

APPLICATION FOR FUNDING

BY

THE BOARD OF MANAGEMENT OF

**THE SMALL BUSINESS CENTRE
NORTHWEST METRO**

(Incorporated Association No: A1012560V 11th January 2006)

TO

THE CITY OF JOONDALUP

for the

FINANCIAL YEAR 2006 / 2007

INTRODUCTION

SMALL BUSINESS CENTRE NORTHWEST METRO

TO

Members of the Council: The City of Joondalup
The City of Wanneroo

**Re: Application for Funding to support the activities of the
Small Business Centre Northwest Metro
Unit 4/ 189 Lakeside Drive, Joondalup WA**

1 INTRODUCTION

This Application for Funding is made to the City of Wanneroo for the Financial Year 2006 / 2007 by the Board of Management of the Small Business Centre Northwest Metro SBC-NWM), an Association incorporated under the Associations Incorporation Act 1987.

It was incorporated on 11th January 2006: Registered No: A1012560V

2 BACKGROUND TO THE APPLICATION

The name Small Business Centre (SBC) was adopted and registered by the Small Business Development Corporation to replace the original trading name of Business Enterprise Centre (BEC). This was in December 2005

An Application for Funding was made by this Association SBC-NWM as a newly formed Association in January 2006. The period of funding was until 30th June 2006.

A condition of continued funding by both the City of Joondalup and Wanneroo was the submission of a satisfactory Business Plan.

A "Service Delivery Plan 2006/07" document was submitted to both Cities prior to the commencement of the Financial Year 2006/07 in anticipation of continued support funding of the SBC-NWM. However in August 2006 both Councils requested by letter dated 16th August 2006 additional information

The Board of Management believes that the Business Plan now presented is a full and comprehensive document which covers all the information required, the Economic Development Departments of both Cities having had a significant input into its content.

The Board of Management
Small Business Centre Northwest Region
January 2007

EXECUTIVE SUMMARY

SMALL BUSINESS CENTRE
NORTHWEST METRO

TO:
Members of the Council: City of Joondalup
City of Wanneroo

**Application for Grant Funding to support the activities of the
Small Business Centre Northwest Metro
Unit 4 / 189 Lakeside Drive, JOONDALUP WA**

EXECUTIVE SUMMARY

Incorporated in January 2006 the SBC Northwest Metro (the Centre) has developed the attached Business Plan 2006 / 07 to support funding from our two Local Stakeholders, the Cities of Joondalup and Wanneroo.

The aims of the Board for 2006 / 07 are to extend the capabilities of the Centre to embrace additional services detailed in the Business Plan to the benefit of the Cities.

For quick reference the Board summaries the contents as follows;

CORE SERVICES

Under the Grant Agreement the Centre is to provide a service free of charge to all small businesses. The Core Services include, but not restricted to, information on:

- Business Planning and Evaluation
- Commercial sources of finance
- Marketing Information
- Electronic Commerce
- Legal, Accounting and other professional advice and assistance
- Technical assistance and product development information and guidance
- Support after business start –up
- Government Legislation and Acts, the Regulations and their Requirements and Information Services
- Information regarding Research and Development support including NGO & Government resources.

MISSION STATEMENT

“to promote, encourage and support the economic development of the region by facilitating the establishment and ongoing growth of small business”

The SBC-NWM will achieve this mission by:

- Working cooperatively with Regional Stakeholders.
- Maintaining staff professionalism and integrity at high levels.
- Providing facilitation services to proposed and existing small business Owners/Managers.
- Increasing client awareness of other sources of information available to them.
- Providing referral services for clients to specialist advisors, accountants, lawyers, marketing etc.
- Maintaining a public profile to ensure that prospective clients are aware of the services provided.
- The provision of Business Skills Development Workshops and Seminars for small business clients.
- The efficient allocation of financial, personnel and physical resources.

To date, the needs that the Centre has responded to, for both new and existing Small Business Owners, has included the provision of: -

- generic advice with respect to the mechanics involved in successfully establishing, maintaining and developing their small business.
- access to Professional Services appropriate to the needs and wishes of the small business Owner/Manager.
- access to appropriate Training and Personal Development opportunities.
- developing appropriate Networking Opportunities.

- a service that identifies and establishes the provision of new and additional services in support of small business development in the region.

These “Core Services” are an essential element of the Service Delivery expected by the SBDC and will remain an integral part of the day-to-day activities of the Centre.

ROLE WITH LOCAL STAKEHOLDERS

Economic Development is a significant factor in Community Development, and an SBC can offer a Local Authority added value through the exchange of information and assistance with Local Development Proposals, for example:

- tourism growth,
- industrial parks development and promotion,
- improvements in business services to the Community and
- projects that strengthen the local economy and employment

To achieve the above it will require a continuous and ongoing dialogue between the SBC-NWM and the Cities of Joondalup and Wanneroo.

This will also assist the SBC to better focus its Delivery of Service outside of the Core Service provisions.

The Economic Objectives will be achieved by:

- Supporting and encouraging those in our community with viable new business ideas / proposals to establish themselves in the Region as per the Core Service.
- Assisting existing enterprises to resolve business related issues in all aspects of their business as an ongoing service.
- Continuing contact with clients to monitor progress over successive years after start-up.
- Nurturing continued growth of a new business beyond the small business stage through lifecycle management.

DATA CAPTURE

The SBC-NWM has acquired a Contact Relationship Management software package which will enable better collection facilities in the future for the management of information and statistical reporting.

This information can include, but is not restricted to;

Type of Business
ANZSIC Code
Employee numbers
Proposed Location
Size
Structure of Business
Ongoing Information through Start-Up, Year 2 and beyond
Growth Potential.

OUTCOME MEASUREMENT

The Centre will develop more refined processes of measurement in conjunction with the Economic Development Officers within the Cities over the coming year
Attached to Business Plan as TABLE 3

2006-2007 – WHAT’S FOR THE FUTURE?

