



AGENDA

ECONOMIC DEVELOPMENT COMMITTEE

1 December 2015

6.30pm

City of Albany Council Chambers

**CITY OF ALBANY
COMMUNITY STRATEGIC PLAN (ALBANY 2023)**

VISION

Western Australia's most sought after and unique regional city to live, work and visit.

VALUES

All Councillors, Staff and Volunteers at the City of Albany will be...

Focused: on community outcomes

This means we will listen and pay attention to our community. We will consult widely and set clear direction for action. We will do what we say we will do to ensure that if it's good for Albany, we get it done.

United: by working and learning together

This means we will work as a team, sharing knowledge and skills. We will build strong relationships internally and externally through effective communication. We will support people to help them reach their full potential by encouraging loyalty, trust, innovation and high performance.

Accountable: for our actions

This means we will act professionally using resources responsibly; (people, skills and physical assets as well as money). We will be fair and consistent when allocating these resources and look for opportunities to work jointly with other directorates and with our partners. We will commit to a culture of continuous improvement.

Proud: of our people and our community

This means we will earn respect and build trust between ourselves, and the residents of Albany through the honesty of what we say and do and in what we achieve together. We will be transparent in our decision making and committed to serving the diverse needs of the community while recognising we can't be all things to all people.

TERMS OF REFERENCE

(1) Function:

The Economic Development Committee is responsible for:

- (a) Considering and recommending to Council ways to strengthen the local Albany economy; and
- (b) Delivering the following Smart, Prosperous and Growing Objectives contained in the City of Albany Strategic Plan:
 - (i) To foster links between education, training and employment that support economic development.
 - (ii) To strengthen our region's economic based.
 - (iii) To develop and promote Albany as a unique and sought after visitor destination.

(2) It will achieve this by:

- (a) Developing policies and strategies;
- (b) Establishing ways to measure progress;
- (c) Receiving progress reports;
- (d) Considering officer advice;
- (e) Debating topical issues;
- (f) Providing advice on effective ways to engage and report progress to the Community; and
- (g) Making recommendations to Council.

(3) Chairperson: Cr Hollingworth

(4) Membership: All Elected Members

(5) Meeting Schedule: As required

(6) Meeting Location: Council Chambers

(7) Executive Officers: Executive Director of Economic Development and Commercial Services

(8) Delegated Authority: The Committee does not have delegated authority from Council.

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1. DECLARATION OF OPENING

2. PRAYER AND ACKNOWLEDGEMENT OF TRADITIONAL LAND OWNERS

“Heavenly Father, we thank you for the peace and beauty of this area. Direct and prosper the deliberations of this Council for the advancement of the City and the welfare of its people. Amen.”

“We would like to acknowledge the Noongar people who are the Traditional Custodians of the Land.

We would also like to pay respect to Elders both past and present”.

3. RECORD OF APOLOGIES AND LEAVE OF ABSENCE

Mayor D Wellington

Councillors:

Member	A Goode
Member	G Stocks
Member	N Mulcahy
Member	P Terry
Member	S Smith
Member	R Sutton
Member	B Hollingworth (Chair)
Member	R Hammond (Deputy)
Member	J Shanhun
Member	J Price

Staff:

Chief Executive Officer	A Sharpe
Executive Director Economic Development and Commercial Services	C Woods
Manager Tourism Development Services	M Bird
Minutes	C Crane

Apologies:

Member	C Dowling
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4. DISCLOSURES OF INTEREST

Name	Committee/Report Item Number	Nature of Interest

5. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

6. PUBLIC QUESTION TIME

7. PETITIONS AND DEPUTATIONS

8. CONFIRMATION OF MINUTES

MOTION

VOTING REQUIREMENT: SIMPLE MAJORITY

THAT the minutes of the Economic Development Committee Meeting held on 10 November 2015, as previously distributed, be CONFIRMED as a true and accurate record of proceedings.

