



Engaging with Small Business

Guidelines for Engaging Small Business
on Infrastructure Projects

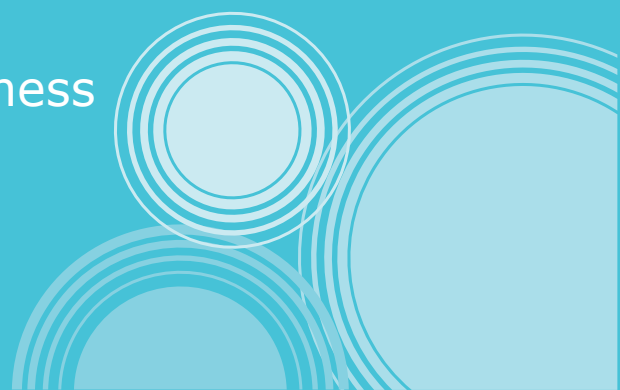


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Small business engagement guidelines

1.1 Introduction

Melbourne Water engages closely with the community in fulfilling all of our obligations under the Water Act. We also remain committed to improving our engagement with small business impacted by our infrastructure projects.

Through the assistance of industry professionals, Melbourne Water has developed the Small Business Engagement Planning Guidelines document to ensure we become a leader in engaging with businesses.

These Small Business Guidelines will assist Project Planners, Project Managers and Community Engagement Advisors from water and other industries, to work better with small business.

1.2 Key Recommendations:

1. Identify all affected small businesses and impacts in the earliest planning stages and to fully consider mitigation of these impacts during the business case and design phases.
2. Build engagement knowledge and capabilities across the Melbourne Water team. This will ensure that difficult and complex issues are addressed by highly skilled practitioners who will be able to fully identify, analyse and respond to them in a timely and appropriate way.
3. Resource engagement teams to enable regular face-to-face and other communication before, during and after the construction period. This includes developing a community engagement budget that truly reflects risks and issues associated with the project.
4. Where possible, engage small business more in the 'Consult' and 'Collaborate' spectrum of the IAP2 Engagement Model (for description of IAP2 Model go to: <http://www.iap2.org>.) and less in the 'Inform' (only) part of the spectrum. This will also lead to better identification of impacts and provide a platform for successful mitigation of these impacts.
5. Clearly articulate roles and responsibilities within the project and engagement teams and incorporate this into internal documentation, processes and procedures.
6. Clearly articulate roles and responsibilities of service providers when providing community engagement and other communications on behalf of Melbourne Water.
7. Deliver continuity of community engagement in a consistent and coherent manner while promoting openness and transparency.
8. Engage effectively with councils and the State Government to identify all relevant stakeholders and issues, ensure all relevant permits and approvals are obtained and that works are coordinated to reduce conflict and optimise outcomes.

9. Implement a formal evaluation and feedback process to ensure ongoing improvement. This formal evaluation process should be measured by community engagement objectives that are developed in consultation with small businesses, local councils, government agencies and other major stakeholders.

1.3 Our Commitment to Small Business

Melbourne Water is committed to best practice community engagement and working closely with our local communities at all times. We aim to eliminate or mitigate potential impacts from our construction projects, wherever possible.

Small businesses are essential stakeholders to consider whenever long term construction works occur since these works may result in a significant loss of income for these stakeholders. Customers often choose to stay away from areas where construction is taking place and, for some businesses, construction works can be very disruptive to their operations.

In reaffirming our commitment to good community engagement, Melbourne Water has developed a five step small business engagement process to better identify:

- which small businesses are impacted
- the nature and magnitude of these impacts
- ways to eliminate or mitigate impacts.

This process is to be implemented by the Melbourne Water Community Engagement Advisor in consultation with the project initiator and project manager in the planning phase of the project. This information will guide the development of the Community Engagement Plan and effective engagement before, during and after the project.

1.4 Summary

The Small Business Engagement Planning Guidelines and the nine key recommendations provide a solid foundation for effective planning and risk analysis for construction projects. The guidelines and engagement before, during and after the project needs to be underpinned by policies, resources and leadership support to ensure effective implementation.