Population growth in Joondalup is expected to increase marginally from 160,056 in 2006 to 161,956 in 2016

New and existing businesses within the City of Joondalup are expected to be concentrated in the retail, educational, health, professional services, legal & business services, tourism and personal services industries.

EXECUTIVE SUMMARY

The Population of Wanneroo is expected to increase significantly from 105,500 in 2006 to 158,200 by 2016. Such population growth will see the increase in demand for assistance to Home-Based businesses as well as those businesses involved in the building and construction industries. New and existing businesses within the City of Wanneroo are expected to be concentrated in the retail, manufacturing services, construction, property and business services, health and community services, education and personal services industries, through the further development of the Wangara Business Park and Landsdale area, and as the new Business Park development at Neerabup gathers momentum.

MARKETING & PROMOTION

The Centre will continue to develop and implement a coordinated marketing strategy designed to supplement and support the Economic Development objectives of the Cities in relation to Small Businesses within the Region.

BUSINESS ASSOCIATIONS & EDUCATIONAL ORGANISATIONS

The Centre will continue to work closely with the local Business Associations.

Business expertise is available from within these Associations for specialist referral for clients in areas including market research, marketing, accounting and financial planning, legal advice and in the development of Business Mentoring Agreements.

The Centre will continue to develop the current working list of "Approved" Advisors and Mentors.

The Centre will continue the practice of being available to TAFE Colleges and Schools in the region, through Career Expo's and Workshops, to encourage and provide advice to their students on establishing their own business.

FURTHER DEVELOPMENT / BUSINESS DIRECTION

The future plans for the SBC-NWM for 2007 onwards include, but are not restricted to;

- provision of Management Skills Programmes for Facilitators, Managers and Board Members, including Corporate Governance and Cert IV in Small Business Management.
- enhanced Workshops for Clients focused on Financial Management and the Growth of the small / medium sized enterprise.
- improved reporting processes and formats.
- increased "High Street" profiling of the SBC-NWM, promoted as an "easy to use" Information Centre
- greater liaison with adjoining SBCs as Resource Centres.
- Co-organised events with adjoining SBCs
- Improved "library" resources- creation of a Knowledge Centre focused on SBDC model.
- The workshop and training programme for 2007 will be developed in cooperation with the Cities of Joondalup and Wanneroo

FINANCIAL BUDGET PROJECTION 2006/07 to June 2009

Attached to Business Plan as Appendices 1a; 1b; & 1c

THE BOARD OF MANAGEMENT
Small Business Centre Northwest Metro
January 2007

**SMALL BUSINESS CENTRE
NORTHWEST METRO**

**BUSINESS PLAN
FINANCIAL YEAR 2006 -2007**

FOREWARD

The objectives of the Small Business Centre – Northwest Metro is to service an area defined as the “Northwest Region”. The area so defined is under the Governance of two Local Government Authorities- the City of Joondalup and the City of Wanneroo.

It is essential, therefore, that the reader of this Business Plan be fully aware that the contents of this document and all related supporting information attached to it, including all outcomes, is compiled on an equable basis for each City.

Where a City has been mentioned individually within the document the reader should not therefore construe any other meaning from it other than its relationship to the Region as whole.

All direction, operation, focus, financial data, projections and promotion of the Small Business Centre-Northwest Metro referred to in this Business Plan is therefore entirely focused on a concept of promoting a Northwest Metropolitan Region and neither City in isolation.

*The Board of Management
Small Business Centre-Northwest Region*

1. BACKGROUND

1.1 Origins

Small Business Centres in Western Australia, although independent centres (Incorporated Associations), are part of a network of Centres established under the auspices of the Small Business Development Corporation to support and enhance the economic growth and prosperity within their Region of Responsibility

**1.2 THE SMALL BUSINESS CENTRE NORTHWEST METRO REGION
(SBC-NWM, the Centre)**

MISSION STATEMENT

***“to promote, encourage and support the economic development of the region
by facilitating the establishment and ongoing growth of small business”***

1.2.1 The Small Business Centre Northwest Metro has been established to service the needs of the small business community in the North West Metropolitan Region, comprising the area governed by the Cities of Joondalup and Wanneroo

1.2.2 The SBC-NWM provides advice and assistance on a free of charge basis to those seeking to commence in business, and to established businesses to enable them to grow and prosper.

1.2.3 It is an Incorporated Association, registered under the Associations Incorporation Act 1987.

-
- 1.2.4 The SBC-NWM Board of Management is comprised of Representatives of the City of Joondalup (1) and the City of Wanneroo (1), the Joondalup Business Association (3) the Wanneroo Business Association (3), and Local Independent Business (2), a total of 10.
 - 1.2.5 The Region of Responsibility covers those suburbs and land area under the governance of the Cities of Joondalup and Wanneroo.
 - 1.2.6 The primary focus of the Centre's services will extend over a total area of 784 square kilometres. Service will also be extended upon demand to those Local Government Areas immediately adjacent to the two Cities and others throughout the State should clients from those areas seek assistance from this Centre.
 - 1.2.7 The nearest alternative Small Business Centre is located at the Stirling Business Centre in Balcatta.
 - 1.2.8 The SBC-NWM is unique amongst SBC's in that it has been established with two locations, the main office and administration located in Joondalup and local office in Wanneroo. This concept has been supported by the SBDC in recognition of the size of the Northwest Metro Region and the need for the Centre to work closely with both Cities.
 - 1.2.9 The Wanneroo office also services a half-day session each week at an "Outreach" offices in Clarkson and Brighton
 - 1.2.10 There is a Small Business Development Facilitator for Joondalup and for Wanneroo, with the Joondalup Facilitator appointed with the additional responsibility of Manager of the Centre overall. An Administrative Assistant is located in the Joondalup Office to assist with the day-to-day functioning of the Centre as a whole and assist in the collection and processing of data and its distribution.
 - 1.2.11 The engagement of an Administrative Assistant is invaluable as it frees up valuable time for the Manager and Wanneroo Facilitator to deal with client issues and liaise with major interested parties in the Region, notwithstanding close working relationships with the Cities and directing their attention to the ongoing success of the Centre overall.
(Appendix 1a refers to the Operational Costs of the SBC-NWM 2006/07)
 - 1.2.12 In Wanneroo, the co-location of the Centre with the City of Wanneroo Economic Development Unit and the Wanneroo Business Association in Enterprise House enables the Centre to work closely with these organisations and provide a platform to be a comprehensive information point for business in the Wanneroo area and contribute to the input for the Economic Development of Wanneroo.
 - 1.2.13 The proximity of the Centre's Joondalup office to the City of Joondalup offices is also of benefit to all parties and leads to a harmonious continuity of the relationship with the City.
 - 1.2.14 As the charter of the SBC-NWM is to serve the business community of the North West Metropolitan Region, the Centre will provide and promote its services on an equitable basis between the businesses in both Joondalup and Wanneroo.