9. PRESENTATIONS

The Gap - Department Parks and Wildlife
Clipper Update – C Woods

10. UNRESOLVED BUSINESS FROM PREVIOUS MEETINGS

11. OFFICER REPORTS

**ED028: CAMPERVAN AND MOTORHOME CLUB OF AUSTRALIA
(CMCA) – POST EVENT EVALUATION REPORT**

Proponent : City of Albany
Report Prepared By : Manager Tourism Development Services (M Bird)
Responsible Officer(s) : Executive Director Community Services (C Woods)

Responsible Officer's Signature:



STRATEGIC IMPLICATIONS

1. This strategy directly relates to the following elements from the Community Strategic Plan – Albany 2023 and the Corporate Business Plan 2014-2018.
 - a. **Key Theme: 1.** Smart Prosperous and Growing.
 - b. **Strategic Objective: 1.2** To strengthen our region's economic base.
Strategic Objective 1.3 To develop and promote Albany as a unique and sought after destination.
 - c. **Strategic Initiative 1.2.2.** Economic Diversity
Strategic Initiative 1.3.1. Events Management
Strategic Initiative 1.3.2. Tourism Destination

In Brief:

- Accept the City of Albany Officer post activity report.

RECOMMENDATIONS

ED028: RESPONSIBLE OFFICER RECOMMENDATION

THAT the City of Albany Post Event Evaluation Report for the destination hosting of the Campervan and Motorhome Club of Australia be RECEIVED.

BACKGROUND

2. Albany Council approved entering into the host venue contract with the Campervan and Motorhome Club of Australia (CMCA) at the October 2013 OCM to the value of up to \$100,000 of in kind support and \$60,000 in cash sponsorship.
3. Albany Council provided exclusive use of Centennial Park ovals, contracted local community groups to supply existing sporting and community buildings, and coordinated a range of infrastructure improvements to the precinct for use by the CMCA. The City also implemented a marketing and communications program to encourage CMCA member attendance.
4. The CMCA is a not for profit member based organisation and the largest recreational vehicle (RV) club in Australia. As at October 2015 the Club has some 66,000 members across Australia and overseas.

DISCUSSION

5. The official CMCA Event Program ran over the 26 October-1 November 2015 period with CMCA having exclusive access to the venue and buildings from 15 October to 4 November. Some 150 volunteer CMCA members were on site during this 3 week period.
6. The CMCA is a member only event and the Albany event attracted 602 RVs registrations and some 1,144 participants. CMCA estimate that at least another 50 vehicles came to the Albany region but did not register at the rally preferring to stay at staging points or camp grounds/parks.
7. Public access was via a CMCA Open Day on the Saturday 31 October 2015 (source: CMCA registration data).



Image 1 – aerial view of CMCA event on Centennial Park eastern precinct.

8. The City also implemented a local communication program to inform local business and community pre event. This included media releases to local media, local radio segments, promotion via the City's regular newspaper community information pages, inclusion in Visitor Centre "What's On" newsletter distributed to industry database, inclusion in ACCI newsletter and Amazing Albany social media platforms. Advertising and communication of extended temporary retail trading hours for the Sunday were also implemented as per normal procedures.
9. The City has prepared a post event evaluation report. The report scored the event across 7 variables. The City conducted post event surveys of local Albany businesses in order to measure these variables.
10. The event assessment methodology used by the City has been custom developed in-house to measure an event's impact across economic value, job creation, destination promotion, strategic fit with City objectives, social and community benefits.
11. A summary of these results is included below and only covers the 7 day period 26 October to 1 November period;
 - 1) Total Number of Visitors; 1,188
 - a. 1,144 CMCA members
 - b. 16 event administration and officials
 - c. 28 exhibitors
 - 2) Economic Value; \$ total direct visitor spend
 - d. Total direct expenditure for the event is estimated at \$1,283,193 made up from \$874,368 attendee spend (1,188 visitors multiplied by 8 nights multiplied by \$92 per day) plus \$408,825 from CMCA organisers for the 26 October to 2 November Rally period. This spend is estimated from post event surveys and CMCA attendee data and excludes travel to and from Albany. CMCA estimate total event expenditure into Albany is in the vicinity of \$2m however the \$1.28m estimate is more conservative and believed to reflect the true economic impact.
 - e. In addition CMCA visitor expenditure in the region pre and post outside of the main rally dates is estimated to be significant but unmeasured. Approximately 100 CMCA volunteers arrived into Albany from 15 October adding some 2 weeks additional daily expenditure into the destination.
 - f. City business units direct measurable benefit received was \$13,477 (National Anzac Centre entrance fees \$9,350 and Albany Visitor Centre \$4,127 tour booking commission and retail sales).
 - g. ROI assessment of 8:1; \$160,000 City investment generated an estimated \$1,283,193 on direct visitor and event spend.
 - 3) Jobs Created; The following is estimated using the City of Albany "economy.id" event impact calculator tool
 - h. Using the economy.id event impact calculator tool the event was assessed as delivering significant employment to the destination.
 - 4) Media/PR Value;
 - i. Event assessed as medium media/PR value for the Albany destination. The CMCA boasts a 66,000 strong membership and marketing efforts have been strong to this group. Longer term flow-on benefits are anticipated from these promotional activities.

