

Introduction:

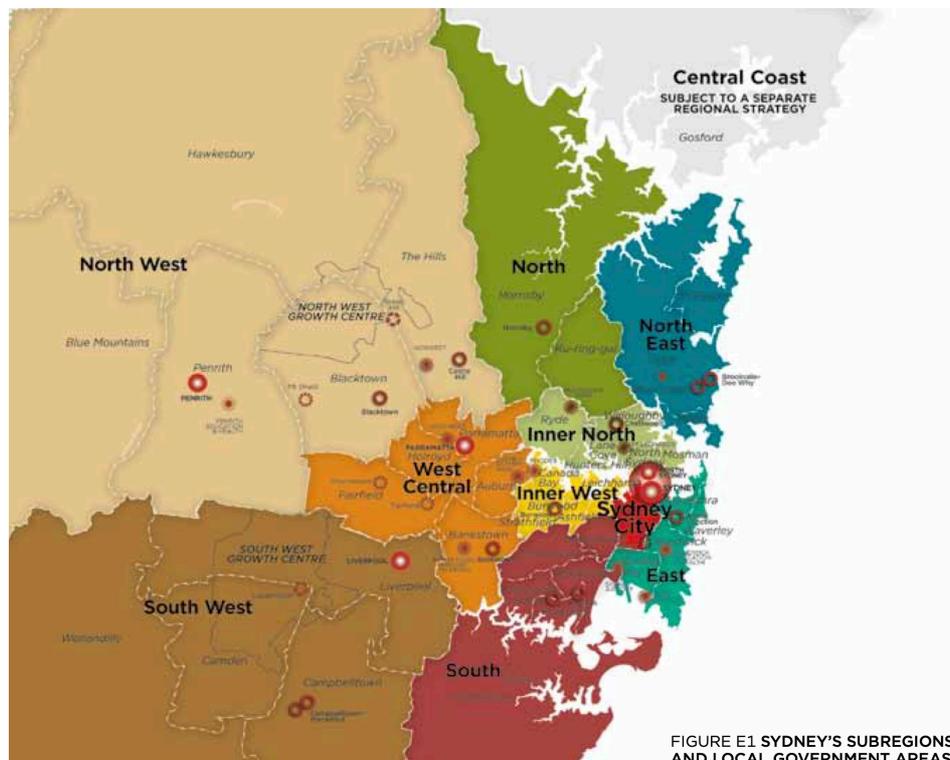
SEVENmile Venture Lab is a registered charity and is proposing an intervention based on the work it has done during the past 18 months in the northern beaches economy (shown as North East on the map below) helping startup founders, Mums returning to work, over 55s, migrants and young adults.

Objectives:

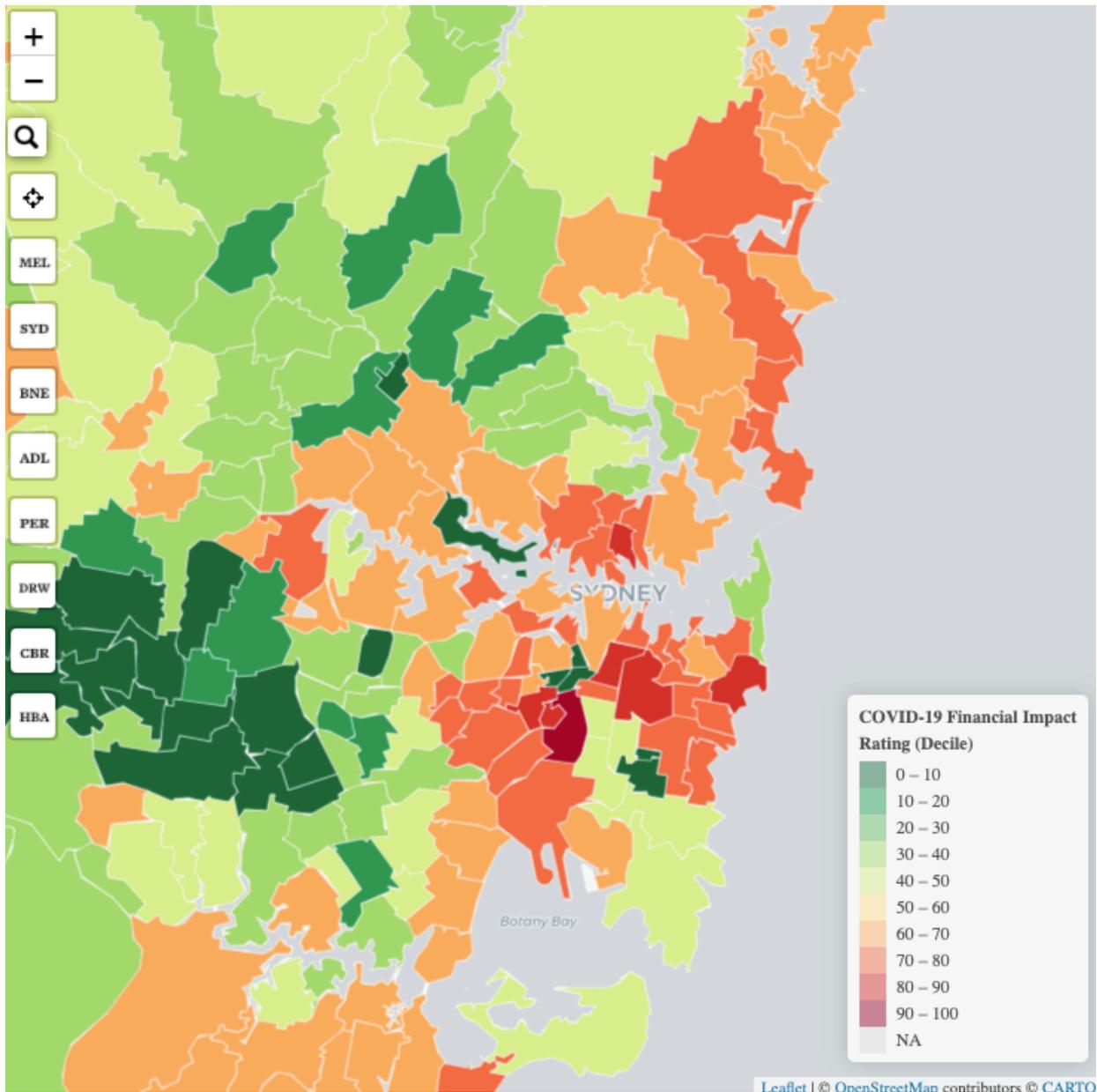
Establish a SEVENmile Venture Lab in the 8 urban economies not currently served. Align each with the cultural, demographic and business needs of the specific urban economy. The objective broadly being to foster economic resilience, and:

1. Support the creation of local enterprises and jobs by assisting people who can't commute into the CBD to use resources like the Sydney Startup Hub
2. Reduce the numbers of people commuting into the Sydney CBD
3. Strengthen the relationship between local entrepreneurs, Local Government, Business Chambers, high schools and other institutions to foster innovation and entrepreneurship.
4. Provide a location for local investors, entrepreneurs, and stakeholders to connect and build new enterprises and sustainable jobs.
5. Focusing on proactively strengthening the local economy of the specific region.

Map below: Sydney's 10 urban economies includes the CBD. SEVENmile Venture Lab has been operating in the North East economic region since Nov 2018.



Since first raising this concept we have experienced the COVID lockdown which has had a very serious impact on many of Sydney's urban economies. The map below showing which areas of Sydney have been hit hardest may be a useful guide as to which areas receive the initial focus. Bright red are the hardest hit with dark orange next hardest hit. The entire interactive map for Australia is available at: <https://taylorfry.com.au/articles/covid-19-financial-impact-index/>



Outline of the Proposed SEVENmile Venture Lab Intervention Model

What	<p>(Specific activities will vary and the criteria for activities will be developed and aligned to DPC priorities).</p> <p>The SEVENmile Venture Lab partnering model aligns local stakeholders including State MPs, Local Government (Mayor and CEO) with Business Chambers, entrepreneurs, SMEs and local high schools.</p>
How	<p>Working with Local Government, in some cases a RoC, the local business chamber/s and other stakeholders such as High Schools (see note below).</p> <p>The current SEVENmile Venture Lab model can be followed or amended as required, and currently includes:</p> <ol style="list-style-type: none"> 1. partnering with Local Government for access to space at no or minimal cost 2. securing support from key local representatives such as State MPs, the Mayor and CEO of the Council 3. support from the local Business Chambers 4. offering formal training, monthly meetups and Office-Hours style one-on-one discussions/coaching 5. connecting entrepreneurs with mentors 6. establishing and operating a community portal such as Slack or similar 7. regular marketing newsletters, podcasts and video content 8. applying for relevant grants from all 3 levels of Government 9. promoting success stories to local newspapers 10. assisting new businesses to setup efficiently and at minimum cost 11. engaging with local high schools to enable students to be involved in devising solutions to business problems 12. creation of a local angel investor network
Timing	<p>Given there can be a start from early July, then planning and initial work to secure stakeholders can be completed by the end of 2020 for approximately six regions, which can be a combination of urban and regional NSW areas.</p>
Priority Regions	<p>The COVID impact map on page 2 could be helpful in deciding which areas of Sydney and regional NSW should have priority.</p>

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Measuring Impact

The work conducted by SEVENmile Venture Lab is an excellent guide to the kinds of impact that can be achieved, albeit that SEVENmile has operated since Nov 2018 without Government funding support.