1.3 OBJECTIVES

- 1.3.1 The SBC-NWM will achieve its stated mission (see (1.2) above) by:
- Working cooperatively with Regional Stakeholders to identify opportunities to provide improved Service Delivery in terms of quality, quantity and availability.
 - Maintaining staff professionalism and integrity at high levels to ensure that clients are treated with the utmost courtesy, respect and confidentiality.
 - Providing facilitation services to proposed and existing small business Owners/Managers.
 - Increasing client awareness of other sources of information available to them in establishing or improving their small businesses.
 - Providing referral services for clients to specialist advisors, accountants, lawyers, marketing etc.
 - Maintaining a public profile to ensure that prospective clients are aware of the services provided.
 - The provision of Business Skills Development Workshops and Seminars for small business clients.
 - The efficient allocation of financial, personnel and physical resources so that the resource allocation to the service of clients is maximised.
- 1.3.2 To date, the needs that the Centre has responded to, for both new and existing small business owners, has included the provision of: -
- generic advice with respect to the mechanics involved in successfully establishing, maintaining and developing their small business.
 - access to Service Providers appropriate to the needs and wishes of the small business Owner/Manager.
 - access to appropriate Training and Personal Development opportunities.
developing appropriate Networking Opportunities

1.4 ECONOMIC OBJECTIVES

- 1.4.1 In accordance with SBDC guidelines and our Service Agreement with the SBDC our primary objective is:
“to encourage and support the economic growth, sustainability and welfare of the small business sector in the Northwest Metro Region”.
- 1.4.2 This will be done by:
- Supporting and encouraging those in our community with viable new businesses to establish themselves in the Region as per the Core Service.
 - Assisting existing enterprises to resolve business related issues in all aspects of their business as an ongoing service.
 - Continuing contact with clients to monitor progress over successive years after start-up.
 - Nurturing continued growth of a business beyond the small business stage through lifecycle management.
- 1.4.3 Other services identified as appropriate to the economic growth strategies of the Cities through an ongoing dialogue between the SBC and the Cities

2. LOCAL ANALYSIS

2.1.1 THE CITY OF JOONDALUP

Population growth in Joondalup is expected to increase *marginally* from 160,056 in 2006 to 161,956 in 2016

2.1.2 New and existing businesses within the City of Joondalup are expected to be concentrated in the retail, educational, health, professional services, legal & business services, tourism and personal services industries.

2.1.3 Of these, the first mentioned is expected to experience significant growth in the immediate future with approvals given to the expansion of both of the existing centres at the Lakeside Shopping Centre and the area known as Joondalup Gate.

2.2 THE CITY OF WANNEROO

2.2.1 The population of Wanneroo is expected to increase *significantly* from 105,500 in 2006 to 158,200 by 2016

2.2.2 New and existing businesses within the City of Wanneroo are expected to be concentrated in the retail, manufacturing services, construction, property and business services, health and community services, education and personal services industries, through the further development of the Wangara Business Park and Landsdale area, and as the new Business Park development at Neerabup gathers momentum.

2.2.3 Wanneroo also has a significant primary industry located within its borders, though this is declining with the increasing urbanisation of the area, and also as a direct result of open international competition from South East Asia and New Zealand. This anticipated outcome will increase the need for clients to establish alternative businesses and/or exit strategies from the industry.

2.3 THE REGION

2.3.1 The North West Metropolitan region, comprising the Cities of Joondalup and Wanneroo, remains among the fastest growing regions in Australia. The current combined resident population is 245,000, and this is expected to grow by an average rate of 2.1 percent annually, to reach a projected 430,000 by 2031.

2.3.2 Such population growth will see the increase in demand for assistance to Home-Based businesses as well as those businesses involved in the building and construction industries (including sub-contractors to the building industry) and general services such as lawn mowing; home cleaning; medical, security, etc as further examples.

2.3.3 It is apparent therefore that the demand for the role of Small Business Centre facilitation will continue to grow strongly in the Region.

2.3.4 It is further expected that demand for business services will also become more diverse during this period of expansion, given that a significant proportion of population growth will involve immigrants from other countries and cultures.

2.2.5 The SBC-NWM has already been required to provide assistance and advice to migrants from countries such as South Africa, New Zealand, Turkey, Bosnia, China, Singapore and other mid European, Asiatic and African nations who are seeking to establish business similar to those that they owned in their home country, or to buy and operate an existing business.

2.2.6 The introduction of these new immigrants to our society will mean new (perhaps even innovative) styles of services not previously seen in Western Australia, but ingrained in the fabric of the society of the native country of the immigrant.

2.2.7 These immigrants not only require access to products related to their countries of origin but will also require access to new support services to assist with their establishment within our society. These services will include migration support services, legal aid services, counselling and advocacy services

3 THE CENTRE – its SERVICES

3.1 Core Services;

The services offered by an SBC focuses on **supporting and facilitating** enterprise development, assisting local people and enterprises that are willing to grow their entrepreneurial capacity on a free of charge basis.

3.1.2 The SBC Program is aimed at diversifying and stabilising income opportunities in Western Australia by:

- assisting local business enterprises with entrepreneurial capacity;
- fostering business talent and ideas; and
- improving economic diversification for individuals and the region.