Five step process for small business engagement planning

2.1 Step 1: Identify projects that may impact small businesses

The Melbourne Water Community Engagement Advisor will work with the project planning teams to identify potential impacts on small businesses prior to the preliminary business case being approved. Together they play a critical role in the decision making process and developing the best options for project delivery. It is important that community engagement team members work closely with project initiators and project managers to identify potential risks a project may create to small business in the Investigation Phase. It is essential that engagement knowledge and capabilities are built across the Melbourne Water Team.

The Community Engagement Advisor must be aware of the regulatory framework within which they work, i.e. Water Act 1989, *Occupational Health and Safety Act* 2004, Victorian Environment Protection Act 1970 and the Australian Government's *Environment Protection and Biodiversity Conservation Act* 1999.

ACTION REQUIRED:

☐ Have regular discussions with Asset Managers and the Project Delivery Teams to identify projects in the Project Investigation stage which have the potential to impact small businesses.

Note: There is a reciprocal obligation for project initiators to contact Community Engagement Advisors especially if the initiated project is not widely known. This mutual obligation should be reflected in project documentation within the project investigation phase.

2.2 Step 2: Engage with the local council

By virtue of their role, local government provide strong local knowledge and can indicate potential impacts to small business communities.

ACTION REQUIRED:

☐ Significantly prior to the commencement of design investigations, Community Engagement Advisor are to contact the relevant local council including officers in the following areas: economic development, construction, community engagement and traffic. Provide information about the project so that they can brief relevant people in council and schedule works in their area. Councils may also be able to assist with providing information about businesses in the area, traders' associations or local leaders as well as supplying information for the business impact assessment and the best ways to engage with businesses in their area. Councils may provide valuable assistance with communication through their various communication channels and networks.

☐ Community Engagement Advisor to complete the Local Council Checklist (attachment 1).

2.3 Step 3: Business impact assessment

ACTION REQUIRED:

- ☐ Community Engagement Advisor and the Project Manager to visit the project site to conduct a scan of businesses in the area and identify the potential for small businesses (as well as other stakeholders such as schools) that may be impacted.
- ☐ Community Engagement Advisor to complete the Small Business Impact Checklist (attachment 3).

2.4 Step 4: Provide information on small business impacts into the project planning process

Community Engagement Advisors will play an important role in providing information on small business impacts and mitigations during the initial business case approval process. For example, if the impacts on small business are deemed too great the project may not get business case approval in its current form or may require changes to mitigate impacts and risk in the investigation, feasibility or functional design stage.

ACTION REQUIRED: Use the information you received from completing the Small Business Impact Checklist and the Local Council Checklist to inform:

- ☐ Relevant internal checklists that need to address occupational health and safety and environmental considerations associated with the project
- ☐ Input to the Multi Criteria Analysis (MCA) workshop (to assess alternative project options in the planning process)
- ☐ Relevant information to be provided to the consultant producing the concept design report.

ACTION REQUIRED: Invite relevant stakeholders to attend MCA workshops (or equivalent), e.g. Local Government, relevant authorities (Vic Roads etc.) or Small business representatives.

2.5 Step 5: Establish controls in the design planning phase

Planning processes in the design phase (including the MCA workshop if undertaken here) should identify and qualify all potential risks and impacts to small businesses. This process should inform decisions regarding design approach, site location, amenity and construction methodology.

- The **Community and Engagement Plan (CEP)**. Provides the overarching framework for community engagement approach and at a minimum will include:
 - (1) project background, scope, issues and impacts
 - (2) stakeholder list
 - (3) project and community engagement milestones actions/timings
 - (4) communication tools
 - (5) resources / budgets and
 - (6) community engagement roles and responsibilities
 - (7) evaluation.

Effective engagement that consults with small businesses and keeps them fully informed before, during and after works may eliminate or mitigate any impacts or potential impacts. Community Engagement Advisors need to decide (and nominate within the CEP) at which level on the IAP2 Model spectrum they will engage with stakeholders (this model should be contained within the CEP template).

