

## Special Committee of Council Agenda 7 June 2022 Attachments

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**Chelsea Young**

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**From:** Ilena Young <ilena@startupshakeup.org>  
**Sent:** Friday, 27 May 2022 8:04 AM  
**To:** Budget  
**Subject:** HPE CM: Mansfield Shire Budget submission for 2022-2023 - apologies - was in drafts in error  
**Attachments:** 1 -20220525 Mansfield SUSU Budget Submission.pdf; 2 - 20220504 SUSU Mansfield Partner Overview.pdf; 3 - 2022\_NEVic SME Digital Inclusion - Final Report.pdf; 4 - 202205 SUSU SME Digital Inclusion Presentations.pdf; 5 - SUSU\_Activity Schedule Mansfield Shire 2022-23.pdf; 6 -20220525 Mansfield Foundation Partner Draft MoU 2022-2024.pdf

**Importance:** High

**Record Number:** IN22/22550

**External Message:** This email originated from outside of the organisation. Do not reply, click links or open attachments unless you recognise the sender and know the content is safe.

Dear Councillors

It is with pleasure that I am writing to thank Mansfield Shire for its support over the past few years, and to make a submission for the 2022-23 budget.

An explanatory letter and supporting documents are attached and I would appreciate the opportunity to present to Council in person on this submission.

With best regards – ilena

NB council staff – my sincere apologies – I have just found this in drafts – left overnight by mistake. I am hoping that a one-off exception to the deadline can be made.

**Ilena Young**  
Managing Director  
Mob: 0427 283 101

Startup Shakeup – the catalyst for regional innovation [startupshakeup.org](https://startupshakeup.org)  
Building purpose, capacity, confidence & connections for Startups, Small Business and Innovators





All Councillors,  
Mansfield Shire Council  
Private Bag 1000, Mansfield, VIC 3724

Dear Councillors

Project : Building the capacity of new and existing businesses in Mansfield Shire

Budget request : \$10,000 for the 2022-23 financial year with MOU for 2022-2024.

After the work of Startup Shakeup over the past few years, in which Mansfield Shire has played a key role, I am writing to thank you for your huge support for building out these programs both within Mansfield and also regionally.

Mansfield investment in the 2021 Calendar year (latest data) generated \$170,932 in service delivery to your businesses, with 549 hrs & 1412 touchpoints. Overall we worked with over 700 SMEs, and 10 participated in depth (they have an estimated \$1.9M Turnover and over 25 staff).

At a time when many Mansfield businesses are re-investing to pivot or re-align with changing markets and competitive trends, we provide valuable support & input at the point they need it.

As a result of this work Mansfield has become a regional hotspot for innovation activity, with a considerable return on investment that I have heard reflected when people talk about the energy in the area. (see attached Partner Overview including Mansfield Digital Survey results).

Also with Mansfield support, Startup Shakeup has launched a major regional SME digital project, the first step of which has been the SME Digital Literacy research. In confirming what we thought (see attached report and presentation slides), this gives us evidence to support knowing where and how to build the digital capacity of small businesses across all sectors. Those facing particular challenges were in agriculture, accommodation and hospitality, all of which are important sectors in the Mansfield economy.

**A key outcome of all of this activity is that Mansfield has an opportunity to grow itself as a regional hotspot for digital capacity building and innovation in North East Victoria.**

It is to this end I am making this budget submission for \$10,000 invested into programs by Startup Shakeup that will accelerate the digital capacity and innovation of new and existing business in Wangaratta over the 2022-2023 financial year. Investment in innovation has the potential to grow existing and new businesses in a rapid timeframe and I would appreciate the opportunity to personally present to Council on this budget submission.

These programs will include everything in Schedule of Activity (attached) with a focus on events that between them will build the connectedness, capacity, skills, confidence and purpose that innovation needs to be successful in new and existing businesses.

Finally, the work we do at Startup Shakeup is always in collaboration. MOUs are currently held with all of the partners with logos below, with a key Funding Partner being LaunchVic. As Startup Shakeup is now a NotforProfit with a Skills Based Board, all current MOUs are being rolled over at which point we will be financially independent. A draft MOU is attached for you.

Please let me know if you have any questions

Yours sincerely

Ilena Young

Managing Director





## Successful innovation needs

... Freedom ... Inspiration ... Support ... Structure ... Resources  
We service every stage - ideation to creation to commitment to scaling  
With this support challenges can be flipped into opportunities  
Our regional SMEs, Industries and Communities need this to thrive









## Startup ShakeUp

*Accelerating Regional Innovation  
Inspiring Innovation*

## Our Vision

*A dynamic and innovative region  
in which Startups, Shakeups and Innovators thrive  
in a business ecosystem  
nurturing sustainable growth and strong communities.*

## Our Mission

*To accelerate innovation, business growth,  
digitisation and resilience.*

Hume Bank

towongshire



gotafe







## Our Strategic Aims

### *Innovation Collaboration and Leadership*

*Participants, partners and stakeholders accelerate their innovation, digitisation, resilience & growth as part of the regional innovation community.*

### *Inclusion and Reach*

*Our community of Startups, Shakeups and Innovators continues to grow*

### *Enabling Empowerment*

*Our community builds connections, confidence, capacity and purpose*

### *Investment in the Future*

*A sustainable model generating economic and social benefits for the businesses, organisations and communities of North East Victoria into the future*





## Why we needed to do this

*"We have vaulted five years forward in consumer and business digital adoption in a matter of around eight weeks"*

McKinsey Digital 2021

The digital transformation of regional communities is accelerating, whilst the metro-regional digital divide persists.

Closing this divide is a key social and economic development priority across all levels of government and regional business.

We need to ensure the workforce is equipped with the capacities to efficiently connect and innovate for future growth needs.

The ongoing monitoring of digital inclusion across communities is key, identifying where local initiatives can have most impact in enhancing access and use of digital technologies.

Startup Shakeup have been at the forefront of strengthening capacity for local businesses in North-East Victoria to innovate and transform their practices through greater digital inclusion.

Overall we have had a critical knowledge gap, whilst acknowledging work done in particular industries eg tourism.



## What we did

Research took place between Sept 2021 and Jan 2022

This was a collaborative approach between SUSU and Mansfield Shire  
SUSU approach was to first email, then follow up by phone, then email again

	Total	Access	Affordability	Ability
<b>Melbourne Metro</b>	73.1	73.0	93.4	65.9
<b>NE Vic SME workforce</b>	63.9	70.1	95	57.3
<b>Mansfield SME workforce</b>	63.3	69.4	94.8	56.8

ABS Stats Total Businesses	Alpine	Benalla	Wangaratta	Wodonga	Towong	Mansfield	Indigo	Total
	1,568	1,463	3,063	2,997	931	1,238	1,796	13,056
Non employing	958	951	1,924	1,805	655	778	1,226	8,297
1-19 employees	581	488	1,075	1,110	268	430	544	4,496
					Source: ABS Series 8165, 3218			
Surveys	Alpine	Benalla	Wangaratta	Wodonga	Towong	Mansfield	Indigo	Total
LGA Targets	30	30	30	30	30	150	150	450
Email surveys sent (accumulative)	64	163	131	70	56	642	1344	2,470
Phone calls made (accum)	87	233	117	98	75	447	723	1,780
Surveys completed	58	37	40	30	32	137	187	521
RMIT survey confirmation	76	38	50	27	31	129	177	528
Plus Alpine Resort Area	14							542
Percentage surveys completed vs sent	91%	23%	31%	43%	57%	21%	14%	21%
RMIT surveys post cleaning	85	33	37	26	29	100	135	445
Actual = 401 some with multiple locations					ADII Response rate is 15%			



## ADII - SME Workforce Digital Literacy

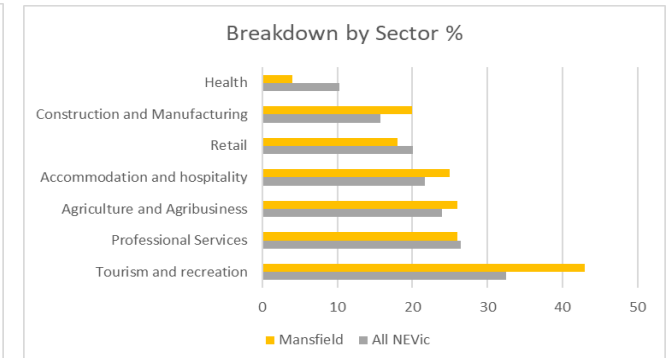
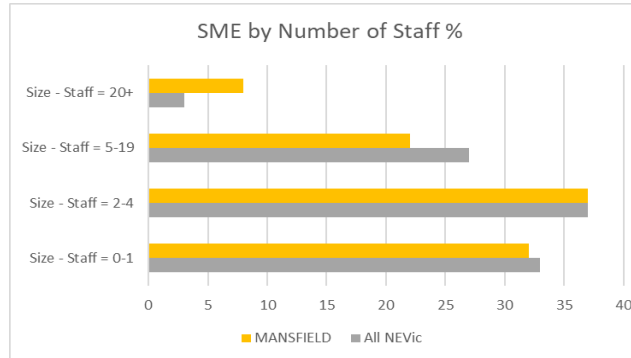
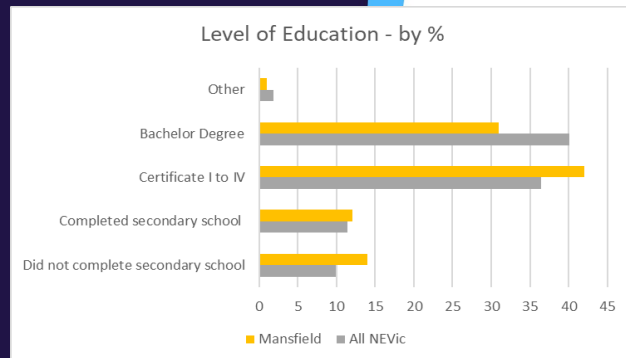
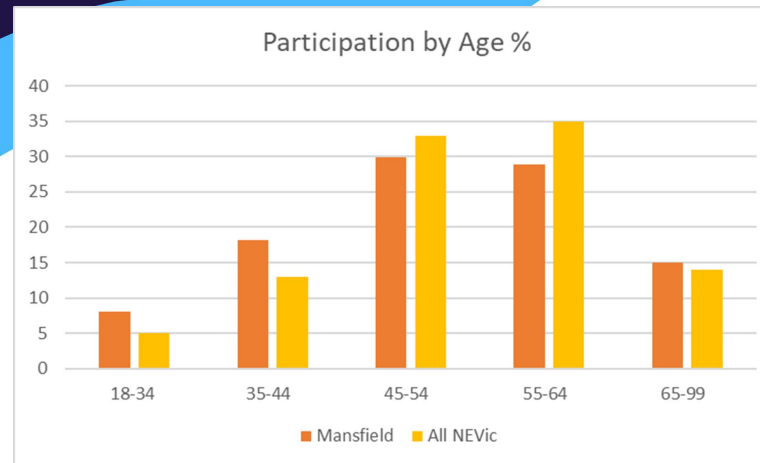
### What we found for NEVic

#### Key Findings

- ADII scores range from 0 to 100 and are relative, high scores = greater inclusion.
- Post-COVID they **more frequently** use the internet but this has not been accompanied by increased investment in access or digital skills.
- Overall Digital Index score of 63.9 which is **9.9% lower** than metro Melbourne
- **Low Digital Ability drives 95%** of this difference at 56.4
- **Primary digital capacity training needs** are marketing and website development, digital administration, sales and e-commerce, and financial management.
- **SMEs with high scores** = those operating in multiple LGAs and/or in Wodonga; with higher T/over or household income; and/or those in health & wellbeing, professional & business services and construction & manufacturing.
- **SMEs with low scores** were in Benalla and Towong (NB low response numbers); and/or in agriculture/agribusiness and accommodation/hospitality.
- Lower scores also found in SMEs with T/over < \$75,000 or \$150,000 - \$1M; an older workforce (ie over 55); 2 – 4 staff and/or lowest household income ranges.

# ADII - SME Workforce Digital Literacy

## Mansfield Who reponded

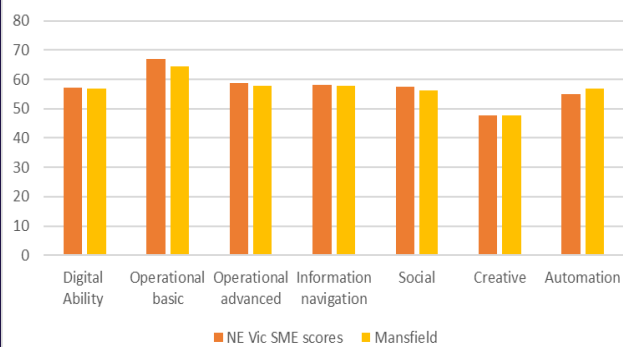




## ADII - SME Workforce Digital Literacy

### Mansfield Findings very similar

Mansfield - SME Workforce Digital Ability



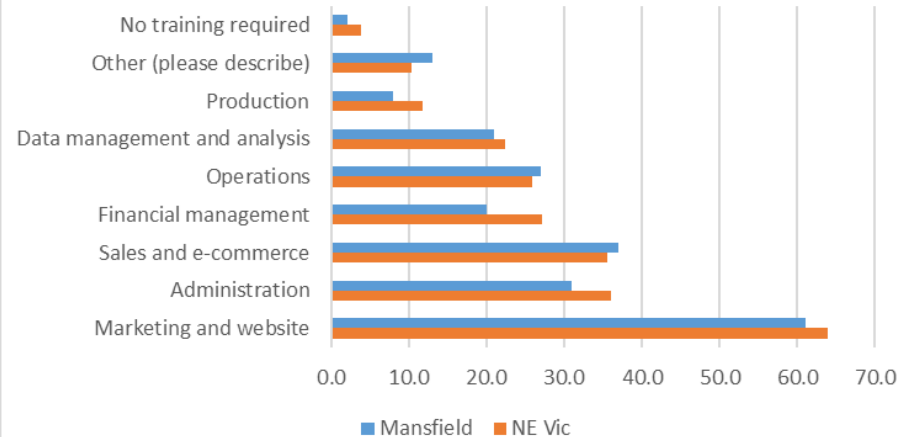
Mansfield - Comparison by SME Number of Staff



