

INQUIRY INTO IMPACT OF THE CBD AND SOUTH EAST LIGHT RAIL PROJECT

Organisation: NSW Small Business Commissioner

Date Received: 6 July 2018



OUT18/10308

Reverend the Hon Fred Nile MLC
Committee Chairman
Standing Committee on Public Accountability
Inquiry into the impact of the CBD and South East Light Rail Project
By email: public.accountability@parliament.nsw.gov.au

Dear Rev Nile,

Thank you for your invitation to provide input into the Inquiry into the impact of the CBD and South East Light Rail Project and I am pleased to provide the following responses:

- a) The adequacy of the government's response to the financial impact and diminution in social amenity caused by the project on residents and businesses including access to financial compensation and business support services
- In late 2014, well in advance of the commencement of the **CBD and South East Light Rail (CSLR)** construction (beginning October 2015), the **Office of the NSW Small Business Commissioner (OSBC)** began to provide support to businesses along the alignment.
 - In summary, the OSBC supports small businesses with:
 - the Business Connect service, a dedicated and personalised NSW Government program developed by the OSBC, that provides trusted business support advice to assist small businesses
 - my direct support advocating for small businesses with financial institutions, landlords, suppliers, utilities or other stakeholders
 - the OSBC participated in numerous inter-governmental reference groups, business groups, working groups or joint government/business forums, where we met with businesses to facilitate solutions, and provide regular updates
 - directly providing dedicated light rail advisors, including multi-lingual, to ensure effective communication with businesses
 - collaborating with **Transport for NSW (TfNSW)** for the period before and during construction
 - providing 20 OSBC advisors who supported dedicated teams by mobilising as needed (for advocacy or dispute resolution support).
 - More specific advice on the support provided by the OSBC teams and our collaborative partnerships is detailed below.

Support from Office of the NSW Small Business Commissioner

- The assistance provided by the OSBC has been **ongoing and personalised**, depending on the nature of the enquiry. As there are 31 different construction zones along the CSLR alignment with many small businesses operating under unique circumstances some require special assistance. For example, in Haymarket there were small businesses with non-English speaking owners, so we deployed multicultural advisors to provide assistance.

- In the initial phase, pre-construction commencement, OSBC support was aimed at **preparing businesses for operating through construction**. The importance of pre-construction preparation was stressed to all businesses along the route. This was accomplished via walkabouts / workshops / working with both the City of Sydney Council and Randwick City Council.
- Close engagement **with various Business Chambers** in along the route, presenting at workshops and panels, providing information, addressing concerns and encouraging communication and openness with chamber members.

Support from OSBC and TfNSW

- The **OSBC and TfNSW have been collaborative partners** working together to assist small businesses along and around the alignment for the entire period, even before construction began. In addition to liaising regularly and participating in cross-government groups, the OSBC has partnered with TfNSW on special projects.
- I work very closely with Marg Prendergast (Coordinator General, Transport Coordination), **leading by example**, driving targeted interventions to support businesses including street activation, signage, promotional and marketing initiatives.
- Most recently, we worked closely with TfNSW to undertake stakeholder engagement campaign to see how we could assist small businesses along the entirety of the CSLR alignment.
- The OSBC coordinated and carried out a health check (in conjunction with TfNSW) along the full CSLR alignment. **All businesses along the alignment were visited in person.** In our discussions, where businesses were willing our advisors:
 - conducted a 'health check' to gather information on how businesses were being impacted by the construction
 - shared updated information about TfNSW's newly expanded criteria for financial assistance
 - offered Business Connect and Dispute Resolution services
 - provided information packs to every business
 - took any feedback offered by small businesses wanting to share more information
 - referred businesses to TfNSW for further assistance where appropriate.