ACTION REQUIRED:

☐ Community Engagement Advisor to complete the Individual Small Business Scorecard (attachment 4) so that mitigations are tailored to the needs of individual businesses. Meeting with each small business and gaining an understanding of their needs will enable Community Engagement Advisors to develop an effective Community Engagement Plan.

☐ Businesses will be informed of the project intent and will outline terms of engagement. This initial interaction will be supported by a project information bulletin.

The Advisor will also be able to use the insights gained from the meetings with the local council and should consider meeting with other relevant stakeholders such as VicRoads and other government agencies.

Effective engagement will empower small business to make the best business decisions possible before and during the work period.

By giving business owners as much notice as possible and providing information about how construction may affect them, they will be empowered to plan marketing activities, alter stock orders, re-schedule staff rosters and notify customers about any changes.

Business owners are likely to be upset, some very upset

Small business owners are likely to be very worried about the potential effects of the construction works. Be open, honest and clear about:

- what the project is and why the work needs to be done
- what will be done and how long it will take
- how they may be impacted and for how long. Take a worst case scenario – it is better that they are prepared for the worst, rather than feel that Melbourne Water wasn't open and honest.

☐ Use the information gained through this process to further develop the CEP and community engagement budget for project.

Project Delivery and Ongoing Engagement with Small Businesses

3.1 Adequate resourcing and evaluation

Small businesses will need plenty of individual, face-to-face engagement before, during and after the works. This needs to be done by experienced people on both the engagement and construction teams who understand the importance of engagement, how to deal with people in difficult circumstances, have difficult conversations and respond to angry and emotional people. These team members need a deep understanding of the construction process and the possible impacts on businesses at the various stages of the project so that they can discuss these with the business owners.

The amount of face-to-face engagement required depends on the type of project and how severely businesses will be impacted. A guide is:

- Before: visit each business owner twice. The first visit should be as early as possible to notify them of the project and provide high level information. The second should be a more detailed visit when the Individual Small Business Scorecard is being developed to discuss the project in detail, provide detailed information, and explore their requirements and possible mitigations to assist their business.
- During: visit as required to see how they are going and try to resolve any issues. At the beginning of the project or during intensive impacts, this could be weekly. During less intensive stages, it could be monthly.
- After: visit each business to review the engagement done over the life of the project: What was done well? Do they feel that Melbourne Water communicated effectively with them? What could be improved for future projects? This feedback should form part of the project engagement evaluation process.

Communication needs to happen via a variety of methods: face-to-face supported by a variety of printed materials and other channels such as emails and online.

Provide high quality information and keep them updated regularly. Show that you are upfront and prepared to share information. If holding meetings, provide multiple times to suit different types of businesses. Communications should be clear about impacts on the businesses as well as explaining about the project and its benefits. Be clear about the time and dates of possible impacts and any changes to the project schedule.

After construction, go and see the traders to see if there is anything Melbourne Water or the contractor could have done better. Providing a survey will allow traders to provide honest feedback anonymously. Did we communicate with them effectively? How could the process have been made better and less stressful for them? Capture this feedback and share with the team at the project debrief meetings.

3.2 Be flexible, creative and responsive and acknowledge the impact

During early project planning once details about the design, timeline and construction methodology have been confirmed (or mostly confirmed), go and visit each business individually to discuss the project, how it may impact them and how impacts may be mitigated.

This is the time to get into the detail of how Melbourne Water can mitigate the impacts on each business. For example, community engagement advisors should ask:

- Do they have deliveries at a particular time?
- Can signage and alternative footpaths be provided so that customers see and access their business?
- Will noise or dust be an issue for them?
- How can works be scheduled to minimise impacts on trade?

Provide detailed information about the project. Work with each business individually to discuss how they will be impacted and how Melbourne Water can work with them to mitigate the impact on their business. Businesses will have different operating models and needs, e.g. a night restaurant will have different needs to an early morning café with kerbside tables. It is very likely that Melbourne Water will be disturbing their business operations and reducing their income. Acknowledge this and be respectful of their needs and requests. Be responsive, friendly and courteous. Get back to them the same day if possible if they leave a message.