Mansfield SME Digital Literacy



Desired Digital Literacy





## ADII - SME Workforce Digital Literacy Digital Literacy Workshops Mansfield

### Delivery

- Being delivered in Mansfield, Indigo and Wodonga
- Being delivered at two levels – Beginners and Intermediates (research showed this greatest need)
- Being delivered in each location by local people (who have been chosen as 'people like me' )

### Engagement

- Has been done with each Shire
- Have used ours and their networks, and told survey businesses
- Have used socials network and community FB boards (including FB boosting)
- Indigo Shire has had best engagement - have a business concierge visiting businesses individually

### Uptake

- Overall we have run Beginners in Indigo (full) and Mansfield (3) plus overall intermediate (full)
- The 3 Mansfield beginners are going really well, loved small group, now in week 5
- Mansfield have had 2 join the intermediate group who are about to finish

### Evaluation

- Every participant is asked to complete a survey at start and finish so we can monitor progress
- Overall results of these will be available in group format end June
- All participants offered 3m free membership of the new digital education platform, and invited to contribute to its development and testing – we want to build this with businesses



Startup Shakeup provides support for innovation  
assisting new and existing businesses and organisations to flourish

**We have the support and value your collaboration on this journey**







## Where to from here? 2022 - 2024

### 2022

- Nominated finalist Victorian Ecosystem Hero of the Year
- Nominated for RDV, Leadership and Innovation Award
- Activities for the 2022-2023 financial year
- F2F Meetups – eg Victorian Rural Woman of the Year (Wodonga)
- Online Masterclasses – with content responding to need
- Digital Literacy Workshops – Beginners and Intermediate
- Online Digital Literacy programs
- Incubators 3 (May) and 4 (October)
- Online Bootcamps – 4 pa
- Hackathons eg AgHack, Chamber Hack
- Mid-Winter Agricultural Innovation dinner (with OMABA)

### 2024

- A sustainable, evidence based, regional innovation ecosystem
- A self funded model supported by regional partners and sponsors
- Growing the power of regional business and industry
- Sharing and leveraging regional intellectual capital
- Building dynamic, resilient and sustainable regional growth



## Initial Ideas for 2022-2024 collaboration

### **Collaboration showcasing Mansfield EcoDev**

- Joint promotion of Logos on Websites and Newsletters with links
- Your organisation featured at relevant events eg a Meetup in your town
- Promote relevant events in our work eg newsletter & bus events platform
- Inclusion in PR campaigns featuring stories of your Startups and Shakeups
- 2 subsidized places each Incubator for Mansfield businesses
- Feature as star sponsor at key events such as launch and pitch nights

### **Connection with Regional Stakeholders, Industry and Board**

- Industry & Stakeholder Function tickets to key events
- Meet the Board in a private event
- Standing invitation with tickets to attend Startup Shakeup events

### **Build Innovation Capacity**

- Innovation@ ??? : Workshops for staff, key businesses and community orgs
- Co-Promotion : promoting what you do with newsletter features
- Chamber Hack : an innovation hackathon for Chambers of Commerce
- Regional Summit - Thrive with LaunchVic and later on a Pitch Night
- Co-Design : The opportunity to co-design new programs/services with you



# Australian Digital Inclusion Index

Measuring Digital Inclusion in  
North-East Victorian SMEs

Summary Findings Brief

FEBRUARY 2022

## AUSTRALIAN DIGITAL INCLUSION INDEX



## RESEARCH TEAM

**ADII:** Dr Sharon Parkinson (Swinburne Centre for Social Impact), Dr Indigo Holcombe-James and Distinguished Professor Julian Thomas (Centre of Excellence for Automated Decision Making & Society)

**Startup Shakeup:** Ilana Young and Bree Nightingale

**This project was funded by the Regional Digital Fund  
Department of Jobs, Precincts and Regions**

**Startup Shakeup is supported by:**



## INTRODUCTION

**The digital transformation of regional communities is accelerating.** While many businesses and households have increased their online presence, capacity, and activities, especially through the COVID-19 pandemic, the digital divide between major Australian cities and the regions persists.

**Closing this divide remains key** to social and economic development priority across all levels of government and within regional businesses to ensure that its workforce is equipped with the capacities to connect and innovate for future growth needs. Specifically, the Victorian Government Digital Strategy 2021-2026 outlines its objectives in working towards fairer and more accessible digital services, capability, and a thriving economy through continued investment in critical digital infrastructure in regional communities.

The ongoing **monitoring of digital inclusion across communities is key** to identifying where locally based initiatives can have most impact in enhancing access to and use of digital technologies. Startup Shakeup have been at the forefront of strengthening

the capacity of local businesses in North-East Victoria (NE Vic) to innovate and transform their practices through greater digital inclusion. But the evidence base is limited on the nature of digital inclusion across different industry types, sizes and Local Government Areas in the region.

**To address a critical knowledge gap**, Startup Shakeup collaborated with the ADII team to map the nature of digital inclusion across the workforce of small to medium enterprises (SMEs) operating in the seven Ovens Murray Region Local Government Areas: Alpine Shire, Rural City of Benalla, Indigo Shire, Mansfield Shire, Rural City of Wangaratta, City of Wodonga, and Towong Shire.

This summary findings brief presents the **highlights from the NE Vic SME Digital Inclusion Mapping** project in which 401 members of the region's SME workforce completed an adapted Australian Internet Usage Survey (AIUS; Thomas et al., 2020). This is the survey used to derive the Australian Digital Inclusion Index (ADII), enabling direct measures of digital inclusion to be calculated using the ADII methodology.

AUSTRALIAN DIGITAL  
INCLUSION INDEX



## KEY TAKE HOME MESSAGES

**ADII scores range from 0 to 100 and are relative,** the higher the score, the greater the level of inclusion.

**The NE Vic SME workforce frequently use the internet,** often several times a day.

However, although most report increases in time and activity online **this has not been accompanied by increased investment** in access or digital skills.

The NE Vic SME workforce has an overall Digital Index **score of 63.9 this is 9.9 points lower** than metropolitan Melbourne.

**The difference is driven primarily by low Digital Ability** at 56.4 which is 9.5 points lower than metropolitan Melbourne.

**Training areas that would most enhance SME digital capacity were identified** as

- marketing and website development,
- digital administration,
- sales and e-commerce, and
- financial management.

SMEs operating in multiple LGAs received higher scores and those operating in **Wodonga have** the

**most digitally included workforce**, whilst those in **Benalla and Towong are the lowest** (NB low response numbers mean we need to see these LGA scores as indicative only).

**Wealthier SMEs score higher**, as do those with household incomes in the highest brackets, and the **most digitally included workforces** are found in health & wellbeing, professional & business services and construction & manufacturing.

**The least digitally included workforces** are in agriculture & agribusiness and accommodation & hospitality, with agriculture and agribusiness lagging on both Access and Digital Ability.

**SMEs with turnovers < \$75,000 or \$150,000 - \$1M have relatively low digital inclusion scores.**

**Older workforce members are disadvantaged**, all those over 55 fall below overall NE Vic scores. (the average age for respondents was 52).

**SMEs with 2 – 4 staff have particularly low digital ability scores**, as do those with household incomes in the lowest quartile.



## AUSTRALIAN DIGITAL INCLUSION INDEX



### STARTUP SHAKEUP KEY FINDINGS

The ADII uses survey data to measure digital inclusion across three dimensions of Access, Affordability and Digital Ability. ADII scores range from 0 to 100. The higher the score, the greater the level of inclusion. ADII scores are relative: they allow comparisons with each of the three Index dimensions equally weighted. The findings here are based on the responses from 401 participants in the SME workforce across North-East Victoria (NE Vic). Information about the ADII, methodology and who was surveyed can be found in Appendices 1, 2 and 3.

**Internet Usage:** The NE Vic SME workforce are frequent users of the internet: 47.2% say they use the internet almost constantly, and 47.5% use the internet several times a day. The majority report increases in time spent online (66.5%) and range of activities done online (57.9%) but this is not accompanied by increased investment in internet access (26.1%) or in digital skills (33.8%).

**Digital Inclusion Scores:** The NE Vic SME workforce has an average Index score of 63.9, made up of Access - 70.1 Affordability - 95.0 and Ability - 57.3. Within the Digital Ability dimensions scores ranged from 66.8 - Operational Basics to 47.8 - Creative.

**In Comparison with Melbourne:** Controlling for differences in the sample population we draw an equally matched sample from the national survey for Metropolitan Melbourne. This showed the NE Vic SME workforce is 9.9 points behind the metropolitan Melbourne 2021 Index score, with the difference driven primarily by a low Digital Ability score of 56.4, 9.5 points lower than the metropolitan Melbourne score of 65.9.

**Priorities for Building Workforce Capacity:** The training identified by participants that would most enhance digital capacity within their SME was marketing and website development (64%), followed by digital administration (36%), sales and e-commerce (35.5%) and financial management (27.2) capabilities.

### Digital Inclusion

**By Age:** Consistent with the national Index collection, the digital inclusion of the NE Vic SME decreases with age with older members of the NE Vic SME workforce being particularly disadvantaged. In a survey whose average respondent age was 52, workers over the age of 55 all fall below the NE Vic SME workforce scores on this dimension.

**By Location:** Taken at the total Index level (all sample participants), SMEs operating in Wodonga have the most digitally included workforce with a total Index score of 74.8, which is 18.6 points higher than that received by the workforce of SMEs in Benalla at 56.2 or Towong at 57.2. Please note that low response numbers make these scores indicative only. SMEs operating in multiple LGAs received an Index score of 65.3, above the regional average.

**By Turnover:** Digital inclusion scores also appear to be influenced by business income. Wealthier SMEs score higher than their less wealthy counterparts, and this is seen most clearly in the Access and Affordability dimensions. There appear to be particular challenges for SMEs under \$75,000 (the GST threshold) or from \$150,000 - \$1M.

**By Staff Size:** the SMEs that appear to struggle are those with 2 – 4 staff whose Index score sits on 60.8, with an Ability score of only 52.9. This compares to SMEs with more than 20 staff who receive an Index score of 69.4.

**By Industry Sector:** SMEs in health and wellbeing (66.6), professional and business services (66.1), and construction and manufacturing (65.1) are the most digitally included. Whereas agriculture and agribusiness (61.4) and accommodation and hospitality (61.9) are the least digitally included. Agriculture and agribusiness SMEs are particularly lagging on the Access (66.6) and Digital Ability (55.7) dimensions.

**By household income:** Those with a household income in the highest bracket (over \$156,000 per annum) scored 69.6, which is 5.7 points higher than the overall SME workforce, and 16.7 points higher than that for those with a household income in the lowest bracket (below \$33,800 per annum).

## AUSTRALIAN DIGITAL INCLUSION INDEX



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## SUMMARY OF KEY FINDINGS

The findings within this brief are based on the responses of 401 participants who either own, or are employed by, an SME in NE Vic. Missing responses on some questions means that total samples will vary. Moreover, several businesses covered multiple LGAs and industry types. These have been counted separately or as multiple responses. This brief should be read in conjunction with the detailed results.

### INTERNET USAGE BY THE NE VIC SME WORKFORCE

The NE Vic SME workforce are frequent users of the internet: 47.2% say they use the internet almost constantly, and 47.5% use the internet several times a day.

#### Impact of COVID-19 restrictions on internet usage

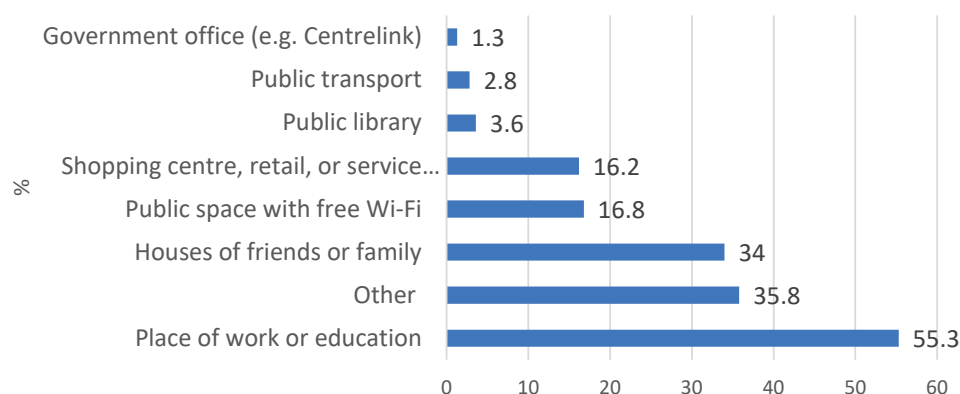
Two thirds of participants report that their internet use has increased since COVID-19 restrictions were first introduced in 2020 (66.5%). More than half report that the range of activities they conduct online have also increased (57.9%). A further third indicate that their internet skills used for work have increased (33.8%), and around a quarter report increasing their investment in internet access during this time (26.1%).

Table 1: Impact of COVID-19 restrictions on NE Vic SME workforce

	Number	%
Time spent online has increased	262	66.5
Range of activities done online has increased	228	57.9
Investment in internet access has increased	103	26.1
Digital skills used to help work increased	133	33.8

#### Places of internet use

Outside the home, NE Vic participants report that their main place of internet use is at work or education (55.3%), indicating that these are key sites for targeted initiatives to improve digital inclusion within the SME workforce. Other common places of internet use include the houses of friends and family (34%), public spaces (16.8%), and shopping centres (16.2%). Figure 1: Places of internet use



## DEVICES USED TO ACCESS THE INTERNET

Nearly all participants (95.7%) have access to a smart phone, while three quarters have access to a portable laptop or notebook computer (73.1%). This suggests the increasing importance of phones as a means of delivering content, messaging, and the need to ensure services are reaching groups through mobile friendly formats.

Table 2: Types of devices used

	Number	%
Smartphone	377	95.7
Portable laptop or notebook computer	288	73.1
Desktop computer	239	60.7
Tablet (e.g. Apple iPad, Google Pixel Slate)	220	55.8
Smart TV	186	47.2
Digital media player (e.g. Apple TV, Google Chromecast)	123	31.2
Fitness wearable device (e.g. Fitbit, Garmin)	59	15.0
Voice controlled smart speaker (e.g. Amazon Echo, Google Home)	52	13.2
Smartwatch (e.g. Apple Watch, Fossil Gen 5)	51	12.9
Games console (e.g. Xbox, Switch)	42	10.7
Smart appliance / home device (e.g. light, security system, fridge)	41	10.4
E-reader (e.g. Kindle)	37	9.4
Other device	5	1.3

- 
1. Participants select multiple device types. Percentages are based on total samples for each item and therefore percentage total does not equal 100.