Not only is it imperative to contribute towards assisting the prosperity of businesses, but also it is also essential to assist a business owner to leave an unviable business in a manner designed to minimise potential loss.

3.1.3 The SBC assists aspiring or existing small business to access:

- Business Planning information
- Commercial sources of finance
- Marketing information
- Electronic Commerce
- Legal, Accounting and other professional advice and assistance
- Technical assistance and product development information and guidance
- Support after business start-up
- Government Legislation and Acts, the Regulations and their Requirements and Information Services
- Information regarding Research and Development support including NGO & Government resources.

3.2 Additional Services

3.2.1 The SBC also seeks to develop and broker appropriate Training, Business Skills and Personal Development Courses for Business Owners. These are generally charged on a “Cost Recovery” basis. Much support comes from the SBDC in this regard, which is invaluable to our diversification of services.

3.3 STRATEGIC PROJECTS

3.3.1 Existing Projects

The SBC-NWM was successful in acquiring funding from AusIndustry to Project Manage a programme entitled “Succession Planning”.

This programme is designed for owners of those businesses that have the potential to be of value when either passed down a family line, or sold on. This project gives a high value profile to the SBC-NWM as Project Managers for the next 18 months to March 2008.

Funding was also gained from AusIndustry for the Think-Learn” programme, and whilst not project managed by the Centre, there is an involvement in as much as the programme requires Mentors. The SBC-NWM will be involved in identifying and enrolling such Mentors.

Both of these projects are aligned to the core role of the SBC, and the SBC-NWM gains overall through the exposure gained through being linked to the projects.

3.3.2 Future Projects

AusIndustry have ongoing programmes and initiatives related to the growth needs of small business, which are constantly changing. The Centre will be continually monitoring their information for further opportunities.

It is the intention of the Board to seek out funding for projects from other sources that can benefit the business community in the Region and also raise the profile of the Centre

3.4 WORKSHOPS

3.4.1 The proposed workshop programme will be reviewed in cooperation with both Cities but will initially include the minimum of the SBDC generic series of subjects:

- Cash flow Management
- Marketing Today.
- Tourism Today

and other appropriate subjects identified through discussion.

The start of this programme is expected to be early 2007.

3.4.2 In order to give ease of opportunity to both Wanneroo and Joondalup residents the location or delivery will evenly distributed between Joondalup and Wanneroo.

3.4.3 The pricing structure will be aligned to the current SBC / SBDC policies of cost recovery only as per adjoining SBCs.

3.4.4 The schedule of programming will follow a similar annual basis to that system used by a TAFE, in other words by “Semester”.

3.4.5 In this way each workshop will be delivered on a rotational basis, probably 2-3 times each “Semester’ and on varying days and varying times (day/ evening) in order to give flexibility to the workshop programme.

3.4.6 The delivery of any one workshop will be dependent on attendee numbers. If numbers are insufficient to economically deliver a workshop locally through liaison with the adjoining SBC at Stirling participants will be given the option of accessing the workshop at Balcatta.

3.5 EDUCATIONAL ORGANISATIONS

3.5.1 The Centre will continue the practice of being available to TAFE Colleges and Schools in the region, through Career Expo’s and Workshops, to encourage and provide advice to their students on establishing their own business.

3.5.2 This practice has been highly regarded by these educational institutions leading to at least four presentations being held annually.

4. STAKEHOLDERS

4.1 Role with Stakeholders

- 4.1.1 Economic Development is a significant factor in Community Development and added value that an SBC can offer a Local Authority in exchange for the funding support can be, for example, assistance with Local Development proposals for:
- tourism growth,
 - industrial parks development and promotion,
 - improvements in business services to the community and
 - projects that strengthen the local economy and employment

4.2 Strategic Links with Shareholders

- 4.2.1 In order for the above to be of real value, it will require a continuous and ongoing dialogue between the SBC-NWM and the Cities of Joondalup and Wanneroo. To this end regular meetings, of a period no greater than one month between them, will become a regular feature.
- 4.2.2 These meetings will allow for a cross-transfer of information and for the SBC to be better advised on current issues and the future plans of the Cities economic development strategies, from which a “fine-tuning” of the services and information to be supplied by the SBC can be better aligned to the future growth and development of the Region.
- 4.2.3 The above will also assist the SBC to better focus its Delivery of Service outside of the Core Service provisions.

4.3 BUSINESS ASSOCIATIONS

- 4.3.1 The Centre will continue to work closely with the local Business Associations. This could involve public projects including regionally based business expositions and other functions deemed suitable.
- 4.3.2 The Centre also anticipates disseminating information via their newsletters and other means (breakfasts, luncheons etc) to small businesses in the region, and will continue the practice of working closely with the Associations in the presentation of the local Small Business Awards.
- 4.3.3 The provision of business expertise is also possible from within these Associations for specialist referral for clients requiring in-depth assistance in areas including market research, marketing, accounting and financial planning, legal advice and other areas as necessary, and in the development of Business Mentoring Agreements.
- 4.3.4 The Centre will continue to develop the current working list of “Approved” Advisors and Mentors.
- 4.3.5 An increasing number of new clients are being referred by friends who themselves are SBC clients. This trend indicates that clients are satisfied with the service, as continued client satisfaction is of paramount importance. The Centre staff are continually seeking to improve the level of one-on-one client service delivery.

5 MARKETING & PROMOTION

- 5.1.1 The Centre will continue to develop and implement a coordinated marketing strategy designed to supplement and support the Economic Development objectives of the Cities in relation to Small Businesses within the Region.