3.3 Communication protocols

Establish agreed communication protocols with other agencies and delivery partners involved in communicating with stakeholders around the project, including key messages and activities to ensure messages are consistent and activities are coordinated.

Make sure that the Customer Service Centre is briefed about the project, has copies of all communications sent to business owners and knows who to contact if someone calls in with an issue.

3.4 Small Business Mentoring

Melbourne Water may investigate providing Small Business Mentoring Services as a mitigating measure prior to or during construction.

Small Business Mentoring Service (SBMS) is an incorporated not-for-profit association which is independent but partially funded by the Victorian State Government DEDJTR and supported by the Minister for Small Business and Small Business Victoria. SBMS provide experienced and highly skilled mentors specifically around managing potential impacts that may arise as a result of infrastructure projects. Support may be provided in the form of individual or group coaching sessions to allow businesses to plan for upcoming works or answer any questions which arise during construction.

3.5 Dispute resolution and further Small Business Support

The Victorian Small Business Commissioner (VSBC) was established to enhance a competitive and fair operating environment for small and medium businesses in Victoria. It also helps to resolve business disputes through preliminary assistance or mediation.

If you have a commercial dispute with another business, local or state government, or not-for-profit, the VSBC can help you find a resolution. The VSBC arranges confidential mediation of small business disputes, under the guidance of an independent mediator avoiding the cost, uncertainty and delay of litigation.

For further information regarding the Victorian Small Business Commission, refer to their website www.vsbcc.vic.gov.au

Appendices

Instructions for completing checklists/scorecard

Local Council Checklist

- To complete (Appendix 1) Local Council Checklist: add name of the council and your council contact (or contacts). This is a 'To Do List' so simply check 'yes' when you have completed tasks against all the questions under headings of: Economic Development, Traffic Management/Maintenance and Community/Stakeholder Engagement.
 - If you checked 'no' against some questions you are not as well prepared as you should be and should endeavour to find out the required information. If there is more than one council associated with your project, you will have to fill out a separate table for each council.

Business Introduction Checklist

- Use (Appendix 2) the Business Introduction Checklist to gather important information about each trader which may be affected by the works. This should be used in conjunction with the Small Business Impact Checklist.

Small Business Impact Checklist

- To complete (Appendix 3) the Small Business Impact Checklist, simply check 'yes' or 'no' under each of the headings: Loss of Amenity, Construction Impacts and Logistic Impacts. N.B. This is generic checklist for all small businesses impacted and does not have to be completed for individual businesses.
 - This checklist is indicative only and will provide an overview of the project impacts on small business. There is no formula that states that a certain number of 'yes' responses dictates a 'particular courses' of action. Some projects may have less number of 'yes' responses than others but have more severe impacts. For example if businesses in the area are reliant on parking, any impacts on parking may be devastating even if all other impacts from the project are relatively minor. Each project and their impacts upon collective local businesses is an assessment that needs to be made on a case by case basis. There is no one size fits all.

Individual Small Business Scorecard

- To complete (Appendix 4) the Individual Small Business Scorecard, simply provide the relevant information for: 'Small Business Name', 'Business Description' and 'Opening Hours' and then tick 'yes' or 'no' under the headings of: 'Economic Considerations' and 'Logistical Considerations'. Under the heading: 'Special Requirements' make a note of any special requirement relevant for that business e.g. 'This business relies exclusively on passing foot traffic'.

- Again the 'yes' / 'no' results here are indicative only there is no formula that says a certain number of 'yes' impacts or considerations leads to a certain weighting or prescribed actions. Rather each impact or consideration affecting an individual business should be independently assessed and listed within the CEP. Corresponding actions need to be taken to mitigate each of these impacts wherever it is possible to do so: i.e. blocking the shopfront of a business can be partially offset by providing additional signage.
- As this is an individual business scorecard you must complete a separate scorecard for each business.