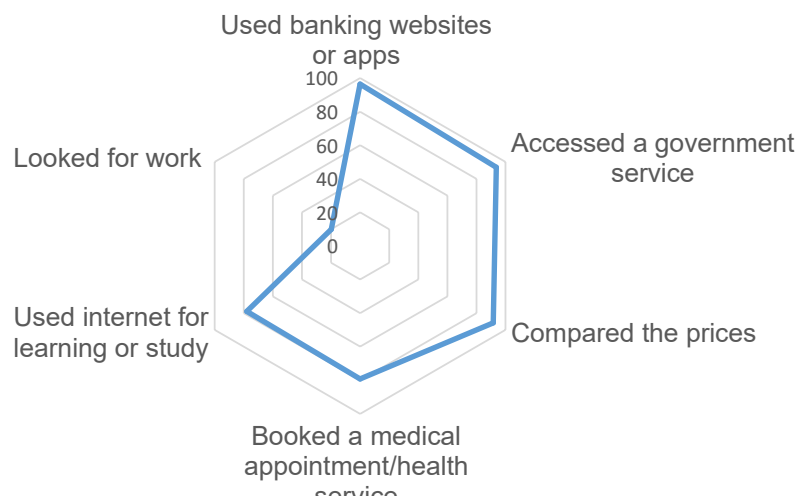
## AUSTRALIAN DIGITAL INCLUSION INDEX



### Economic, social and cultural activities conducted online

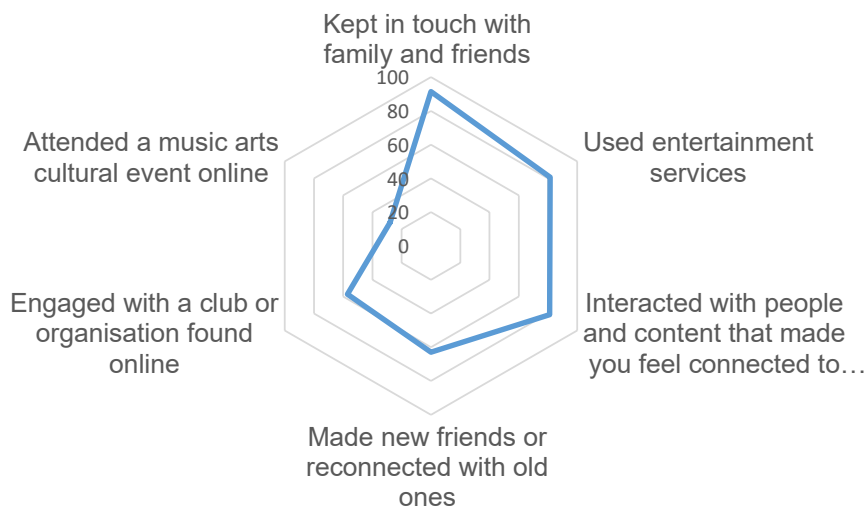
Key economic activities undertaken online by the NE Vic participants are banking services via websites or apps (96.4%). Government services are also frequently accessed online (93.7%). This is slightly higher than the proportion of online activity dedicated to comparing prices on products and services (91.6%).

Figure 2: Online engagement in economic and administrative activities



The primary social and cultural activity reported by the NE Vic SME workforce is keeping in touch with family and friends (91.4%). Using online entertainment services (81.5%) and interaction with people and content to engender connection to community (81.2%) are also frequently reported activities.

Figure 3: Online engagement in social and cultural activities



## AUSTRALIAN DIGITAL INCLUSION INDEX



### DIGITAL INCLUSION IN THE SME WORKFORCE IN NORTH EAST VIC

The North-East Victorian SME workforce has an average Index score of 63.9 for the complete sample of participants. Across dimensions, this translates to an average:

- **Access score:** **70.1**
- **Affordability score:** **95.0**
- **Digital Ability score:** **57.3**

### ACCESS SCORE COMPONENTS BREAKDOWN

Table 5: Access dimension and component scores for NE Vic SMEs

Access dimension and components	NE Vic SME scores
Overall Access	70.1
Speed and data allowance (Data allowance and speed)	56.4
Intensity and frequency of access (Frequency and intensity of use)	94.2
Connection type (Connection type, such as fixed broadband or mobile-only)	64.7
Device (Types of devices, eg desktops, laptops, smart phones, tablets, and an array of smart home devices)	31.1

### ABILITY SCORE COMPONENTS BREAKDOWN

Table 6: Digital Ability dimension and component scores for NE Vic SMEs

Digital Ability dimension and components	NE Vic SME scores
Overall Digital Ability	57.3
Operational basic	66.8
Operational advanced	58.7
Information navigation	58.2
Social	57.5
Creative	47.8
Automation	55.0

## COMPARING NE VIC SME WORKFORCE SCORES TO METROPOLITAN MELBOURNE

### Methodology

The overall Index scores for NE Vic SME sample are lower than unweighted Melbourne metropolitan figures but this is not directly comparable due to the different populations from which the samples are drawn, which may be more influential in determining final scores than any regional-metro divide. For instance, total Index scores in the national ADII data are strongly shaped by age and education profiles. Isolating the impact of different sample populations is important for making more direct comparisons in Index scores between metro and regional samples. Below, we show the results for case control methods used to compare NE Vic SME Index scores with metropolitan Melbourne.

In controlling for differences in the sample population we draw an equally matched sample from the national survey, Melbourne Metropolitan area with that of the NE Vic SME workforce sample according to age and education profiles. The tables below show the final selected metro and regional samples. It should be noted that as this 'matched sample' is a subset of the total SME Workforce sample thus final ADII scores will differ to scores given elsewhere in this report.

Table 8: Age groups (matched sample numbers)

	18-34	35-44	45-54	55-64	65-74	75+	Total
Melbourne Metro Sample	29	48	68	74	47	10	276
NE Vic SME Sample	29	48	68	74	47	10	276
Total	58	96	136	148	94	20	552

Table 9: Education levels (matched sample numbers)

	Did not complete secondary school	Completed secondary school (year 12 or equivalent)	Certificate/ diploma	Bachelor and above	Other	Total
Melbourne Metro Sample	20	35	70	148	3	276
NE Vic SME Sample	20	35	70	148	3	276
Total	40	70	140	296	6	552

## AUSTRALIAN DIGITAL INCLUSION INDEX



### Comparative scores

When comparing a selected 'case control sample' of metropolitan Melbourne respondents derived from the 2021 national Index data collection, the differences in digital inclusion are stark. This analysis shows that after controlling for age and education profiles, Index scores are likely shaped by area-based attributes.

- The NE Vic SME workforce is 9.9 points behind the metropolitan Melbourne 2021 Index score.
- This difference is driven primarily by the low Digital Ability score registered by the NE Vic SME workforce (56.4). This is 9.5 points lower than the metropolitan Melbourne score of 65.9.

Table 10: Comparing the NE Vic SME workforce to metropolitan Melbourne

	Total Index	Access	Affordability	Digital Ability
Melbourne Metro	73.1	73.0	93.4	65.9
NE Vic SME workforce	63.2	69.8	94.6	56.4
Difference	- 9.9 points	- 3.2 points	+ 1.2 points	- 9.5 points

## AUSTRALIAN DIGITAL INCLUSION INDEX



### SME WORKFORCE AGE BREAKDOWN

- Consistent with the national Index collection, the digital inclusion of the NE Vic SME decreases with age.
- Workers between the ages of 18-34 receive a total Index score of 74.5. 27.3 points higher than that received by those over the age of 75 (47.2), and 22.3 points higher than that received by those workers between 65 and 74 (52.2).
- Older members of the NE Vic SME workforce are particularly disadvantaged when it comes to Digital Ability. Workers over the age of 55 in NE Vic SMEs all fall below the total NE Vic SME workforce score on this dimension.

Table 7: Digital inclusion scores by SME workforce age

	Total Index	Access	Affordability	Digital Ability
Total NE Vic SME workforce	63.9	70.1	95.0	57.3
18-34 years	74.5	73.7	92.3	76.5
35-44 years	68.8	69.9	96.5	67.0
45-54 years	65.6	71.8	96.2	58.8
55-64 years	62.5	69.8	94.9	54.8
65-74 years	52.2	65.2	92.0	39.3
75+ years	47.2	67.1	92.9	26.8

### SME LOCATION BREAKDOWN

- Taken at the total Index level (all sample participants), SMEs operating in Wodonga have the most digitally included workforce with a total Index score of 74.8.
- This is 18.6 points higher than that received by the workforce of SMEs in Benalla, which scores just 56.2.
- Multi-site SMEs—those operating in multiple LGAs—receive an Index score of 65.3, with this underpinned by an Access score of 71.5, an Affordability score of 92.2, and a Digital Ability score of 59.9.

Table 11: Digital inclusion scores by LGA of business

	Total Index	Access	Affordability	Digital Ability
Total NE Vic SME workforce	63.9	70.1	95.0	57.3
Alpine	66.0	71.3	96.4	60.1
Benalla	56.2	66.8	89.3	46.7
Indigo	65.6	69.9	95.5	60.8
Mansfield	63.3	69.4	94.8	56.8
Towong	57.2	67.7	92.5	47.0
Wodonga	74.8	77.4	97.0	71.7
Wangaratta	63.6	71.5	95.3	55.2

<sup>1</sup> Businesses can operate across multiple LGAs. Each business location has been counted in final total.

<sup>2</sup> Alpine includes data from respondents who selected either Alpine or Alpine Resort Area.



## AUSTRALIAN DIGITAL INCLUSION INDEX



### SME ANNUAL TURNOVER BREAKDOWN

Digital inclusion scores also appear to be influenced by business income.

- Wealthier SMEs score higher on the Index than their less wealthy counterparts. This influence is seen most clearly in the Access and Affordability dimensions.
- In contrast, Digital Ability, while highest for those employed by SMEs that earn over 1 million per year, appears to be less impacted by income levels.

Table 1: Digital inclusion scores by SME annual turnover

	Total Index	Access	Affordability	Digital Ability
Total NE Vic SME workforce	63.9	70.1	95.0	57.3
Under \$75,000 per annum	61.7	68.2	94.4	54.9
\$75-149,995 per annum	64.6	68.8	95.6	59.9
\$150,000-\$1 million per annum	63.9	71.5	94.6	56.1
Over \$1 million per annum	69.4	75.5	97.0	62.5
Not sure	66.4	69.2	95.2	63.4

### SME STAFF SIZE BREAKDOWN

Digital inclusion increases with staff size.

- SMEs with more than 20 staff receive an Index score of 69.4.
- This is 8.6 points higher than SMEs with 2-4 staff members.

Table 2: Digital inclusion scores by SME staff size

	Total Index	Access	Affordability	Digital Ability
Total NE Vic SME workforce	63.9	70.1	95.0	57.3
0-1 staff	65.0	68.5	95.3	61.1
2-4 staff	60.8	68.6	94.1	52.9
5-19 staff	66.2	73.2	95.7	58.7
20+ staff	69.4	76.2	94.6	62.8

## AUSTRALIAN DIGITAL INCLUSION INDEX



### SME SECTOR BREAKDOWN

- SMEs in health and wellbeing (66.6), professional and business services (66.1), and construction and manufacturing (65.1) are the most digitally included SMEs in NE Vic.
- SMEs in agriculture and agribusiness (61.4) and accommodation and hospitality (61.9) are the least digitally included SMEs in NE Vic.
- Agriculture and agribusiness SMEs are particularly lagging on the Access and Digital Ability dimensions.

Table 3: Digital inclusion scores by SME type

	Total Index	Access	Affordability	Digital Ability
Total NE Vic SME workforce	63.9	70.1	95.0	57.3
Tourism and recreation	64.4	71.1	94.8	57.4
Accommodation and hospitality	61.9	70.2	94.2	53.4
Retail	64.3	70.2	94.6	58.3
Agriculture and Agribusiness	61.4	66.6	95.3	55.7
Construction and manufacturing	65.1	72.0	96.7	57.3
Professional and business services	66.1	72.0	94.0	60.4
Health and wellbeing	66.6	71.3	95.8	61.4

1. Responses to the question 'what does your business do?' were re-coded to reflect the following seven final categories: tourism and recreation, professional services, agriculture and agribusiness, accommodation and hospitality, retail, construction and manufacturing, and health.

### SME WORKFORCE HOUSEHOLD INCOME BREAKDOWN

Digital inclusion scores increase with the household income of the SME workforce.

- Members of the NE Vic SME workforce with a household income in the highest bracket (over \$156,000 per annum) receive an Index score of 69.6. This is 5.7 points higher than the Index score registered for the total NE Vic SME workforce, and 16.7 points higher than the Index score registered for those members of the NE Vic SME workforce who have a household income in the lowest bracket (earning below \$33,800 per annum).
- This divide between high and low income earners is evident across each of the three Index dimensions and is particularly stark in terms of Affordability and Digital Ability.

Table 4: Digital inclusion scores by SME workforce household income

	Total Index	Access	Affordability	Digital Ability
Total NE Vic SME workforce	63.9	70.1	95.0	57.3
Quintile 1 (below \$33,800 p/a)	52.9	62.9	79.2	47.4
Quintile 2 (\$33,800-\$51,999)	60.1	68.7	93.5	51.5
Quintile 3 (\$52,000-\$90,999)	63.9	69.7	96.8	57.2
Quintile 4 (\$91,000-\$155,999)	67.7	70.9	98.3	63.2
Quintile 5 (\$156,000 and above)	69.6	75.6	99.5	62.1

AUSTRALIAN DIGITAL  
INCLUSION INDEX



## PRIORITIES FOR BUILDING WORKFORCE DIGITAL CAPACITY

This research brief highlights several strategic priorities for addressing digital inclusion in the SME workforce in the NE Vic region. These include the need to support small businesses and more rural based LGAs. While gains are likely to be achieved in continuing to facilitate enhanced access to computing facilities, faster and reliable affordable internet connection more targeted programs that aim to develop digital capacity or literacy within businesses will be critical in reducing the divide between larger and smaller regions and between capital cities and regional areas more broadly.