With appropriate funding the degree of impact will be significantly enhanced.

Suggested measures include the following which can be collected and rolled up into a Dashboard-style of real-time report:

1. number of entrepreneurs who have registered for assistance
2. number of people attending training programs and regular workshops
3. number of business plans completed
4. number of companies formed
5. social media metrics including website visitors, Youtube views, requests for information
6. number of testimonials (ideally video)
7. number of high school students attending entrepreneur workshops
8. angel capital raised (this is a medium term metric)

Note re high schools: SEVENmile Venture Lab has held extensive discussions this year with NSW Education to pilot a program with northern beaches high school students to work in collaboration with our local Business Chambers and business owners to apply innovative thinking to solve local business problems. The discussions were paused when high schools were temporarily closed.

Proposed Funding and Governance

The proposed funding is based on approximately \$500,000 per economic region over 3 years, which would apply whether it's an urban Sydney economy or a regional NSW economy.

Suggested engagement - Appointed fund administrator - SEVENmile Venture Lab resourcing for \$400k per annum which includes:

- community engagement (events and outreach)
- venture lab establishment fees (spoke locations setup and branding)
- manager compensation
- marketing

A funding allocation of \$7.5m over 3 years assuming 15 instances of SEVENMile Venture Labs are implemented. It is proposed that each economic region would provide some form of in-kind support such as free use of a Local Government community centre for the first 3 years.

SEVENmile Ltd is a registered charity and the various instances of SEVENmile Venture Labs could operate under the auspices of SEVENmile Ltd.

The NSW Government is invited to nominate at least 2 persons to join the Board of SEVENmile Ltd.

With regard to the potential for other sources of funding, it is envisaged that a program of the sort proposed here could realistically have an attractive proposition for corporate sponsors and advertisers. While the precise quantum is unknown, it could reasonably be factored on the basis that sponsor funds could potentially reduce the funding from Government.

Local Lab Resources

Following the SEVENmile model will require a suitably experienced person or persons to act as the manager of the local Lab.

The local Lab manager will coordinate activities with the SEVENmile Venture Lab head office manager to ensure consistency of operation and collection of accurate data for the online Dashboard and reporting to the NSW Government.

The various local SEVENmile Labs will meet quarterly to enable open communications and sharing of success stories and to be an opportunity for Local and State Government stakeholders to be present.

Further Background

The state of New South Wales has invested in developing an innovation capability in central Sydney and is investing further in a new facility around Redfern.

The investment is generally regarded as a success with a track record of strong support for entrepreneurs and innovators.

When assessing the Sydney Startup Hub's role for the greater Sydney-basin, a different picture emerges.

Innovation in the centre of Sydney is thriving while the urban economies of Sydney are trying to get their local economies humming without the array of facilities and funding available for central Sydney.

The motivation for starting SEVENmile Venture Lab was to assist entrepreneurs of all ages to create new ventures to strengthen the northern beaches economy. An overview of the impact in our first year is reported here: <https://www.sevenmile.org.au/blog/2019-annual-review>

Since launching SEVENmile in November 2018, a number of aspects of urban innovation have become clear.

1. the city isn't a feasible location for some age groups and demographics
2. the city does seem to suit the 25-35 age group who have decided to focus full-time on their startup
3. some demographics are inadvertently discriminated against by virtue of their location and personal situation, such as Mums, over 50s, under 21s, migrants and all of these groups who live more than 20kms from central Sydney

4. travel time and costs are a strong limiting factor that prohibits the age groups listed in point 3 from traveling to central Sydney to access innovation hubs

The Sydney basin is made up of 10 specific economic regions (see attached map), one being central Sydney. The other 9 regions are as different as they are diverse.

Diverse history, culture, demographics, community challenges, income, education, infrastructure and transport facilities. What could work well in one region may be a total failure in another because of these differences.

One thing they do all share in common is a desire to leverage innovation for the benefit of the citizens and the local economy in order to support livelihoods and a develop a thriving economy.

Nevertheless, in each of the 10 regions there are broadly aligned stakeholders including Councils, Business Chambers, High Schools, Tertiary Schools and the elected representatives.

The political message related to this initiative is immensely practical and aligns perfectly with the current needs of our State.

Support for this initiative by the NSW Government will send a clear and strong message that the people of greater Sydney are capable of playing a direct role in strengthening their local economy and that support from the NSW Government is available to make that a reality.

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