Local Council Checklist							
Project name:							
Local Council	Council Contacts	Economic Development	Yes /No	Traffic Management / Maintenance	Yes /No	Community/ Stakeholder Engagement	Yes /No
<i>e.g. Bayside Council</i>	<i>e.g. Sue Smith Communications Manager. John Jones Traffic Manager</i>	Contacted economic development Officer to discuss project?		Contacted Traffic Management /Maintenance to coordinate other works with ours		Contacted Community Engagement Team to obtain list of local small business stakeholders	
		Understand council's economic and development plans for area		Have identified which affected roads are council or VicRoads		Have obtained contact details and contacted local trader groups	
		Mapped out the types of businesses that operate in proposed works area		Have received feedback about likely impacts on road network		Have obtained full stakeholder lists and determined distribution area for communications and door-knock	
		Understanding of these businesses' logistical requirements		Identified requirements for TMP approvals by council / VicRoads		Have agreed meeting schedules /attendees with council before and during project's construction phase	
		Understand public transport requirements/ impacts		Identified where to place project and other signage and what permits / approvals required?		Have an internal council distribution list for communication updates	
		Other third party developments planned		Any utility maintenance scheduled on road network		Can they provide assistance in communicating with small businesses and the community	
		Are there preferred options for communications		Are there preferred options for communications		Are there preferred options for communications	

Business Introduction Checklist		
Business name:		
Type of business:		
Contact name:		
Telephone number:		
Email address:		
Street address:		
Postal address:		
Questions	Answers	Mitigation strategy
Opening hours		
Number of staff		
Expected customer visits per day		
Current marketing/communication strategy (if any)		
Delivery times		
Delivery types (wet, dry, perishable, etc.)		
Truck sizes		
Access requirements		
Customer parking		
Staff parking		
Peak busy times during the day and year		
Low peak times of operation		
Who is the best person to communicate with at the business?		
Who is the owner of the building (if different)?		
What is the preferred method of communication for project updates?		

Small Business Impact Checklist					
Project name:					
Loss of Amenity	Yes/No	Construction Impacts	Yes/No	Logistics Impacts	Yes/No
Noise dust vibration		Construction longer than one month		Limiting trucks and freight movements through area	
Significant intrusion i.e. large trench along road		Disruption to services or with scheduled utility maintenance		Problem with supplying inventory stock or loss of perishable stock that can no longer be sold?	
Heavy machinery onsite		Any restriction to foot traffic		Any supply chain impacts to other businesses	
Heavy machinery stored on site		Impacts on road network		Changes to taxi access through area and drop-off points	
Loss of Parking		Road / lane closures		Changes to access for disability/aged transport providers	
Loss of access		TMP required? (council or VicRoads road?) Seek relevant approvals		Changes to public transport schedules or access into area	
Loss of footpath / nature strip		Permit breaches e.g. blocking fire exits or disabled access		Relocation of bus/train/tram stops/ taxi rank	
Visual noise, e.g. signage, site office, fenced-off areas, large numbers of workers, etc.		Any other permit breaches?		Impact to any small businesses that may not be located in the area but would be affected by changes to traffic flow	

Individual Small Business Scorecard

Project name:

Small Business Name	Business Description	Opening Hours	Economic Considerations	Yes/No	Logistical Considerations	Yes/No	Special Requirements
<i>e.g. Evermore Cakes</i>	<i>Bakery that specialises in cheesecakes and pastries. Stock perishable requires high daily turnover</i>	<i>9am-5pm M-F 10am-1pm Sat/Sun</i>	Loss of business trading expected	Yes	Restricted movements of trucks / freight required by the business	No	<i>This business relies exclusively on trade from passing foot traffic so any blockage of shopfront must be offset with additional signage</i>
			Affected by changed traffic conditions and impacts		Impact on perishable stock or deliveries (highly relevant in areas with market type businesses)		
			Business needs notice to change stock levels		Any supply chain impacts		
			Seasonal considerations required to mitigate impacts		Changes to taxi access		
			Notice to change staff rosters required		Changes to access disability transport		
			Changed opening hours		Changes to public transport		
			Notice to change Lease agreements		Changes to foot or road access		
			Is there footpath trading or outside dining		Other Miscellaneous		
			Are there special access / parking requirements		Other Miscellaneous		