The type of training identified by participants that would most enhance digital capacity within their SME was marketing and website development (64%), followed by further developing digital administration (36%), and sales and e-commerce (35.5%) capacities.

Table 5: Types of digital training identified by the NE Vic SME workforce

	Number	%
Marketing and website	252	64.0
Administration	142	36.0
Sales and e-commerce	140	35.5
Financial management	107	27.2
Operations	102	25.9
Data management and analysis	88	22.3
Production	46	11.7
Other (please describe)	41	10.4
No training required	15	3.8

1. Participants select multiple responses. Percentages are based on total samples for each item and therefore percentage total does not equal 100.

AUSTRALIAN DIGITAL  
INCLUSION INDEX



## REFERENCES

Thomas, J., Barraket, J., Wilson, C., Holcombe-James, I., Kennedy, J., Brydon, A., Morsillo, R. (2020). The Australian Internet Usage Survey: 2020. Melbourne: RMIT and Swinburne University of Technology, and Telstra.

Thomas, J., Barraket, J., Parkinson, S., Wilson, C., Holcombe-James, I., Kennedy, J., Mannell, K., Brydon, A. (2021). Australian Digital Inclusion Index. RMIT and Swinburne University of Technology, Melbourne, for Telstra.

State of Victoria (Department of Premier and Cabinet). (2021). A future-ready Victoria: Victorian Government Digital Strategy 2021-2026. Retrieved from: [www.vic.gov.au/digitalstrategy](http://www.vic.gov.au/digitalstrategy)

The Australian Digital Inclusion Index has taken place every year 2014 – 2021  
and the annual reports can be found at <https://www.digitalinclusionindex.org.au/>

The following pages contain the Appendices

Appendix 1 : About the Australian Digital Inclusion Index

Appendix 2 : Approach to Data Collection in this Survey

Appendix 4 : Who was Surveyed

AUSTRALIAN DIGITAL  
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## APPENDIX 1 : ABOUT THE AUSTRALIAN DIGITAL INCLUSION INDEX

The ADII uses survey data to measure digital inclusion across three dimensions of Access, Affordability and Digital Ability. In doing so, the Index details how these dimensions vary across Australia and different social groups. A detailed measure of digital inclusion for Australia allows us to identify the critical barriers to inclusion. These may be related to accessing networks, the costs of devices or data, or skills and literacies.

The survey has taken place every year since 2014. In 2021, a revised and updated ADII was launched (Thomas et al., 2021). This revised Index continues the tradition of the ADII in generating the most detailed picture of digital inclusion in Australia available.

Using data collected through the AIUS, the ADII retains the original three-dimension framework for measuring personal levels of digital inclusion (Access, Affordability and Digital Ability), but updates the components that underpin these to accommodate changes in digital technologies, digital skills, and the telecommunications marketplace.

ADII scores range from 0 to 100. The higher the score, the greater the level of digital inclusion. ADII scores are relative: they allow comparisons across different social groups and geographic areas, and over time. Each of the three Index dimensions are equally weighted to derive the total Index score.

### Access

Access is about the types of digital connections and devices and how frequently we use them to get online. It also includes how much data we can use.

*Table 20: Breakdown of Digital Access components*

Access	Frequency and intensity of use, ranging from no use at all to daily use
	Connection type, such as fixed broadband or mobile-only
	Data allowance and speed
	Types of devices, including desktops, laptops, smart phones, tablets, and an array of smart home devices

An individual with a high Access score typically has:

- Daily use and high intensity of use
- Fixed broadband
- Fast and unlimited data allowances that are not exceeded
- Access via a range of devices

## AUSTRALIAN DIGITAL INCLUSION INDEX



### Affordability

The Affordability dimension measures the percentage of household income that would be required to be spent to gain a good quality service with reliable connectivity. To do this, we consider the price of a basket of goods and services required for a well-connected household.

Table 21: Breakdown of Digital Affordability components

Affordability	Ratio of household income to the median cost of an 'internet bundle' for an ideally connected household. The bundle is costed for both single headed and family households.
	<p>The internet bundle enables both quality and reliable connectivity through:</p> <ul style="list-style-type: none"> <li>• A fast internet service, including a cable (HFC) service, NBN 50 or above, or 5G wireless service</li> <li>• Unlimited monthly data allowance through a fixed broadband service</li> <li>• Mobile broadband or mobile phone data allowance above 61GB per month</li> </ul>

### Digital Ability

Digital Ability is about our skill levels: what we are able to do online, and our confidence in doing it.

Table 23: Breakdown of Digital Ability components

Digital Ability	Basic operational: Including downloading and opening files, connecting to the internet, and setting passwords.
	Advanced operational: Including saving to the cloud, determining what is safe to download, customising devices and connections, and adjusting privacy settings.
	Information navigation: Including searching and navigating, verifying trustworthy information, and managing third party data collection.
	Social: Including deciding what to share, how, and who with, manage and monitor contacts, and communicate with others.
	Creative: Including editing, producing, and posting content, as well as a broad understanding of the rules that may apply to these activities.
	Automation: Including connecting, operating, and managing smart devices and IoT technologies.

A person with a high Digital Ability score can perform the range of tasks across each of the above components, while those with lower scores may only have basic or no operational skills.

## AUSTRALIAN DIGITAL INCLUSION INDEX



### APPENDIX 2 : APPROACH TO DATA COLLECTION IN THIS SURVEY

A key benefit of redeveloping the Index is the ability to partner with community organisations to produce ADII scores through use of the AIUS, and the addition of questions that reflect local needs and priorities. This approach has received ethics approval from RMIT's human research ethics committee (project number: 24628).

In this project, Startup Shakeup have drawn on the core AIUS questions to derive an Index score for SMEs, ranging from single operator through to medium sized businesses within major industries in the North-East region of Victoria. In addition to the core AIUS questions, Startup Shakeup added the following five questions to enable deeper insights into digital inclusion and capacity building needs across key SME sectors and locations.

Table 24: Questions added to the AIUS for Startup Shakeup

Question	Answer frame
<b>Q1 What is the annual turnover of the business you own or work in?</b>	Under \$75,000 per annum
	\$75-\$149,995 per annum
	\$150,000 - \$1 million per annum
	Over \$1 million per annum
	Not sure
	Under \$75,000 per annum
<b>Q2 How many staff does the business you own or work in currently have on average, per week, including yourself?</b>	Text box
<b>Q3 Which LGA is your business based in? Please select all that apply.</b>	Alpine
	Benalla
	Indigo
	Mansfield
	Towong
	Wangaratta
	Wodonga
	Alpine Resort Area <sup>1</sup>
<b>Q4 What does your business do?<sup>2</sup></b>	Health
	Agriculture, food, and fibre production
	Agribusiness
	Wine, beer, and spirits
	Accommodation and hospitality
	Retail
	Digital and tech services
	Manufacturing
	Education
	Professional and financial services
	Other business services
	Transport and logistics
	Other, please describe
	Administration
	Financial management

<sup>1</sup> Participants that selected Alpine Resort Area in their response were combined with Alpine during analysis.

<sup>2</sup> Responses to the question 'what does your business do?' were re-coded to reflect the following seven final categories: tourism and recreation, professional services, agriculture and agribusiness, accommodation and hospitality, retail, construction and manufacturing, and health.



## AUSTRALIAN DIGITAL INCLUSION INDEX



**Q5 In what areas of business would you like to extend your digital ability?**

**Please select all that apply.**

Marketing and website
Sales and e-commerce
Operations
Production
Data management and analysis
Other, please describe

Data collection was managed by Startup Shakeup. Survey participants were recruited through local business networks throughout the NE Vic region. A minimum of one representative within each organisation was asked to complete the AIUS, which was securely administered via the Qualtrics Online Survey Platform. The survey was open between 21 September 2021 and 18 January 2022. From the 2415 surveys sent out, and 1,780 follow up phone calls, 521 surveys were submitted and a final completed sample of 401 participants was obtained.

As this project targeted a population that is actively engaged in work, rather than a representative sample of the whole population, we use case control methods to compare NE Vic SME Index scores with metropolitan Melbourne. This case control approach compares the unweighted NE Vic SME Index scores with an exact 'matched' age and education cohort in the metropolitan Melbourne sample used for the 2021 ADII. Although this method provides a robust way to compare differences in scores between 'like' groupings against age and education profiles, the NE Vic SME findings should not be compared against the broader national ADII figures, which use both weighted and small area estimates to derive final scores.

## APPENDIX 3 : WHO WAS SURVEYED

### RESPONDENTS BY AGE

Consistent with the project's focus on a working and business operator population, the NE Vic SME sample is predominantly middle-aged, with nearly 60% falling between 45 and 64 years of age.

*Table 65: Age of NE Vic SME participants*

Age Groups	Number	%
18-34	32	8.0
35-44	73	18.2
45-54	120	29.9
55-64	116	28.9
65-99	60	15.0
Total	401	100

### RESPONDENTS BY EDUCATION

Likewise, the sample population is well-educated.

Almost 40% of all participants hold either an Advanced Diploma or Diploma (19.1%), or a Bachelor Degree (19.8%).

*Table 26: Education of NE Vic SME participants*

	Number	%
Did not complete secondary school	39	9.9
Completed secondary school	45	11.4
Certificate I to IV	69	17.5
Advanced Diploma or Diploma	75	19.0
Bachelor Degree	78	19.8
Graduate Diploma or Graduate Certificate	34	8.6
Postgraduate Degree	46	11.7
Other	7	1.8
Total	394	100.0

## AUSTRALIAN DIGITAL INCLUSION INDEX



### RESPONDENTS BY SME LOCATION

Participants responding to the survey have high concentrations in the Indigo, Mansfield, and Alpine Shires. This is reflective of the targeted approach to recruitment taken by Startup ShakeUp (see note 3).

Please note that with these numbers

1. Businesses can operate across multiple LGAs. Each business location has been counted in final total.
2. Alpine includes data from respondents who selected either Alpine or Alpine Resort Area.
3. Numbers are higher for Indigo and Mansfield as they invested in gathering a more in-depth response.

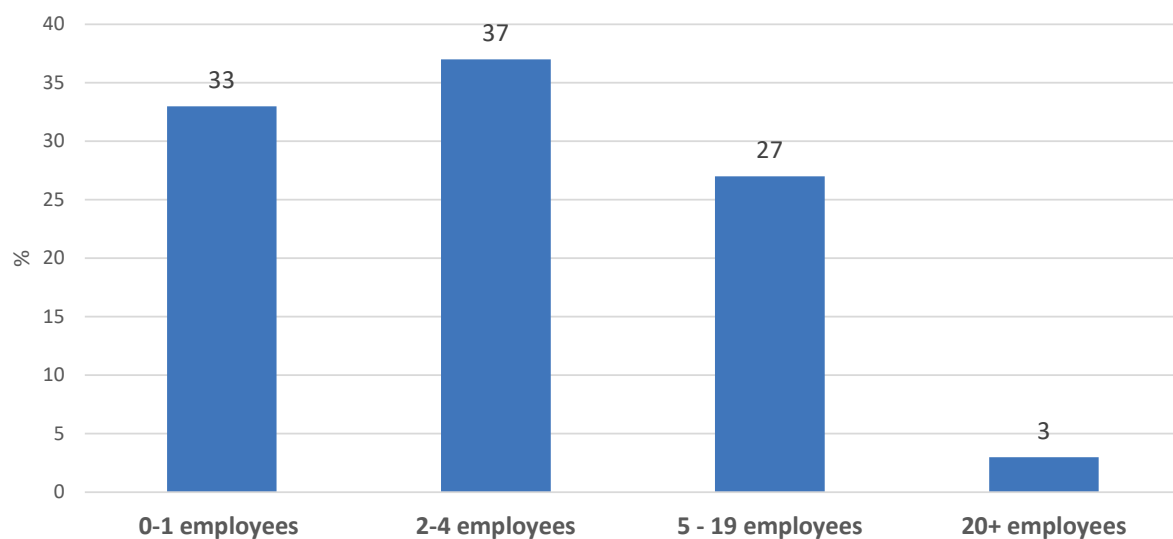
Table 27: Local Government Area of NE Vic SMEs

LGA of Business	Number <sup>1</sup>	%
Indigo	135	30.3
Mansfield	100	22.4
Alpine	85	19.1
Wangaratta	37	8.4
Benalla	33	7.4
Towong	29	6.6
Wodonga	26	5.8
Total N	445	100

### RESPONDENTS BY SME STAFF SIZE

More than two thirds of participants either own or are employed by an SME with fewer than five employees.

Figure 28: Number of employees in NE Vic SMEs



## AUSTRALIAN DIGITAL INCLUSION INDEX



### RESPONDENTS BY SME SECTOR

Survey participants represent a broad range of business types with many overlapping in core business. The most commonly reported are Tourism and Recreation (including accommodation/hospitality) (32.5%) and Professional Services (26.4%). Around a quarter defined their activity within Agriculture and Agribusiness.

Table 29: NE Vic SME business type

	% <sup>1</sup>	Number
Tourism and recreation	32.5	128
Professional Services	26.4	104
Agriculture and Agribusiness	23.9	94
Accommodation and hospitality	21.6	85
Retail	20.1	79
Construction and Manufacturing	15.7	62
Health	10.2	40
	% <sup>1</sup>	

Please note that with these numbers on business type

1. Participants select multiple business types. Percentages are based on total sample (N=394) for each business type and therefore percentage total does not equal 100.
2. Responses to the question 'what does your business do?' were re-coded to reflect the following seven final categories: tourism and recreation, professional services, agriculture and agribusiness, accommodation and hospitality, retail, construction and manufacturing, and health.



# Measuring Digital Inclusion in North-East Victorian SMEs

Summary Findings  
Presentations  
May 2022

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## What do we know and why do this research?