-
- 5.1.2 The content and implementation strategy for the Marketing Plan will be evolved through ongoing liaison with the Economic Develop Officers during the year. It will cover; Advertising; PR: Direct Mailing; Promotional Literature and Distribution and the Marketing Mix.
 - 5.1.3 Emphasis will be on the recognition of an SBC being a “One-Stop Shop’ for information and assistance for Small Business Owners.
 - 5.1.4 A Zoning format has been incorporated to the SBC Centre structure State-wide. The SBC-NWM is part of the Metro Zone which encompasses Northwest, East and South Metro, covering Yanchep to Rockingham and east to the Swan Valley. Some promotional funding will be forthcoming from the Zone to develop public awareness to the availability and “cross-referring” of the SBC network.
 - 5.1.5 The inclusion of the SBC-NWM website address on all material will be adopted. The website will be further developed to include information of a local nature, with hyperlinks to the information originator.
 - 5.1.6 Integrated into the website will be an electronic Newsletter for distribution to “subscribers” and downloading by visitors to the site in pdf format, as required.
 - 5.1.7 Where possible and when approved by the SBDC, the Centre will seek to use local businesses to present Workshops and Seminars wherever possible.
 - 5.1.8 The Centre will continue the strategy implemented in the previous year of publicising SBC Services throughout the Libraries and City Administrative Centres and other locations (Shopping Centres, Business Incubators) within the region where approval for such can be obtained.
 - 5.1.9 An innovation introduced in 2006 was the presentation of Workshops at the Clarkson and Wanneroo Libraries for those of the general public who may be considering going into business and the Centre will approach the city of Joondalup for similar activities at Joondalup and Whitfords.
 - 5.1.10 These Workshops will be extended in 2007 to include all libraries within the Cities of Joondalup and Wanneroo.
 - 5.1.11 The Centre will continue the Outreach Centres established in Clarkson and Brighton, and extend this to Yanchep / Two Rocks and other perimeter locations as the opportunity and resources become available

6 OUTCOMES MEASUREMENTS AND REPORTING

6.1 DATA CAPTURE

- 6.1.1 An integral component for developing economic growth is the collection of relevant data on business generally in a Region.
- 6.1.2 The SBC-NWM has acquired a Contact Relationship Management software package which will enable better collection facilities in the future for the management of information and statistical reporting.
- 6.1.3 This means that, in addition to the Core Funding requirements of data capture required by the SBDC, the added value for our Stakeholders will be the ability to capture additional relevant information from those who make use of our Core Service.

This information can include, but is not restricted to;

- Type of Business
- ANZSIC Code
- Employee numbers
- Proposed Location
- Size
- Structure of Business
- Ongoing Information through Start-Up, Year 2 and beyond
- Growth Potential.

The above additional information will allow for more comprehensive performance indicators to be established and higher quality statistical reporting

- 6.1.4 The final list of information to be gathered and the presentation format will be refined through ongoing regular meetings with the Economic Development Departments of our Stakeholder Cities of Joondalup and Wanneroo as discussed above.

6.2 OUTCOME MEASUREMENT

- 6.2.1 The current base measurement for SBDC purposes is simple in as much as it only requires the recording the number of new business start-ups in the Region and or existing businesses seeking support, their location and the time spent on each contact.

- 6.2.2 Other possible measurements include:
The profitability capability of existing businesses
The identification of businesses that do not start due to inappropriate opportunities

Further measurements of service delivery can be discussed and negotiated between the Cities and SBC-NWM as required.

- 6.2.3 It must be recognised by our supplementary stakeholders that the primary role of our service is that defined by our main stakeholder the SBDC and that time directed towards the additional requirements of our supplementary stakeholders will need to be monitored to ascertain the time involvement by the SBC Facilitators.
- 6.2.4 At the time of writing, the criteria being set by the Cities is within the capabilities of the existing operation, but reviews on an annual basis will need to be scheduled as an ongoing function.

6.3 REPORTING

6.3.1 SBDC Requirements

The SBC-NWM is required by the SBDC to enter all statistics into a Contact Management Database developed by ACT. It is becoming the "standard" for SBC offices. Through this database the statistics required by SBDC are generated.

continued over page

6.3.2 Sample of Typical Reporting Table (SBDC format) **EXAMPLE ONLY**

Output	TARGET		ACTUAL
Client Sessions – with New Businesses	> 30 min	200	215
	<30 min	100	98
Client Sessions –with Existing Businesses	>30 min	100	107
	<30 min	60	76
New Business Start-Ups		80	77
Number of Jobs Created	F/T	300	325
	P/T	60	45
Number of Training Workshops.		24	20

- 6.3.3 The additional statistical information required by the Economic Development Departments of the two Cities, it is believed can, be provided from the ACT database with suitable modifications to the data input and reports that can be generated.
- 6.3.4 It will require close communication in the first instance to develop the formats of reporting and it is anticipated that to fully develop the functions of the CMS to show dividends will take until the end of this Financial Year, June 2007.
- 6.3.5 Surveys**
- 6.3.6 The Centre has planned to develop and implement Client Surveys during the first half of 2007. It will also investigate the feasibility of a “mystery shopper” concept suggested by our Stakeholders. This will have involvement from SBDC as an interested party who have used similar techniques in the past.
- 6.3.7 In any event. the Centre is required to undertake follow-up calls to Clients after a certain period to ascertain whether they have commenced in business or not, or how their business is going if they are already in business.
- 6.3.8 The Centre will extend this to undertake follow-up calls after 12-15 months to ascertain whether they are still in business, and report on this.
- 6.3.7 A selection of KPIs can be developed over coming months that reflect better the overall performance of the centre in conjunction with the two Cities.
- 6.3.8 A Table setting out targets for 2006/07 and their estimated Economic Value is attached as TABLE 3.
- 6.3.9 The SBC-NWM acknowledges the Cities requests for more specific performance indicators and reporting statistics to be provided in the future and to that end we envisage an ongoing rapport between ourselves and the Cities through the introduction of regular monthly meetings.
- 6.3.10 Enhancement of reporting capabilities will, in any event, improve through the increased use of the ACT Contact Management System.

continued over page

7 FINANCIAL INFORMATION**7.1.1 CORE FUNDING**

The Small Business Development Corporation provides funding on a “partial funding” basis to enable the SBC to deliver a basic core service on a free of charge basis to proposed and existing profit orientated small businesses, not merely within their specific region, but also within other regions of the State, if approached by such clients.

