were delivered by local business experts who generously volunteered both their knowledge and their time.

- **Small Business Expo**

The first ever Frankston City Council Small Business Expo, held at the Frankston Arts Centre, was a huge success with 46 local business exhibitors, from a wide range of industries, showcasing their products and services. Over 130 visitors attended on the day and feedback from both exhibitors and visitors was overwhelmingly positive. In addition to increasing their potential customer base, many exhibitors made connections with fellow exhibitors, resulting in increased business to business trade.

- **Think Local Event Launch**

Held at Red Gum BBQ at Home in Seaford, the Think Local Event Launch was a huge success with over 60 local business operators attending. In addition to amazing food provided by RedGum BBQ at Home as well as drinks from Dainton and Banks Breweries, the evening provided an opportunity for business operators to connect, share ideas and celebrate success. Frankston City Council Mayor Nathan Conroy spoke to the group about the many Council supports on offer to local businesses and Jeff Rogut, CEO of the Frankston Business Collective spoke about the benefits of membership with the group.

- **Local Shopping Precinct Activations**

To support traders outside of Frankston's City Centre, 10 local entertainers were engaged by Council to perform at local shopping strips across the municipality. The initiative included local musicians such as percussionists, vocalists and guitarists. This initiative was well received by both the community and traders, with many coming to the shopping strips especially to see and hear the performers.

- **Think Local Grants**

Council provided 100 X \$1,000 Think Local Grants for Frankston City Council business operators to spend at another Frankston City Council business of their choice. The \$100,000 in grants resulted in almost \$163,000 in total purchases made by grant recipients.



## Local business success stories

### Thread Traders

Thread Traders, a garment decoration company in Seaford, received a 2023 - 24 Invest Frankston Business Grant. "We spent our grant on a single head embroidery machine and an eight head embroidery machine. This is brand new technology straight from Japan to allow us to do 3D embroidery, regular embroidery and embroidery on high vis products.

Thank you to Frankston City Council for your grant which has allowed us to do such amazing things for our small business. It's taken our business to a whole new level."

### The Hop Shop

The Hop Shop received a 2023 Invest Frankston Business Grant, which they used to upgrade their Courtyard. The area has been replaced with a new patio, garden and a few sun soaked beer benches. The Hop Shop has provided the update via their Social Media site stating "A big shout out to Invest Frankston for helping out with this one. They do an awesome job in supporting local businesses, and we're very grateful for the support!"

## Testimonials

*"We were thrilled to host the Think Local Month Launch Night. Welcoming Frankston City Council's event to our new space at Red Gum BBQ At Home in Seaford not only introduced our offerings and services to local businesses but also showcased our versatility as a destination. With functions, catering, events, take-away lunch, and BBQ merchandise on offer, the event provided an excellent platform to highlight our diverse capabilities. Hosting over 60 local business owners was a fantastic opportunity for us to connect and share our passion for great food and hospitality. It truly was a memorable evening."* **Red Gum BBQ at Home**

*"The Think Local Accelerating Growth with Google Ads Workshop was an amazing workshop - so many experts available to help!"* **Janice Dunn Estate Agents**

*"What a phenomenal time to commit to business growth in the City of Frankston! Six months into our relocation, Netfocus IT are thriving in the new space at 50-52 Wells Street. As business owners, we committed to very grand visions for our store. With great foresight, Frankston City Council and the Business Economic Development Team not only supported such visions becoming reality, but also instilled a greater belief in the value of our contribution to the community and streetscape. We are so grateful for their support, the shared knowledge, expanded business network and financial initiatives such as the Façade Grant.*

*For fellow business owners, if your desire is for growth, please connect with the Council team. Your pathway to improvement will be so much better for it!"* **Netfocus IT, Elizabeth McDonald**

*It was great to get to know the team from the Frankston Development Team (at the Think Local Launch Event) and meet some of the officers that we have had conversations with via email. The event was a success in our eyes, there were so many different businesses, a range of industries and we heard some really interesting stories about how some of these businesses were started and their visions for the future."* **vControl, Jenni Dean**

*The Event launch held last Tuesday was great. It was my first networking event I have attend since starting my business so I found it invaluable! I connected with lots of people, one of which I am catching up for a coffee today and another potential client. Thanks so much for throwing this event. It really comforting to know that the Council is behind local businesses."* **RC Accounting & Advisory Pty Ltd, Rebecca Carey**



Business Engagement

	eNewsletter Subscribers	Business Support	Business Mentoring	Business Concierge	Workshops Provided
January 2024	2349	5	1	32	0
February 2024	2388	11	4	23	3
March 2024	2403	7	12	19	22

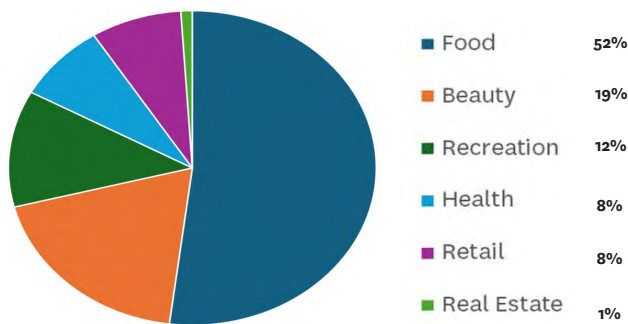
- eNewsletter Subscribers:** Number of subscribers to the Business eNewsletter
- Business Support:** Number of businesses assisted with workshops, grant assistance, business relocation and more
- Business Mentoring:** Number of businesses who signed up for free mentoring and were assigned a mentor
- Business Concierge:** Number of Business Concierge requests actioned
- Workshops Provided:** Number of Business Workshops provided

Business Concierge Service

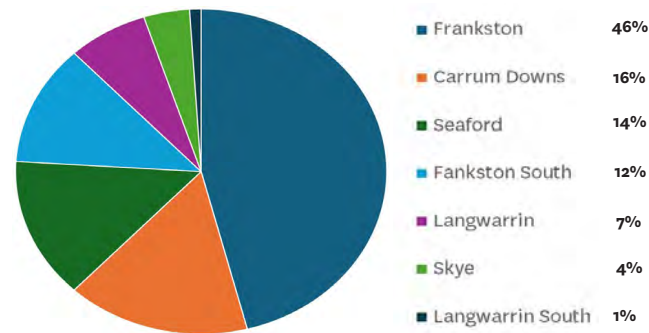
Our Business Concierge is a free service to help guide businesses to start up, grow or relocate by:

- 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



33 commercial



5 industrial



36 Home Based







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