*"We have vaulted 5 years forward in consumer and business digital adoption in a matter of around 8 weeks"* McKinsey Digital 2021

Digital transformation is accelerating  
creating pressure on business to compete in new domains in new ways  
Digital literacy is a key building block in social and economic development

From the Australian Digital Inclusion Index 2014 - 2021  
we know Northern Vic shows persistent geographic /demographic digital divide

What we have not known is how this applies to the SME workforce  
What difference is there between businesses of different sizes and turnovers  
or different sectors and areas in the NorthEast

If we understand this, we can target local initiatives to build business capacity

## What is Digital Inclusion?

**Access**

**Affordability**

**Ability**



## What is Digital Ability?

- Basic operational: Including downloading and opening files, connecting to the internet, and setting passwords
- Advanced operational: Saving to the cloud, determining what is safe to download, customising devices/connections, adjusting privacy.
- Information navigation: Including searching and navigating, verifying trustworthy information, and managing third party data collection.
- Social: Deciding what to share, how, and who with, manage and monitor contacts, and communicate with others.
- Creative: Editing, producing, posting content, as well as broad understanding of rules that may apply to these activities.
- Automation: Including connecting, operating, and managing smart devices and IoT technologies.



## What did we do?

Startup ShakeUp collaborated with the ADII team to map digital inclusion across the SME workforce in the Ovens Murray Region – NE Vic  
Funded by DJPR through the Regional Digital Fund and Rural City of Wangaratta

We used the standard ADII National Survey  
plus extra targeted questions

1. Turnover < \$75k, \$75-\$150k, \$150k-\$1M, > \$1M
2. Employment staff numbers 0 – 1, 2 – 4, 5 – 19 and 20 +
3. LGA the 7 LGAs in North East Victoria
4. Sector Accom/Hosp, Ag/AgBiz, Const/Manuf, Health/Wellbeing, Retail, Prof/Bus Svcs and Tourism/Rec
5. Desired areas Marketing/Website, Sales/E-Comm, Operations, Admin, Financial Mgmt, Production, Data Mgmt, Other





## What did we do?

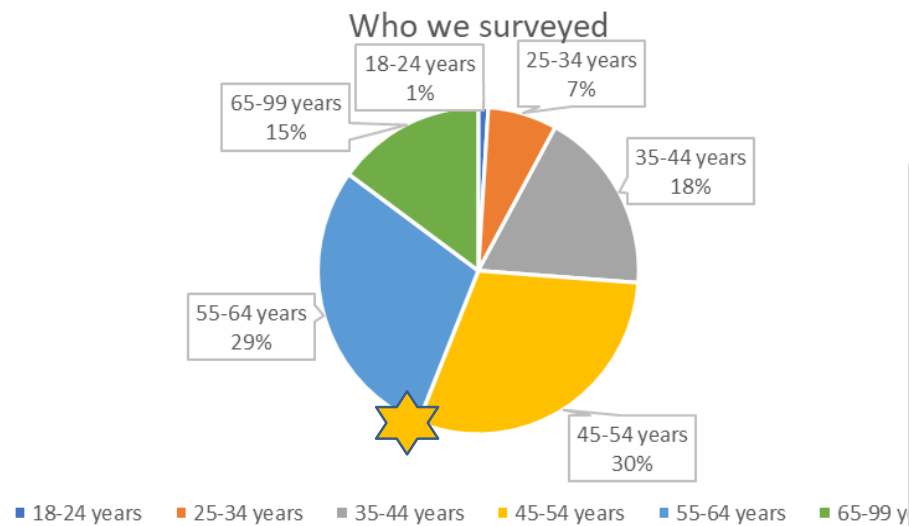
### **What businesses do we have in NE Vic?**

1. 13,056 SMEs in NEVic
2. 8,297 employ no one, 4,496 employ 1 – 19 staff

### **Who was surveyed and how?**

3. Convenience sampling methodology
4. 2,470 surveys sent out
5. 1,780 follow up phone calls
6. 528 surveys submitted
7. 401 surveys valid after cleaning

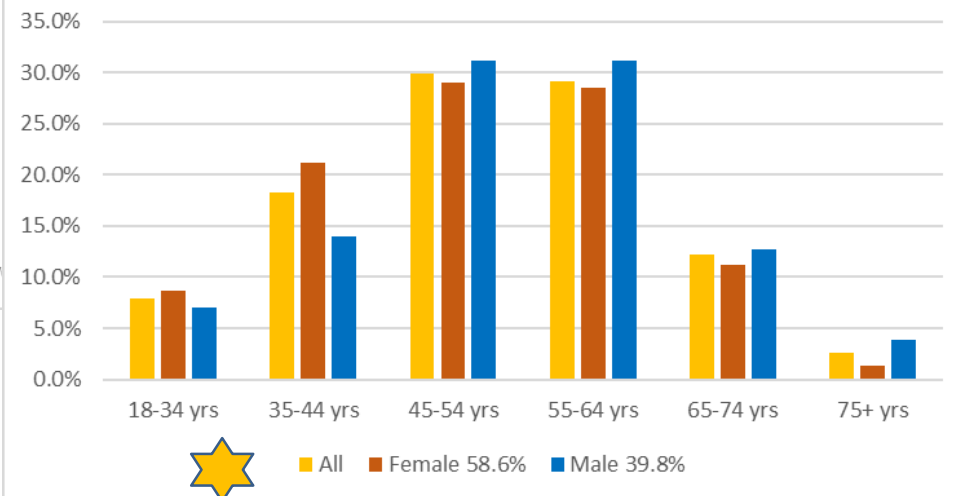
## What do we know about our respondents?



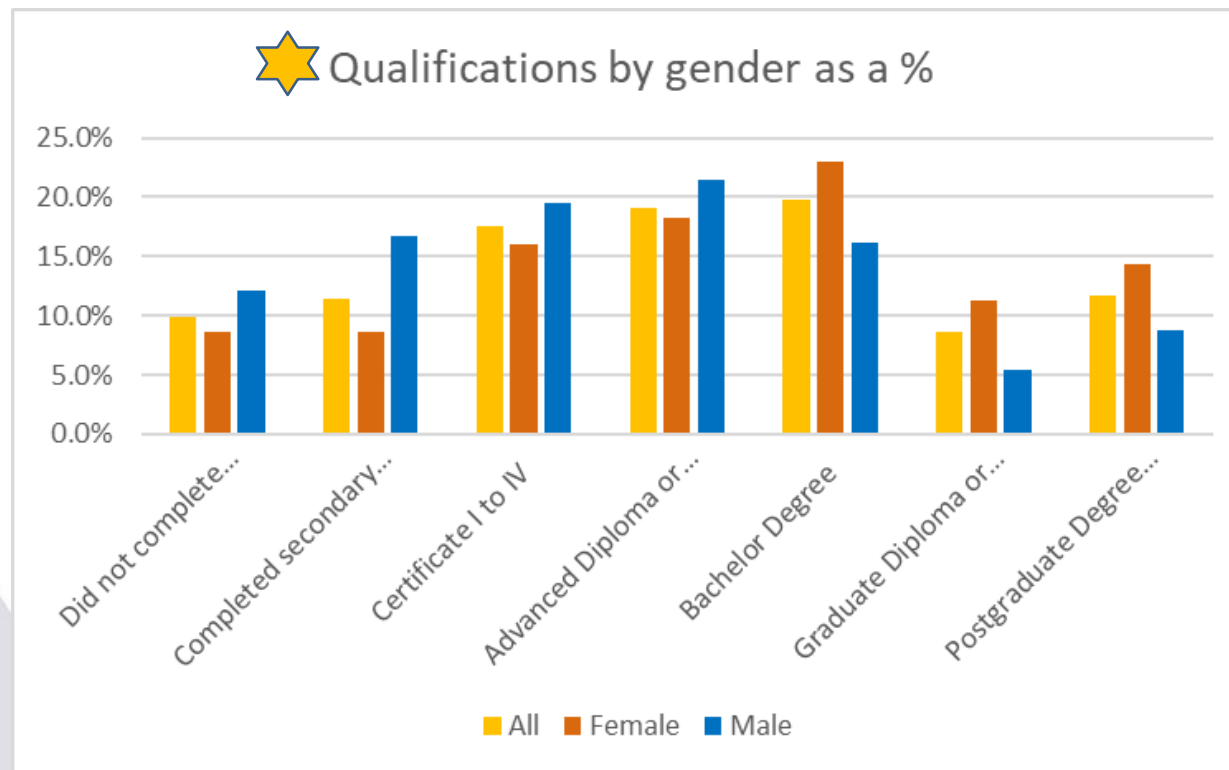
### Diversity

Aboriginal and/or Torres Strait Islander	4
People with a disability, health condition or injury	37
Non Binary / Gender Fluid Identity	6

### Breakdown by Age and Gender as a %



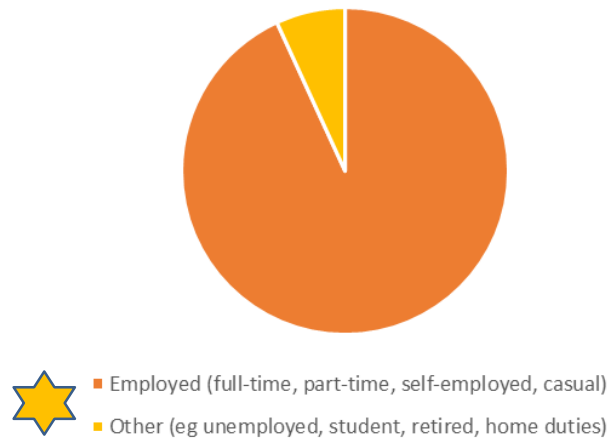
## What do we know about our respondents?



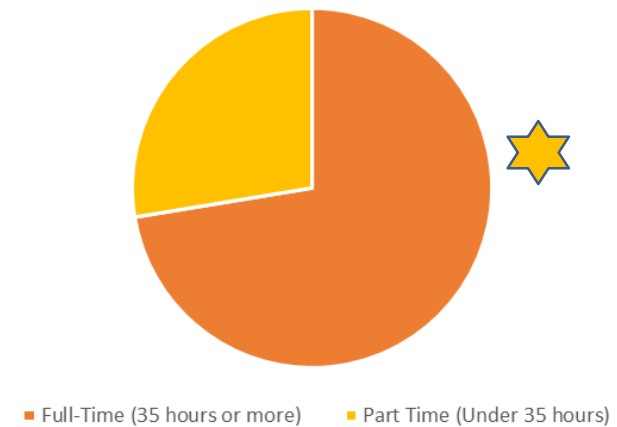
## What do we know about our respondents?



Employment Status

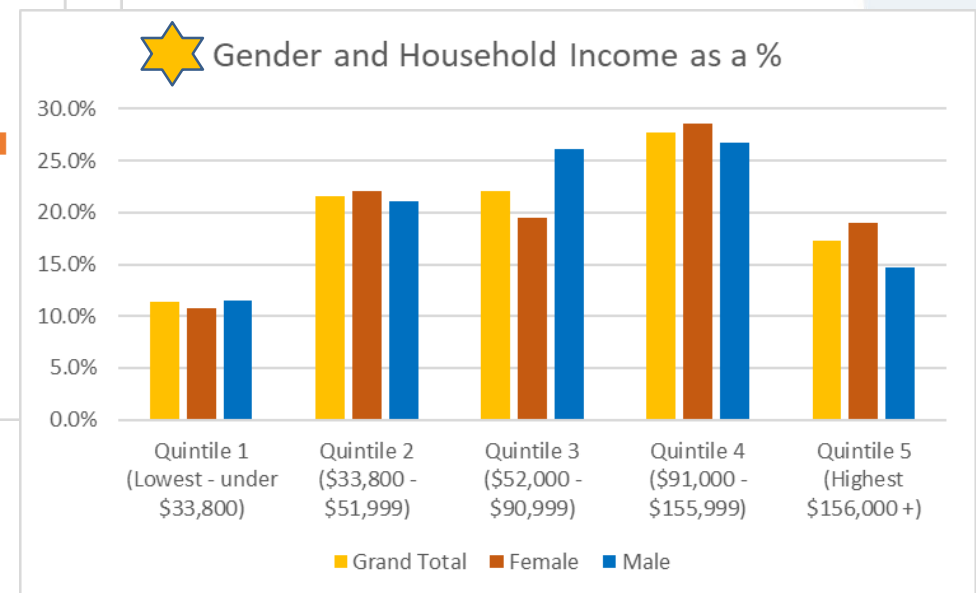
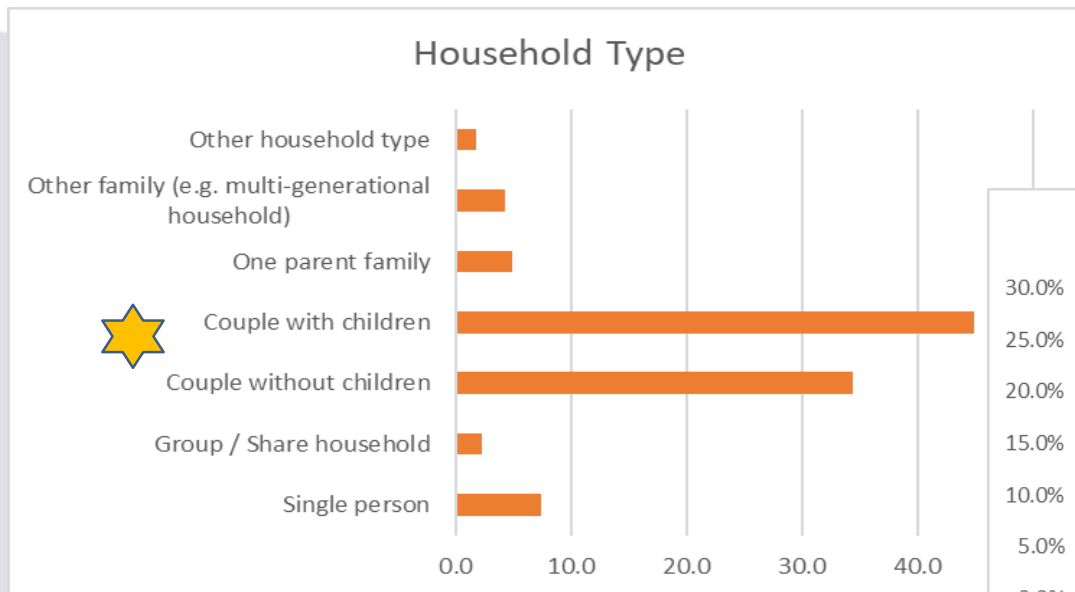


Hours Worked





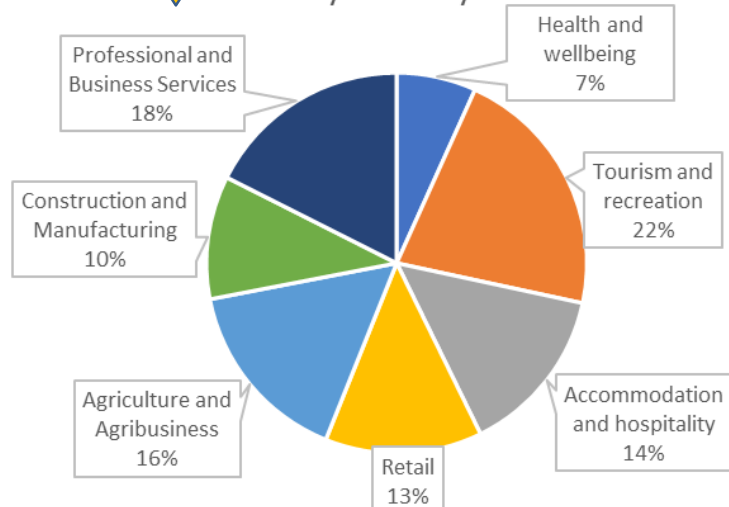
## What do we know about our respondents?