7.1.4 The level of the “partial funding’ is set generally at an amount to enable the minimum of services for a single Centre, namely a Manager, some Administration support and basic office location overheads.

7.1.5 In the case of SBC-NWM the Grant is higher than normal at \$120,000 plus GST. (average grant per Centre \$100,000)

7.1.6 The additional \$20,000 is to cover some of the costs incurred in servicing an additional office in Wanneroo at the request of the city of Wanneroo

7.2 ADDITIONAL FUNDING TO OPERATE

7.2.1 The SBDC, by increasing its contribution by \$20,000, with the continuing contribution from the City of Joondalup (already a contributor under the previous regime for a single office model) of \$55,000 as a Stakeholder, together with an equal contribution from the City of Wanneroo (as a new Stakeholder) matching the funding from the City of Joondalup with \$55,000 enabled a two office model to be established, under this Business Plan

7.2.2 The form of the funding is expected to be by way of a Grant Agreement, the format used by the SBDC.

7.2.2 Both Cities have set aside funds in their annual budgets to the value of \$55,000 +GST each for the continued operation of the centre. Release of the funding is upon the presentation of a Business Plan satisfactory to the Members of Council of each City, hence this document

7.2.3 Whilst it is acknowledged by the Board that this is a retrospective Business Plan (originally due June 2006), the Members of the Board trust that the benefits are of sufficient merit to continue the services of the Centres and that both Cities endorse and agree the release of funding for the Financial Year 1st July 2006- 30th June 2007.

7.3 FINANCIAL BUDGET / PROJECTION 2006/07; 2007/08; 2008/09

Attached as Appendices 1a; 1b; 1c. together with accompanying “Notes to the Financial Statements”.

7.4 FUTURE OPERATING FINANCE.

7.4.1 A Business Plan is a variable document in as much as it requires constant reviewing and updating, especially in respect to time frames and financial forecasting.

7.4.1 The contents of this document will undergo constant review by the Board of Management to ensure that cost control and fiscal responsibility is maintained throughout the financial year.

continued over page

8 REFERRAL BUSINESS

- 8.1.1 A key part of the function of the SBC-NWM is to refer clients to services provided by other Agencies, particularly those agencies within the NWM region
- 8.1.2 Clients seeking premises for their business, for example, are referred to the respective Departments of the Cities for such advice and assistance, and directed to the Business Associations for networking opportunities, Seminars and events with specialist and interesting guest speakers, or Government Ministers, as examples.
- 8.1.3 This cross-promotion of regional services activity will be monitored constantly by the Centre and it will investigate into the best means of providing statistics to establish the degree of cross-promotion that occurs.

9 FURTHER DEVELOPMENT / BUSINESS DIRECTION for 2008 - 2009

- 9.1.1 In addition to what has been stated in this document regarding current activities, the future plans for the SBC-NWM for 2007 onwards include, but are not restricted to;
- provision of a Management Skills Programme. The purpose being to develop personal skills of Board Members, Managers, Facilitators and Small Business Owners / Directors.
Subjects in the first instance will be "Introduction to Governance- Essentials" and the Cert IV in Small Business Management qualification.
 - enhanced Workshops for Clients focused on Financial Management and Growth of their small / medium sized enterprise.
 - The workshop and training programme for 2007 will be developed in cooperation and discussion with the Cities of Joondalup and Wanneroo and continued into 2008 / 2009.
 - improved reporting processes and formats.
 - increased "High Street" profiling of the SBC- NWM, promoted as an "easy to use" Information Centre
 - greater liaison with adjoining SBCs as Resource Centres.
 - Co-organised events with adjoining SBCs
 - Improved "library" resources- creation of a Knowledge Centre focused on the SBDC model.
- 9.1.2 The above aspirations for 2007-2009 will come into fruition as the development of this Business Plan 2006/07 unfolds and implementation commences.
- 9.1.3 More detailed and complete information for growth plans of the Centre and the direction it is to take will be produced by the Board after an analysis of the effect and impact the activities to be implemented have had during the current year to June 2007.
- 9.1.4 Benefit will also be derived from a continued referral and regular meetings with the Economic Development Departments of the two Cities.

This completes the Business Plan 2006 / 07

THE BOARD OF MANAGEMENT
Small Business Centre-Northwest Metro
January 2007

SMALL BUSINESS CENTRE
Northwest Region

TABLE 3

The charter of the SBC-NWM is to serve the business fraternity of the North West Metropolitan Region as a whole, the Centre will provide and promote its services on an equitable basis in both Joondalup and Wanneroo.

These forecasts represent an expectation of visitors and enquiries to the Centre based on available historical data and the expectation of "numbers through the door" in the 12-month period July 2006-June 2007. For the sake of this table no distinction has been made as to from which parts of the Region they originate.

An analysis will be undertaken of the client sessions month by month to ascertain from where Centre visitors originate and in which location their business enterprise is situated. The results of that analysis will be made available to our Stakeholders as part of our reporting process.

FORECAST OF ESTIMATED ACHIEVABLE OUTCOMES 2006/07

ENQUIRY TYPES	DEFINITION	Target 2006 / 07
New Business Client <ul style="list-style-type: none"> • those intending to enter in to business • those in self-employment • newly established business <6 months 	<i>A meaningful face-to-face appointment, or on site visit, of not less than 30 minute duration.</i> <i>A new business client session can only be recorded once per business regardless if there are two or more partners attending the contact.</i> <i>It is the business that is recorded not the number of partners / directors.</i> <i>If multiple appointments are made for the same business, each can be counted as a client session provided the appointment meets the above description.</i>	390
Existing Business Client (new to SBC) <ul style="list-style-type: none"> • an existing business owner seeking expansion, exporting, diversity or consolidation 	<i>A meaningful face-to-face appointment, or on-site visit, of not less than 30 minutes duration.</i>	80
Casual Enquiries <ul style="list-style-type: none"> • combination of business owners and non-business owners non specific interest 	<i>Enquirers of a very general nature simple signposting in most case, dealt with in less than 15 minutes</i>	1560
TOTAL NUMBER OF ENQUIRIES		2030
New Business Start Ups <ul style="list-style-type: none"> • SBC start –up 	<i>The number of new businesses that actually commenced following input from the Small Business Centre.</i>	110
Estimated Jobs Created <ul style="list-style-type: none"> • F/T Employment • P/T Employment 	<i>FTE jobs that are created by Small Business Centre clients following input from the Small Business Centre</i>	F/T 165 P/T 60