Additional OSBC Support (Advocacy and Dispute Resolution)

- Another function of the OSBC is the Registrar of Retail Tenancy Disputes. Any issues relating to retail leases, bonds or disputes, is provided by the **Dispute Resolution Unit (DRU)** with the OSBC.
- The DRU helps tenants and landlords in dispute by advising them of their rights and providing a mediation service. The mediation service also helps more broadly, with strategic and procedural advice to assist in all types of commercial disputes.
- In the most recent joint engagement with TfNSW, DRU assisted up to 15 businesses, with approximately 30 small businesses being assisted since construction began.
- In addition to the proactive walkabouts, workshops and dispute resolution services provided by the OSBC, there is also an **Advocacy Unit that assists small businesses** along the CSLR alignment. This includes:
 - connecting affected businesses with advisory services as needed
 - advocating to financial institutions or recommending special consideration for financial assistance where appropriate

- referring tenancy and retail bond issues to DRU
- advocating to government departments, such as NSW Revenue and the Australian Taxation Office for deferrals of payroll tax or BAS payments
- directly engaging in any matter, such as liaising with councils to allow for alternative access for rubbish pickup deliveries or contest parking fines issued to customers attempting to visit a business or couriers trying to make deliveries).
- The OSBC recognises and **acknowledges that a significant number of small businesses** along the alignment have been affected by the construction of the CSLR. It has been a stressful and painful journey, with many businesses struggling financially – which has resulted in breakdowns of relationships and mental health strains.

Support from Small Biz Connect / Business Connect

- This service was transferred out of the OSBC, but still within the Industry cluster, in June 2016 as part of machinery of government changes. The OSBC continues to **maintain a close, cooperative relationship** with the new Business Connect service and frequently coordinates activities with them and TfNSW to support small businesses along the alignment.
- b) The appropriateness and adequacy of the financial compensation process established by the assessment process and consistency of outcomes
- **TfNSW has responsibility for managing and delivering any financial assistance.** The OSBC has been working collaboratively with TfNSW throughout the construction of the light rail and provides recommendations and advice on options for financial and business assistance.
 - While engaging with impacted small businesses, it is clear that businesses have struggled financially and personally during the construction period. **The OSBC has worked closely and collaboratively to provide a whole-of-government response**, with TfNSW providing financial assistance and the OSBC providing advocacy, dispute resolution and business advice.
- c) The effectiveness of the government's communication with residents and businesses concerning project delays and financial compensation
- **We have been working closely with TfNSW** during construction, including recently visiting all the small businesses along the alignment.
 - TfNSW had a representative with us at most visits and the newly expanded financial criteria for compensation were verbally communicated to every business in person.
 - This was reinforced in hardcopy in the information packs left with each business.
 - Along the alignment this direct approach was very effective and thorough in getting the news out.
 - At all times, the OSBC communicated construction times, road closures, timeframes for completion and any changes (to the best of our knowledge). We did this by social media and direct engagement with businesses (visited by door knocking, co-hosting a number of forums, participation in the business reference groups).
 - This **willingness to help is evident at all levels**, with the officers from the OSBC and TfNSW door-knocking affected businesses together, to visits and forums held by myself, the Deputy Premier and Transport Minister.
 - **My mobile telephone contact is available to all businesses** along the alignment, plus surrounding impacted areas and I am always willing to assist in my capacity as NSW

Small Business Commissioner. I have met many businesses along the alignment prior to and during construction, both at their business or my offices.

- We play a **key role leading the ongoing advocacy efforts** for small businesses. I've advocated and represented issues, such as the need for financial and business support, at the highest levels of Government.
- While we always wish we could do more, and the construction disruption does cause difficulties with the vast scope of works being undertaken. **We have provided recommendations to TfNSW** on the upcoming Parramatta Light Rail with the lessons learnt from the CSLR and Newcastle Light Rail, to avoid repeated difficulties.

d) any other related matters.

No comments at this time.

To discuss these issues or our response further, please contact Naushee Rahman, Principal Advisor, Advocacy and Strategic Projects,

Yours sincerely

Robyn Hobbs OAM
NSW Small Business Commissioner
6 July 2018