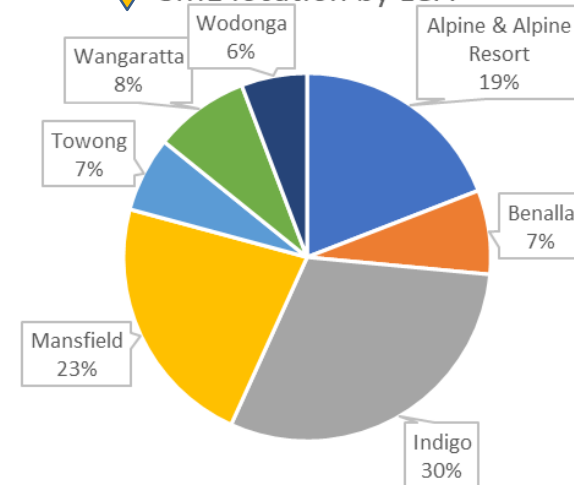
## What do we know about our respondents?



### SMEs by Industry Sector



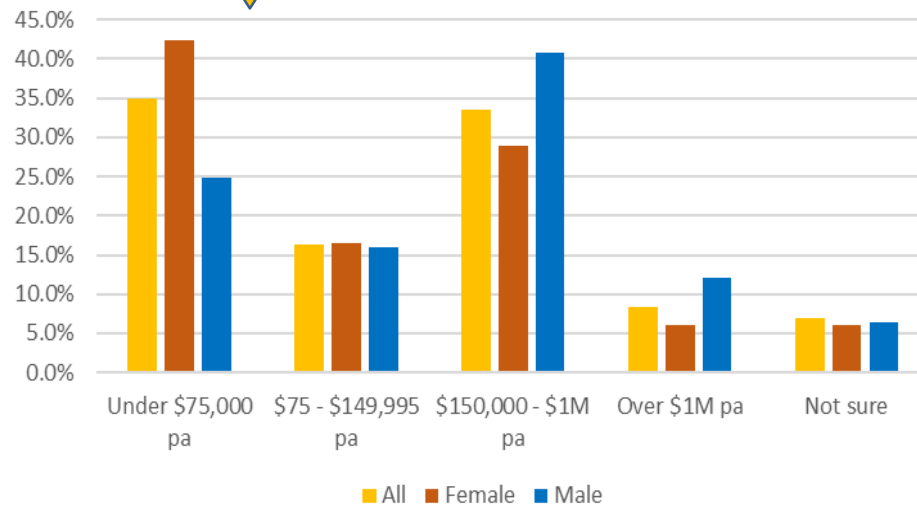
### SME location by LGA



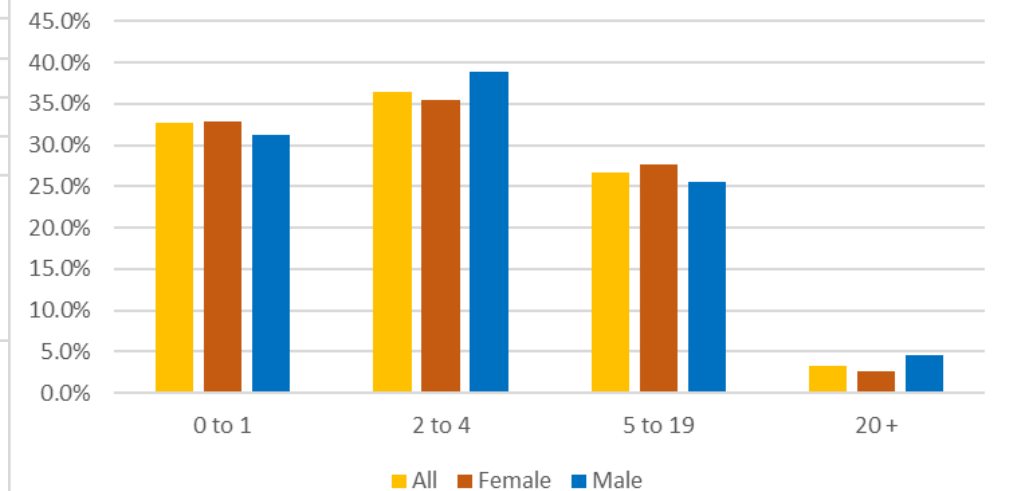


## What do we know about our respondents businesses?

★ Business turnover by %




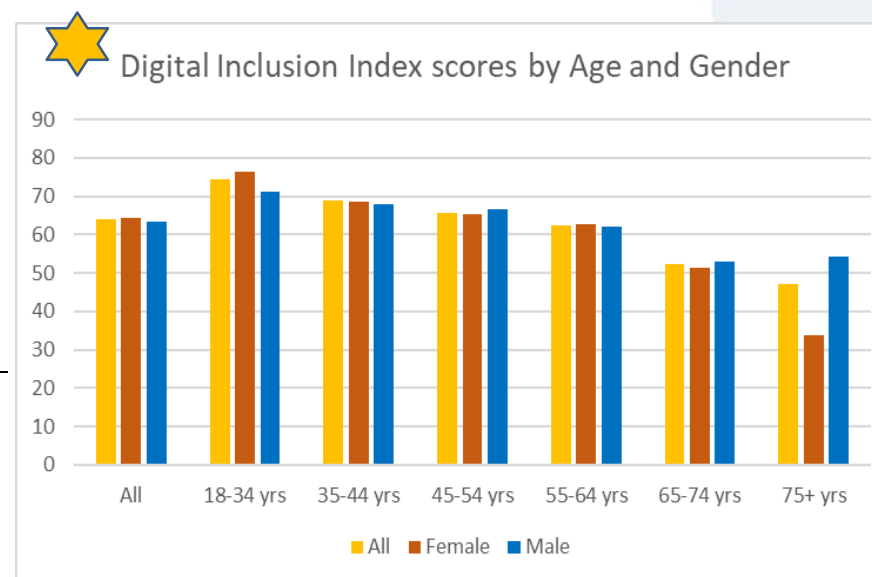
★ Size of workforce by %





## What we now know about SME digital inclusion scores in NE Vic

	Total DI Index	Access	Affordability	Ability 
Total	63.9	70.1	95.0	57.3
18-34 years	74.5	73.7	92.3	76.5
35-44 years	68.8	69.9	96.5	67.0
45-54 years	65.6	71.8	96.2	58.8
55-64 years	62.5	69.8	94.9	54.8
65-74 years	52.2	65.2	92.0	39.3
75+ years	47.2	67.1	92.9	26.8







## What we now know about SME digital inclusion scores in NE Vic

Turnover	Total DI Index	Access	Affordability	Ability
<b>Total</b>	<b>63.9</b>	<b>70.1</b>	<b>95.0</b>	<b>57.3</b>
Under \$75,000 pa	61.7	68.2	94.4	54.9
\$75-149,995 pa	64.6	68.8	95.6	59.9
\$150,000-\$1M pa	63.9	71.5	94.6	56.1
Over \$1M pa	69.4	75.5	97.0	62.5

Staff	Total DI Index	Access	Affordability	Ability
<b>Total</b>	<b>63.9</b>	<b>70.1</b>	<b>95.0</b>	<b>57.3</b>
0-1 staff	65.0	68.5	95.3	61.1
2-4 staff	60.8	68.6	94.1	52.9
5-19 staff	66.2	73.2	95.7	58.7
20+ staff	69.4	76.2	94.6	62.8



## What we now know about SME digital inclusion scores in NE Vic



By LGA	Total DI Index	Access	Affordability	Ability
<b>Total</b>	<b>63.9</b>	<b>70.1</b>	<b>95.0</b>	<b>57.3</b>
<i>Alpine</i>	66.0	71.3	96.4	60.1
<i>Benalla</i>	56.2	66.8	89.3	46.7
<i>Indigo</i>	65.6	69.9	95.5	60.8
<i>Mansfield</i>	63.3	69.4	94.8	56.8
<i>Towong</i>	57.2	67.7	92.5	47.0
<i>Wodonga</i>	74.8	77.4	97.0	71.7
<i>Wangaratta</i>	63.6	71.5	95.3	55.2

1 Businesses can operate across multiple LGAs. Each location has been counted in final total.

2 Alpine includes data from respondents who selected either Alpine or Alpine Resort Area.



## What we now know about SME digital inclusion scores in NE Vic



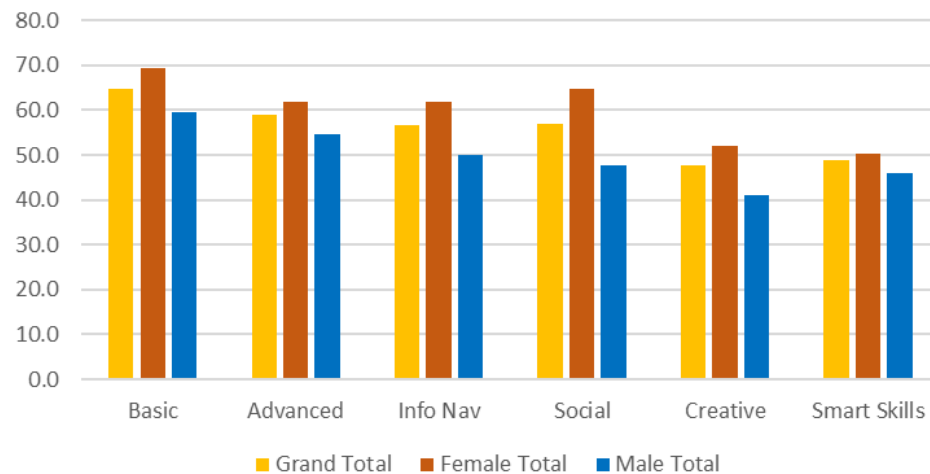
By Industry Sector	Total DI Index	Access	Affordability	Ability
<b>Total</b>	<b>63.9</b>	<b>70.1</b>	<b>95.0</b>	<b>57.3</b>
Agriculture and Agribusiness	61.4	66.6	95.3	55.7
Accommodation and hospitality	61.9	70.2	94.2	53.4
Retail	64.3	70.2	94.6	58.3
Tourism and recreation	64.4	71.1	94.8	57.4
Construction & manufacturing	65.1	72.0	96.7	57.3
Professional & business services	66.1	72.0	94.0	60.4
Health and wellbeing	66.6	71.3	95.8	61.4

Responses to 'what does your business do?' were re-coded to reflect seven final categories

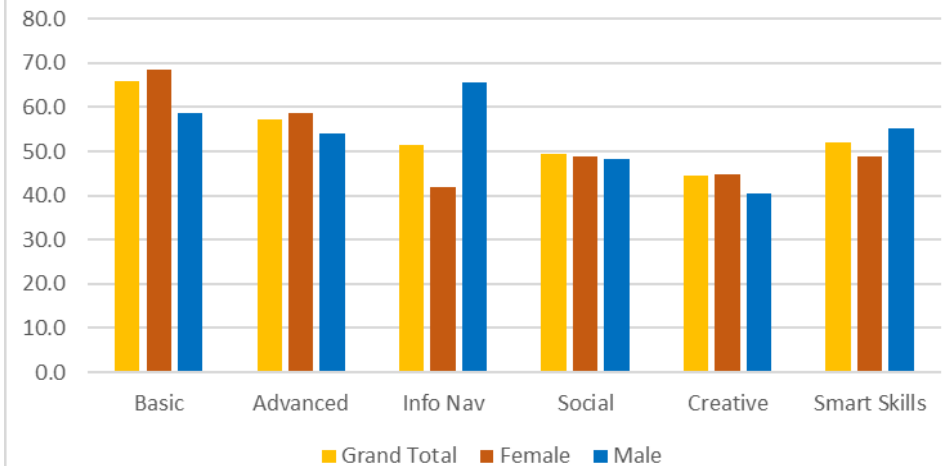


## What we now know about digital ability skills in different sectors

★ AG, F&F Digital Ability Skills



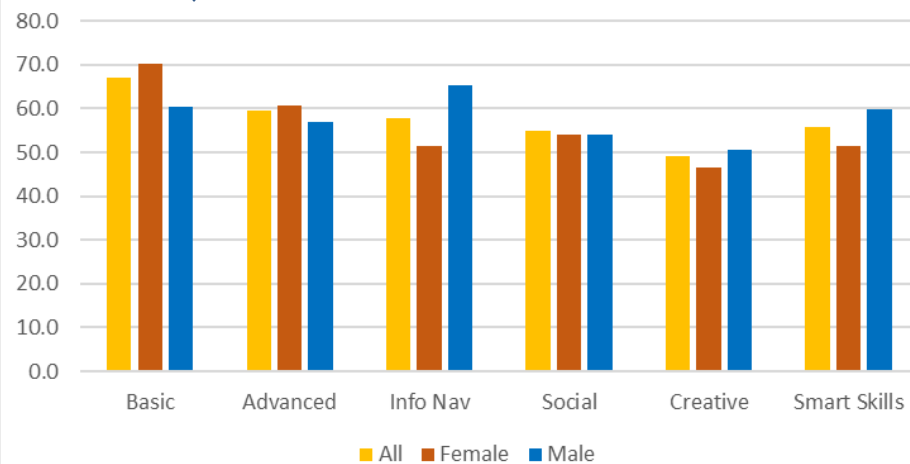
★ Accom-Hosp Digital Ability Skills



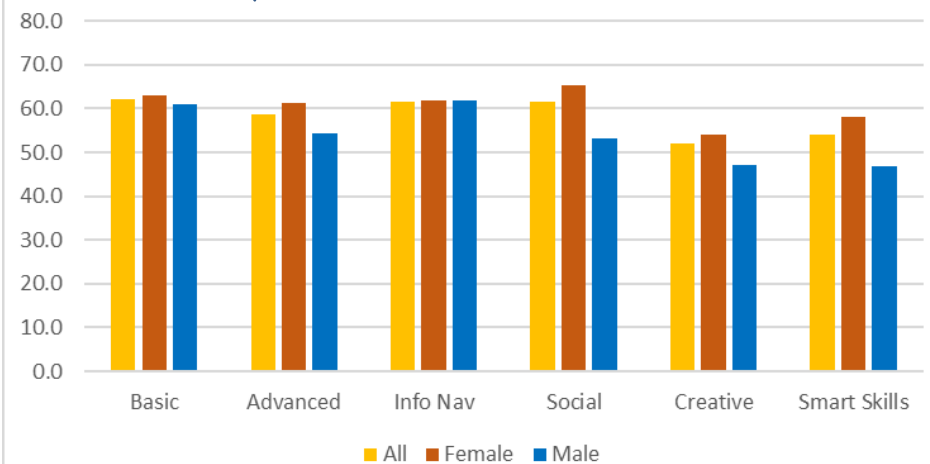
## What we now know about digital ability skills in different sectors