ESTIMATING THE ECONOMIC VALUE OF THE ABOVE INFORMATION:

The standard multiplier applied by the SBDC for governmental statistics in relation to new business start-up and existing businesses is as follows;

Estimated Turnover *	= \$273,200 per business
Employees per Business	= 1.5 persons per business
Wages per Employee	= \$53,000 per person
New Business Start-ups	110 x 273,200 = \$30,052,000
Wages FTE	165 x \$53,000 = \$ 8,745,000

* Source: CCH Business Benchmarking Information, qualified by SBDC

**SMALL BUSINESS CENTRE
NORTHWEST METRO
NOTES TO FINANCIAL BUDGETS 2006/07 to 2009
APPENDICES 1a; 1b; 1c**

The SBC Northwest Metro is an Incorporated Association founded in January 2006, it is a not for profit organization. It therefore does not make "profits", but can acquire "surpluses" and retain "reserves".

1 FUNDING BASIS

- 1.1.1 Core Funding for an Association (SBC) is provided by the Small Business Development Corporation by way of a Grant Agreement.
- 1.1.2 The standard amount provided for a single office is set at \$100,000 and is seen as "partial funding" only. It is designed to cover only part of the operating costs of an SBC.
- 1.1.3 Options for a Board of Management are to raise additional funds from other sources such as State, Local and Federal Grants or Sponsorships. Generally a Centre will acquire support funding by way of Grant from their LGA. *(extracted from Manual- "Guide to SBC Management Committee 2006" produced by the SBDC)*
- 1.1.4 The Small Business Centre- Northwest Metro is a different model to the "norm" by way of covering two Cities' Area of Governance, the City of Joondalup and the City of Wanneroo.
- 1.1.5 This has come about as a result of consultation early in the formation discussions of the Association in 2005, with both Cities agreeing that a two-office model would be best for the Northwest Region, rather than just a single office in Joondalup. The location of the second office was to be the Enterprise Business Centre, Wanneroo Road, Wanneroo, with a full-time Facilitator in situ.
- 1.1.6 *Note: In the previous model (ceased December 2005) it was a single office model operating only from the Joondalup office, additional funding was supplied solely by the City of Joondalup. This covered the shortfall of some \$33,000 and allowed for a full-time Administrator rather than part-time, thus freeing the Manager to concentrate on building Customer Service.*
- 1.1.6 The funding basis for this two model version was agreed upon by the two Cities to be on a "joint-funding" basis, with the service to be delivered with a "Northwest Metro Region" focus rather than a Joondalup / Wanneroo basis. The initial amount for the Financial Year was set at \$55,000 (+GST) for each City as Stakeholders.
- 1.1.7 As can be seen this amount from each services operational costs of the Centre to deliver the Core Services in a meaningful way.

2 BENEFITS OF GRANT FUNDING

- 2.1.1 In exchange for the Grant for funding support the two Cities benefit by way of:
- All data and information gathered (to standard SBDC format) on an open & shared basis.
 - Professional Management of the Centre (2 offices) (Centre Manager /Facilitator plus dedicated Facilitator for Wanneroo.
 - Customer contact on a face-to-face basis during normal working hours, together with telephone responses to queries.
 - Support, advice and input to the Cities Economic Development Departments from the Manager and Facilitator to analyse data collected and develop strategies and initiatives relevant to the area
 - promotion of the area and all aspects of the offices to the customer portrayed as the "Northwest Region" in line with the direction of both Cities marketing- hence the name of the Association – "SBC- Northwest Metro"

3 FUTURE BENEFITS BY CONTINUED FUNDING

- 3.1.1 The Business Plan identifies the range of Core Services provided as a requirement under the Grant Agreement with the SBDC, together with a list of expected outcomes as the Centre grows and develops into its second year of operation onwards.
- 3.1.2 The expected outcomes from the implementation of the Business Plan from July 2006 and on to June 2009 will be;
- an increase in Client interviews, thus an improved data source for information
 - increase of direct services, such as workshops
 - additional special projects. (Succession Planning as an example)
 - addition of a knowledge centre
- 3.1.3 The Business Plan also allows for a modification in the nature of the data collected and rather than just number of persons, type of business, start-up or existing, number of employees.
- 3.1.4 Additional data base collection will include other details recommended as essential to their (the Cities) needs such as ANZSIC code, location, size, turnover (where disclosed), potential for growth and any other information identified as "desirable" by the Cities to evaluate the success of their own Economic Development proposals and modify as necessary to meet market and future growth demands.

4 TABLE 3 – FORECAST OF EXPECTED OUTCOMES 2006/07 (Attached)

- 4.1.1 An estimate of number of client contacts for the 12-month period to June 2007 and their type together with an estimate of economic value during the period.

THE BOARD OF MANAGEMENT
January 2007

SUMMARY OF COSTS

EXPLANATIONS for Appendix 1a - FY 2006/07 & 1b; 1c

OFFICE RENT

This is the average of combined rent of both offices paid over the last 12 months

TELEPHONE

An average of the quarterly costs have been apportioned, together with analysis of year to date 1st July - 30th November 2006.

MOBILE TELEPHONE

Same as above

INSURANCES

Identified from premium receipts for previous year. A contingency has been allowed for in the sum of \$1000 regarding potential carry over of responsibility to claims in BEC format and future eventuality of winding up of Association.

WEBSITE/ INTERNET

Amounts have been included to allow for improvement and upgrading of web content and use of a "webmaster".