### Tourism-Rec Digital Ability Skills



### Retail Digital Ability Skills

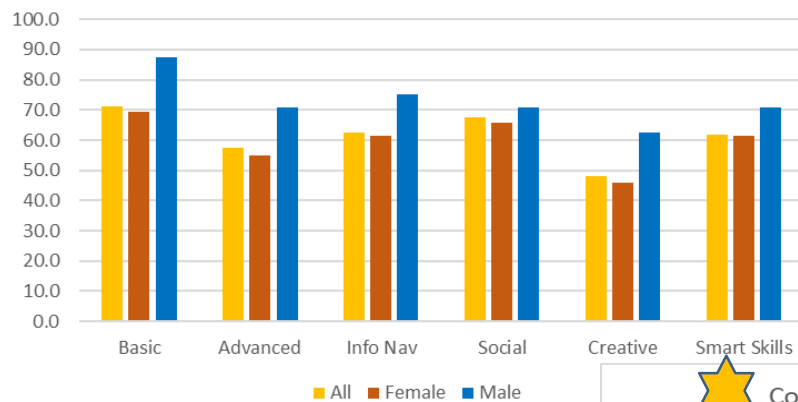




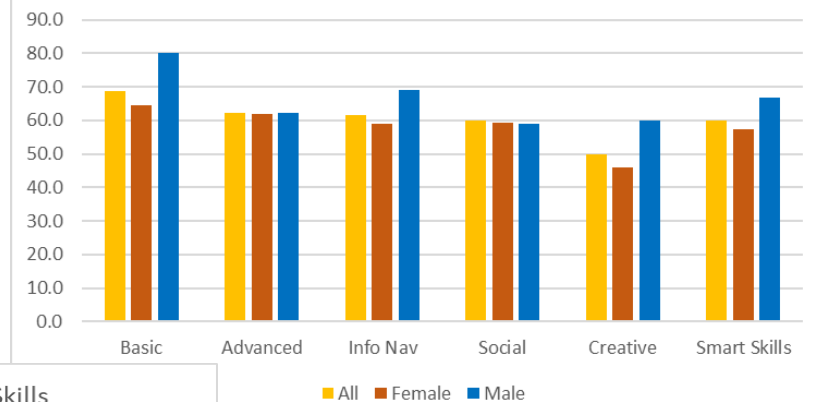
## What we now know about digital ability skills in different sectors



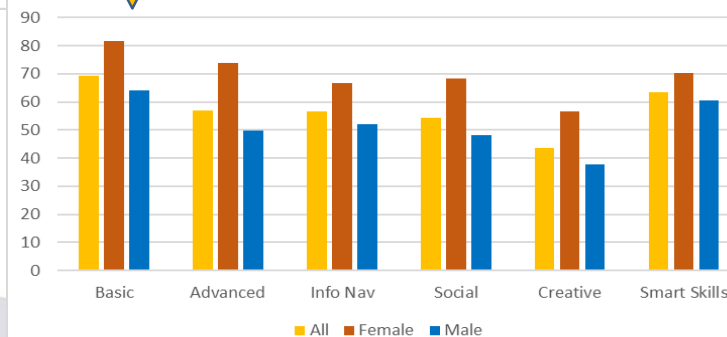
### Health- Wellbeing Digital Ability Skills



### Prof & Bus Services Digital Ability Skills



### Constr & Manuf Digital Ability Skills

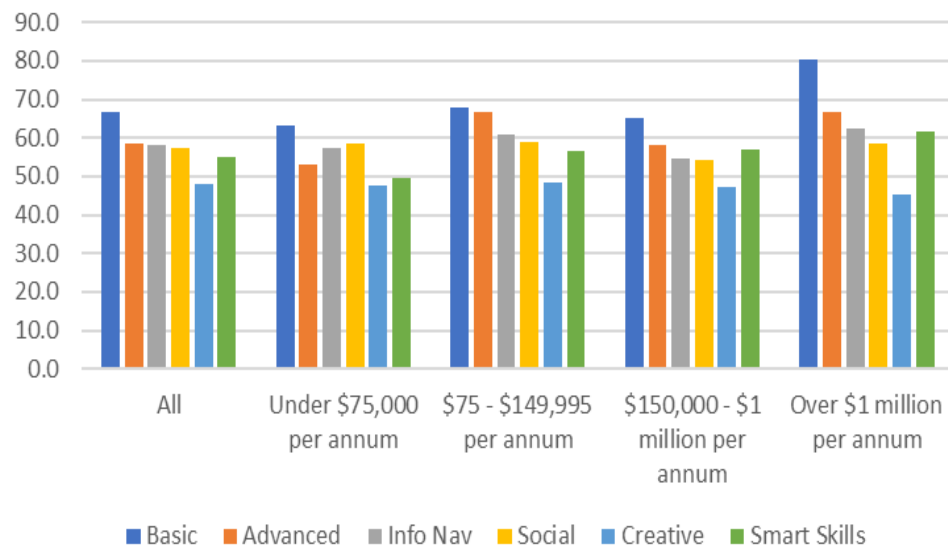




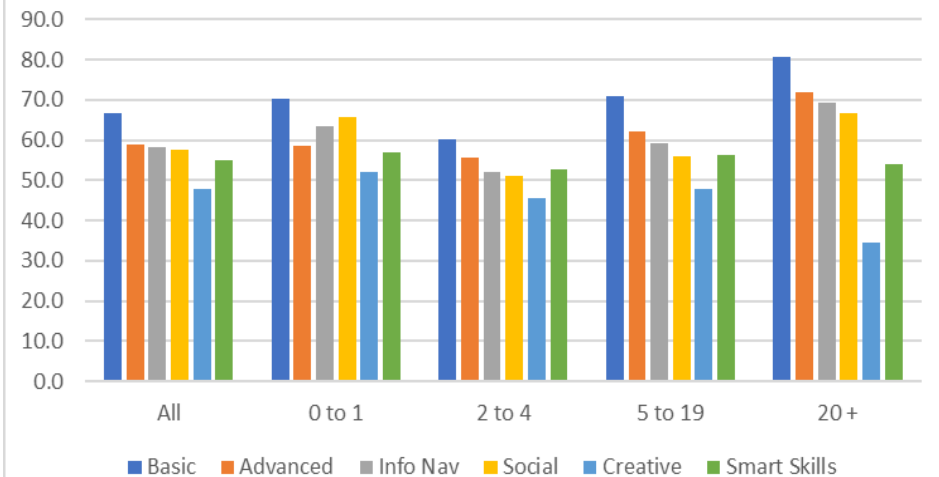
## What we can also say about digital ability skills in our SMEs



Digital Ability Skill Set by Turnover



Digital Ability Skill Set by Staff Size





## And what have these SMEs being investing in and looking for?

Investment in digital activity	%	What they are looking for	%
Time spent online has increased	66.5	★ Marketing and website	64.0
Range of activities done online has increased	57.9	Administration	36.0
★ Investment in internet access has increased	26.1	Sales and e-commerce	35.5
★ Digital skills used to help work increased	33.8	Financial management	27.2
		Operations	25.9
		Data management and analysis	22.3
		Production	11.7
		Other (please describe)	10.4
		No training required	3.8

Participants selected multiple responses.



## So in summary



- Business is being forced to transform rapidly – internally and externally  
DI is about Access + Affordability but neither will work without Ability  
We cannot wait to solve for Access issues to work up Ability
- The regional SME workforce sits approx. 10% behind metro Melbourne  
95% of this gap is due to lower Digital Ability
- Weaker Digital Ability was apparent  
in SMEs with turnovers under \$75k or \$150k-\$1M and/or 2 to 4 staff  
in SMEs with an older workforce and/or in some LGA locations
- Digital Ability varies between sectors with particular Ability profiles  
Those surveyed were usually working, the majority well over 35 hrs pw  
But whilst they are doing more online, most are not investing in Access or Skills
- Digital Ability represents time management in context of pressure and staff shortages

So where to from here



Your thoughts and any further questions

Thank you for your time

## MANSFIELD SHIRE COUNCIL SCHEDULE 2022 - 2023



Annual Investment: \$10,000 + \$5,000 in-kind, plus additional extras as agreed

### BRANDING AWARENESS

#### Logo Placements \_\_\_\_\_ Ongoing

LGA Logo displayed on Startup Shakeup website, fortnightly eNewsletter, and print/digital collateral.  
Startup Shakeup logo displayed on Mansfield website, and relevant newsletters and collateral.

#### Media opportunities \_\_\_\_\_ Ongoing

A Media Collaboration focused on the partnership promoting a Mansfield Innovation good news story.

### PROGRAMS & EVENTS (COMMUNITY)

#### Incubator/Accelerator \_\_\_\_\_ Twice Annually

Two subsidised spots for Mansfield successful applicants in each Incubator/Accelerator held.

#### Meetups \_\_\_\_\_ Events to be held regularly

Local networking events that highlight local founders, focus on building connection and collaboration.  
Underlined with Design Thinking & Ideation frameworks to promote creativity and confidence in attendees.

#### Skills Network \_\_\_\_\_ Ongoing

All businesses will have access to a unique service offering each business three free sessions that focus on targeted one-on-one support between Participants and Skilled Advisors.

#### Masterclasses \_\_\_\_\_ Ongoing

Regular masterclasses on emerging and current trends/topics in the Startup and Business world. In-person locations will be determined by facilities available, with our aim to be available to the whole network online.

#### Growth Group \_\_\_\_\_ Ongoing

Mansfield has two subsidised places in the Growth Group program for emerging and scaling businesses

#### Digital Hub \_\_\_\_\_ Ongoing

Digital literacy workshops for businesses with topics determined by the SME Digital Literacy Report.

#### Chamber Hack \_\_\_\_\_ Date TBC

An innovation workshop for business organisations across North East Vic brainstorming shared challenges

### PROGRAMS & EVENTS (INTERNALLY)

#### Strategic Creativity \_\_\_\_\_ Annually

LGA Partner focused Strategic Creativity Workshop available on demand to two staff members.

#### SME Digital Literacy Report (full) \_\_\_\_\_ Ongoing

Access to a region wide SME workforce digital literacy report, with breakdown by industry.

#### Advisory Group Meetings \_\_\_\_\_ Quarterly

Roundtable with partners and stakeholders to provide reporting and discuss opportunities & events.

### ADDITIONAL OPPORTUNITIES (fee for service)

#### Get Ready - Set - Grow \_\_\_\_\_ POA

Small group work; Evaluate the gap between your business and the external environment; Develop your ideas to MVP from a customer perspective; Develop the execution plans to deliver these concepts.

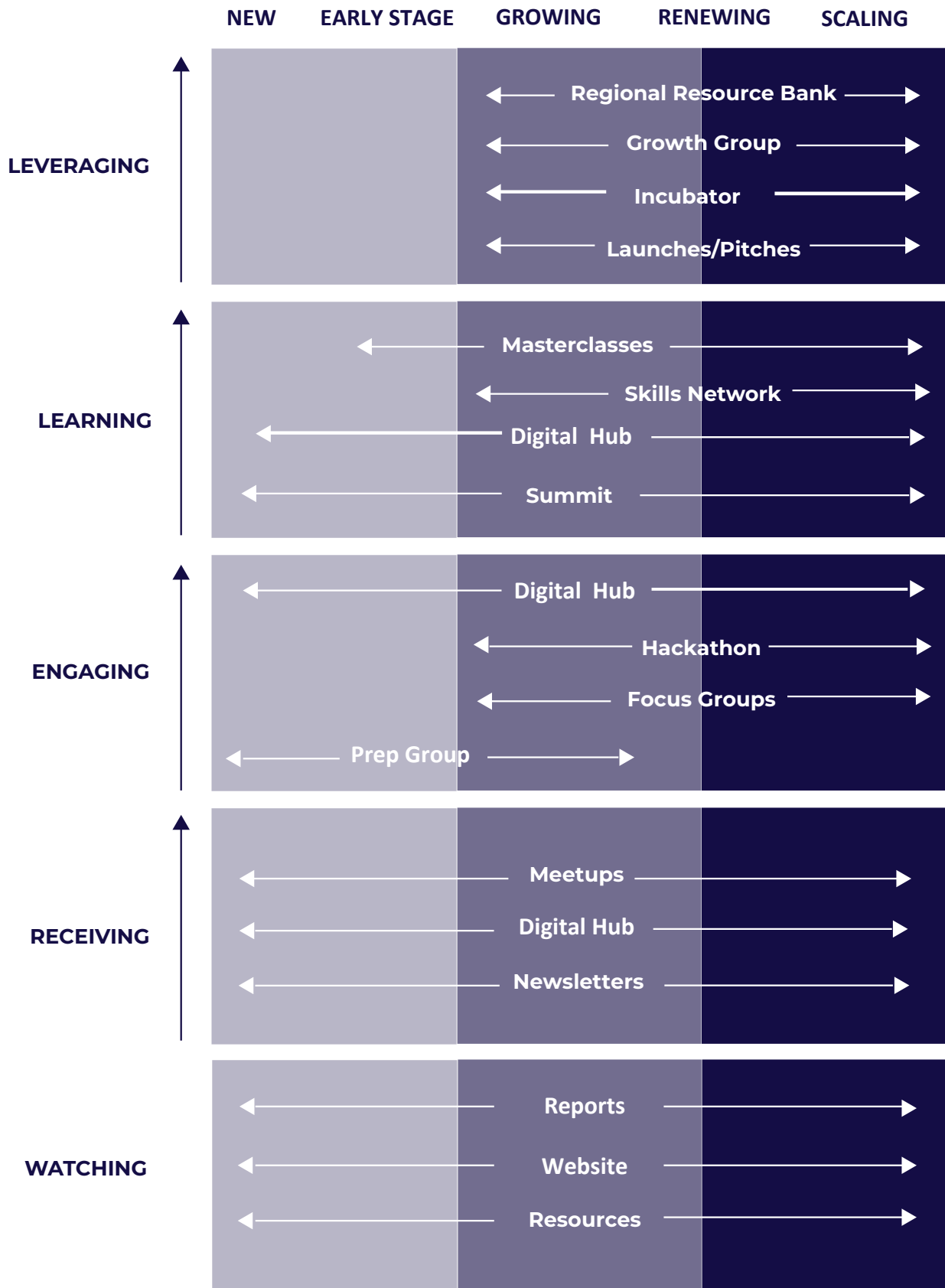
#### Hackathons/Challenge Workshops \_\_\_\_\_ POA

Current Issues / Trend focused challenge workshops to generate ideas, solutions and outcomes



**PROGRAM 2022-3**

Commercial in Confidence

**Programs for Startups, Shakeup and Innovators**

# Memorandum of Understanding



*... a catalyst for innovation and regional economic growth  
... leading the Regional Innovation Ecosystem  
... nurturing purpose, confidence, capacity and connections*

This Memorandum of Understanding is undertaken on xxxtbcxxx

BETWEEN

**Mansfield Shire**

ABN: ???

Private Bag 1000, Mansfield, VIC 3724

and:

**Startup Shakeup Ltd**

ABN: 50 651 917 172

PO Box 112, Beechworth, VIC 3747

These parties are collectively referred to as "**Partners**".

Foundation Partners at 1 January 2022 are Alpine Shire, Benalla Rural City, Indigo Shire, Mansfield Shire, Towong Shire, Rural City of Wangaratta, and City of Wodonga. Current industry sponsors are nbnCo, Hume Bank, Goulburn Ovens Tafe and Charles Sturt University. Further foundation partnerships and industry sponsorships will be open to offered to select other parties during 2022.

To be read in conjunction with attached contracted Schedules

## Preamble

In order to grow the innovation and business communities of Mansfield Shire, Startup Shakeup Ltd is seeking to continue and expand our regional collaborations on community economic development through innovation, enabling activities that advance Innovation, supporting Startups (new businesses), Shakeups (existing businesses) and Innovators, building digital literacy, and developing economic resilience and growth

Therefore we are moving towards a fee for service model, in which Councils are invited to become Foundation Partners, involved in Strategic Planning, co-designing new projects, as well as operational collaborators on the ground.

The outcomes and successes of Startup Shakeup have led to recognition as a leading regional innovation ecosystem in Victoria. Thus the goal of Startup Shakeup whilst being auspiced by local government, of establishing this region as the leading regional innovation ecosystem in Australia by 2030, is well underway. We have seen regional awareness, understanding and interest in innovation grow in leaps and bounds, and are now aiming for complete sustainability by 2024.

As Foundation Partners, both Council and Startup Shakeup acknowledge the importance of working collaboratively together under an MOU to ensure the best outcomes for the region. The Board will develop and maintain a Strategic Plan, and Foundation Partners will be invited to participate in its refinement. Our work together will include support for associated projects such as researching and building digital literacy in the small business community.

The design of this MOU is such that it commits the Partners to working collaboratively for a period of 2 years, 01/07/2022 – 30/06/2024 with fee for service elements designed as attachments varied over time. Each of these attachments will define a separate project scope and deliverables.

## Background

In 2018 Benalla Rural City Council won a LaunchVic grant of \$400,000 + GST in collaboration with Rural City of Wangaratta, Mansfield Shire Council and Indigo Shire Council, to grow the Entrepreneurial, Startup and Innovation culture across the region. The partnership included Charles Sturt University (Wangaratta), GOTAFE and NETracks LLEN. By 2020 six local Councils and the three educational organisations were active financial partners, and in response to the 2019-20 bushfires, Startup Shakeup began offering programs to existing businesses (Shakeups). In 2020 Rural City of Wangaratta won a LaunchVic grant of \$240,000 + GST, in collaboration with all partners to support 4 pre-accelerator programs across North East Victoria. In 2021 City of Wodonga also joined, giving all seven local Councils in NE Victoria, with nbnCo and Hume Bank as Sponsors.

The next step towards sustainability, in July 2021, has been establishing Startup Shakeup Ltd as a company limited by guarantee, a Not-for-Profit, and registered with the Australian Charities Commission. The new Board (featured on the website) brings together regional expertise with state, national and international experience and connections. The Board is currently reviewing the strategic plan, and our partners and stakeholders will be invited to be part of this process.

In the new structure, Startup Shakeup Ltd is inviting Councils to become Foundation Partners, involved in Strategic Planning, as well as Operational collaborators through the new Operational Working Group. This will continue our collaboration on economic growth through innovation, enable activities that advance Innovation, support Startups (new businesses), Shakeups (existing businesses) and Innovators, build digital literacy, and develop economic resilience and growth

As Foundation Partners, both Council and Startup Shakeup acknowledge the importance of working collaboratively together under an MOU to ensure the best outcomes for the region.

## Attachments

Schedule 1 – Startup Shakeup Deliverables 2022-2023

to be agreed

## 1.0 Term and Scope

1.1 This MOU covers the period July 2022 to June 2024 and replaces any prior agreement.

1.2 As a Foundation Partner, Mansfield Shire will commit to an annual program fee plus in-kind to assist in core program delivery and administration. In-kind is intended to be activity ancillary to work already being done by Council staff eg promoting shared activities in newsletters and when visiting businesses, use of facilities for meetings.

1.3 In return Startup Shakeup Ltd will leverage these funds to deliver services in Mansfield Shire and across North East Victoria as per contracted agreements for each term, as detailed in attached Schedules, and report back annually on outcomes.

1.4 In-kind contribution will include support from Council staff, use of meeting rooms, marketing, catering and support of events held in their municipality (the latter in line with social distancing regulations in response to COVID).

1.6 The Partners agree to work collaboratively to identify further opportunities to work together to further regional economic development, and to table negotiations before the end of this MOU for discussions around further partnership as the Partners see fit.

## 2.0 Roles and Governance

2.1 From 13 July 2021 Startup Shakeup Ltd is a registered Not-For-Profit Company Limited by Guarantee with a Board of 9 Directors. One Board position is currently vacant so as to be able to bring in specific knowledge for time limited periods as deemed appropriate. Startup Shakeup Ltd is now also a registered Charity with the ACNC.

2.2 The Board seeks open communication and engagement with Foundation Partners, seeking to involve them in Strategic Planning, as well as operational collaboration through the new Operational Working Group. This work will be led by the Managing Director Startup Shakeup.

## 3.0 Planning and Operations

3.1 Operations of Startup Shakeup Ltd will be under the management of a CEO appointed in an open, transparent and merit based process, and reporting to a skills based Board.

3.2 The Board will develop and maintain a Strategic Plan and invite Foundation Partners to participate in the Strategic Planning Process.

3.3 The CEO and Treasurer will develop an annual budget and adhere to the usual delegations, procedures and policies in regard to budget allocation and spending of project funds.

3.4 The CEO will develop an annual program plan, will share the program overview with you, will oversee direction, and will report to the Board on milestones as outlined in the annual plan.

3.5 The CEO will develop an annual stakeholder engagement and communications plan, with regular reporting and formal communications with all interested Partners, including regular communication with Partners on the annual plan and its progress.

3.6 The CEO will establish an Operational Working Group to oversee operational collaboration across the region, give oversight for funded projects, and ensure active engagement is maintained. It is at this level that Partners collaborate with in-kind support that boosts Startup Shakeup programs on the ground to everyone's benefit.



#### 4.0 Communications and Marketing

4.1 Partners logos and support will be acknowledged by both Partners regularly, as defined in Schedule 1.

4.2 Partner's staff will regularly work with Startup Shakeup staff on joint promotions that collaboratively promote programs across the region.

4.3 Partners will use their own marketing platforms and in-kind contributions to promote Startup Shakeup, logos, projects, workshops and activities within each of their municipalities and organisations to encourage increased regional awareness, understanding and participation of both programs and of the partnership between the Partners.

4.4 Startup Shakeup Ltd recognizes that use of Partner logos in conjunction with the project must be according to their individual communications policies and with prior approval.

4.5 Startup Shakeup will create soft copy banner strips showing the logos of all our Foundation Partners that meet these requirements and can be lifted into publicity materials.

4.6 Given the collaborative nature of most Startup Shakeup projects, the CEO under the guidance of the Board, will develop an annual data and information management plan. This will outline how data and information shared will be managed, how it will be kept securely (backed by a cyber security policy) and who will have access to what data.

#### 5.0 Exercise of Rights and Dispute Resolution

5.1 The Partners shall exercise rights and pursue opportunities under this MOU in a manner consistent with the good name, goodwill & reputation of each party, in compliance with all applicable regulations and the Startup Shakeup Ltd Code of Conduct.

5.2 The Partners agree to notify each other of problems or issues early and when they arise, and to consult and negotiate in good faith through the CEO to determine unresolved disputes so as to achieve the objectives of the MOU and all Partners.

5.3 The Partners agree that for any issue that cannot be resolved through the CEO, a mutually acceptable mediator will be used to attempt, who will work with a joint meeting including a representative of both Partners, to remedy the situation and maintain the MOU.

5.4 If resolution cannot be found, the Partners may choose to dissolve this MOU by mutual consent at an agreeably negotiated timeline and agree that in so doing, all remaining funds and resources contributed to that point will remain with Startup Shakeup Ltd.

#### 6.0 Relationship of the Parties.

The parties acknowledge that the relationship created by this agreement is that of principal and independent contractor and not any other relationship and, in particular, not the relationship of employer and employee, principal and agent or a relationship of partnership.

#### 7.0 Signatories

This Memorandum of Understanding was agreed between:

Mansfield Shire **name, role**

Startup Shakeup, Ilena Young, MD

Signed:

Signed:

Date:

Date:

**Chelsea Young**

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**From:** Tony Tehan  
**Sent:** Sunday, 29 May 2022 8:13 PM  
**To:** Budget  
**Subject:** HPE CM: late budget submission

**Record Number:** IN22/22885

**External Message:** This email originated from outside of the organisation. Do not reply, click links or open attachments unless you recognise the sender and know the content is safe.

I would like to commend the shire for their recent budget, particularly their decision to purchase the land for future parking in High St. Their support for the Heritage Museum is much appreciated.

I would like the Council to investigate the establishment of a dedicated weather station in Lakin's Road in conjunction with the Bureau of Meteorology.

In October the shire will celebrate the 20<sup>th</sup> anniversary of de amalgamation. I hope there are appropriate celebrations to mark this historic and so far unique event.

I would like to see a larger sign in Station St indicating Local Traffic Only and also a similar sign on the side road east of Station St.

I think it is most important for the Council to continue their policy of preserving agricultural land.

I would like the council to examine the economic benefit of Targa and whether they should continue the sizeable subsidy towards the event.

Review of the amount of merchandise that proliferates on the main st footpaths causing danger to people in mobility carts.

I would like to have the chance of speaking to these issues at the special meeting of council

Thank you

Tony Tehan

Name: \_\_\_\_\_

Date: \_\_\_\_\_

26/10/21



Why doesn't Mansfield have a water park yet?

MANSFIELD SHIRE COUNCIL			
09 FEB 2022			
FILE NO	1	2	10
69456			

Dear Mayor,  
my name is \_\_\_\_\_ and I am from Mansfield Primary School. I am in grade two and these are some reasons why we should get a water park.

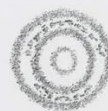
First, all kids want a water park in Mansfield. They could all splash around and have fun!

Second, we all need a place to cool down at. When it is summer it would be very hot.

Name: [REDACTED]

Date:

27/10/21



Third, I have been to a water park before and it was awesome! I went under a huge water bucket and I loved it! I am sure that everyone would love that.

That is why Mansfield should have a water park.

From [REDACTED]



Name:

Date:

MANSFIELD SHIRE COUNCIL		
09 FEB 2022		
FILE NO	2	10/P
E9456		



Dear Mayor of Mansfield  
I'm from Mansfield Primary School  
and I want a splash park  
because it would help kids make  
more friends. Kids would have  
lots of fun. Have you seen a  
splash park? All the kids are  
having fun. Splash parks are  
healthy. You get exercise in the  
splash park. I want a bucket  
that tips water, two slides that  
you can glide down, rainbow  
water guns and a bridge with  
water squirting at you. I know this  
might not be possible but could  
you please think about it?  
From \_\_\_\_\_

Name: \_\_\_\_\_

Date: 16/11/2021

Do we need we need a  
water park in  
mansfield?

MANSFIELD SHIRE COUNCIL			
09 FEB 2022			
FILE NO. 1	2	W	P
E:9.456			

Dear Mayor of Mansfield my  
name is \_\_\_\_\_ and I  
live in Bonnie Doon

I believe that we need a  
water park in Mansfield.  
Lots of people are talking  
about it. Most are saying I would  
like a water park in Mansfield  
with a big tiny bucket and a  
**MASSIVE** slide I agree too! Thanks  
From \_\_\_\_\_