PUBLICATIONS / SUBSCRIPTIONS

An increased budget has been allocated to allow for the acquisition of publications at cost from the SBDC, to be displayed in the offices (see Business Plan). Sales can be made "on the spot", giving potential for small revenue stream to be generated. In any event having a quality resourced library allows for the building of a quality Knowledge Centre.

DEVELOPMENT TRAINING

With the ever-increasing responsibility being placed upon Members of Boards (Corporate Governance) and Manager's in general the need for Personal Development and Commercial Knowledge is increasing. The SBDC expect members of Board and Managers to be capable and responsible to their task, hence a training budget has been provided for.

MARKETING

The Business Plan 2006/07 identifies clearly the ongoing need to raise the profile of the centre, hence a budget allowance.

RESERVE FUND

A prudent inclusion. Experience shows that there will always be the "unexpected cost". The Centre no commercial capability for income stream of any consequence (Fee-earning) other than the funds supplied by our Stakeholders and no asset base against which to borrow in the short term. By including a notional amount for the development of a "Reserve Fund" allows for the unexpected expense.

***PLEASE NOTE: For Appendices 1b & 1c -
Forecasts for expected expenditure by the Centre for Core Services FYs 07/08 & 08/09
an annual increase in CPI of 5% has been applied as a notional rate.***

THE BOARD OF MANAGEMENT
SMALL BUSINESS CENTRE – Northwest Metro Region
January 2007

SBC NORTHWEST REGION
Profit and Loss Projection 2006 / 07

APPENDIX 1a

INCOME	\$	of	
SBDC	120000		
COJ	55000		
COW	55000		
Others	0		
TOTAL INCOME		230000	
EXPENDITURE			
Office Rent	15000		
Utilities	600		
Rates	1800		
Telephone	4500		
Mobile Telephones	2200		
Office Cleaning	0		
		24100	
Insurance-General	1760		
Insurance P I	2450		
Insurance P I Contingency	3000		
Insurance -Workers Comp	1320		
Office Equipment	1300		
Website / Internet	1500		
Software	1000		
Publications/ Subs	1000		
		13330	
Stationery	1500		
Postage	1000		
		2500	
Manager- Salary	60000		
Administration- Salary	40000		
Facilitator	50000		
Super Annuation	13500		
Travel Expenses	3500		
Development Training	1750		
Payroll	0		
		168750	
Management Meetings	300		
Annual Meeting	220		
		520	
Marketing	12000		
		12000	
Banking Fees	420		
Accountancy Fees	1800		
		2220	
Miscellaneous	1080		
Building / Repairs	0		
Equipment Repairs	500		
		1580	
Contingency	5000		
		5000	
TOTAL EXPENDITURE		\$230,000	

READERS NOTE:

The information contained in this forecast has been compiled from an analysis of audited financial data for the period Jan-Jun 06 and extrapolated to reflect costs that are likely to be incurred over the 12-month period July 06-Jun 07.

A CPI index of 5% was applied to the original information.

SURPLUS \$0.00

INCOME

SBDC	126000	
COJ	57750	
COW	57750	
Others	0	
TOTAL INCOME		241500

READERS NOTE:

The financial data contained within this P & L projection has been compiled by analysing the information contained in projection for year 2006/07 and using a CPI of 5% to gauge the indicated increase of costs for the year.

EXPENDITURE

Office Rent	15750	
Utilities	630	
Rates	1890	
Telephone	4725	
Mobile Telephones	2310	
Office Cleaning	0	
		25305

The figures reflect the operational costs and overheads in carrying out the implementation of activities referred to in the Business Plan

Insurance-General	1848	
Insurance P I	2573	
Insurance P I Contingency	3000	
Insurance -Workers Comp	1386	
Office Equipment	1365	
Website / Internet	1575	
Software	1050	
Publications/ Subs	1050	
		13847

Stationery	1575	
Postage	1050	
		2625

Manager- Salary	63000	
Administration- Salary	42000	
Facilitator	52500	
Super Annuation	13500	
Travel Expenses	3683	
Development Training	1750	
Payroll	0	
		176433

Management Meetings	300	
Annual Meeting	200	
		500

Marketing	14000	
		14000

Banking Fees	400	
Accountancy Fees	1890	
		2290

Miscellaneous	1000	
Building / Repairs	0	
Equipment Repairs	500	1500

Contingency	5000	
		5000

TOTAL EXPENDITURE		\$241,500	SURPLUS	\$0.00
--------------------------	--	------------------	----------------	---------------

INCOME

SBDC	132300	
COJ	60635	
COW	60635	
Others	0	
TOTAL INCOME		253570

READERS NOTE:

The financial data contained within this P & L projection has been compiled by analysing the information contained in projection for year 2007/08 and using a CPI of 5% to gauge the indicated increase of costs for the year.

EXPENDITURE

Office Rent	16535	
Utilities	665	
Rates	1670	
Telephone	4960	
Mobile Telephones	2425	
Office Cleaning	0	
		26255

The figures reflect the operational costs and overheads in carrying out the implementation of activities referred to in the Business Plan

Insurance-General	1940	
Insurance P I	2701	
Insurance P I Contingency	3000	
Insurance -Workers Comp	1456	
Office Equipment	1433	
Website / Internet	1654	
Software	1102	
Publications/ Subs	1103	
		14389

Stationery	1564	
Postage	1102	
		2666

Manager- Salary	66150	
Administration- Salary	44100	
Facilitator	55125	
Super Annuation	14500	
Travel Expenses	3590	
Development Training	1750	
Payroll	0	
		185215

Management Meetings	300	
Annual Meeting	200	
		500

Marketing	16000	
		16000

Banking Fees	500	
Accountancy Fees	1985	
		2485

Miscellaneous	560	
Building / Repairs	0	
Equipment Repairs	500	1060

Contingency	5000	
		5000

TOTAL EXPENDITURE		\$253,570	SURPLUS	\$0.00
--------------------------	--	------------------	----------------	---------------