- 5) Strategic Fit:
 - j. Event assessed as medium against City of Albany "smart prosperous and growing" and events strategy objectives.
- 6) Timing:
 - k. Good timing as Event was staged in a typically shoulder month visitor period and outside of school holidays.
- 7) Social Value:
 - l. Event assessed as low to medium in terms of level of social value, level of local community engagement although some community and sporting groups were highly involved and received direct economic benefit.
12. The event was assessed as being economically successful delivering a good ROI on the initial \$160,000 host city investment and generating an estimated \$1,283,193 into the local economy in a typically quiet visitor period.
13. The net financial contribution by the City of Albany to host the event was \$104,844 due to the strong partner support secured from successful funding applications. ROI in real terms then is 12 to 1.
14. The major beneficiaries of the CMCA event were local hospitality, visitor attractions, shopping, supermarkets and retail businesses. As the CMCA members used their own accommodation commercial operators did not receive significant increases to their business. Other non tourism based beneficiaries included medical services, fuel stations, vehicle repairs, battery, caravan and camping service providers.
15. The City also surveyed local Albany businesses post the event (52 respondents). A summary of results include;
 - a. 52% of respondents were from Albany city centre, 34% from rest of Albany, 9.6% from Plantagenet, 2% from Denmark and 2% from other Great Southern.
 - b. When asked to describe the primary focus of their business, 28.9% identified as commercial accommodation (not caravan parks), 19.6% as restaurant/cafe/bar, 15.4% as caravan park/campground, 11.5% as a visitor attraction, 10.7% shopping /retail/supermarkets, 9.8% other, and 3.9% tour operators.
 - c. Overall 29.4% of businesses reported an increase in normal turnover over the period, 62.8% reported no change, and 7.8% were unsure. The large no change result can be explained by the high percentage of respondents from the commercial accommodation sector. Of the 23 commercial accommodation respondents only 2 indicated an increase to their business, 1 was unsure and the remaining 20 indicated no benefit received. 67% of visitor attractions that responded indicated extra business received with the remainder unsure, half of the restaurants/cafe/bar indicated increases with 11% unsure, retail and shopping only 25% indicated increased business.
 - d. When asked to rate how the Albany business community benefitted from hosting the event, 34.0% replied "somewhat", 30.0% replied "to a great or very great extent", 26% said to a "small or very small extent", and 10% said "none at all".
 - e. Although some businesses did not receive direct benefit some 65.7% of respondents supported the City hosting events such as the CMCA, 15.7% did not support, and 17.6% were unsure.

- f. Local businesses were asked to provide suggestions for improvement and these have been included in the full report attachments. These comments will be reviewed and integrated into future event attraction and delivery as part of the City's continuous improvement model.
16. Overall, 64% of comments received were positive with examples of local business feedback as follows;
- a) *"More than \$20k in sales to date, most we would not have got otherwise and more to come. 10 nights accommodation plus meals and fuel for reps on site, plus one of those reps is bringing his family of four back next year. All in all a pretty pleasant crowd to deal with and most that I spoke to will be back" – retailer.*
 - b) *"Although good for the town business in providing the participants needs there were a few who came out to us. There were some that came via the Kalgan Queen Cruise. I hope this helps as we believe that people went away positive of Albany" - winery.*
 - c) *"The City should be commended on providing this event to Albany. We benefited greatly from their support in the tune of \$400.00 to \$500.00 a day for the period" – cafe.*
 - d) *We are at the Albany Farmers Market and we definitely had more visitors. They probably didn't spend up big because they were all living in caravans with miniscule fridges and freezers, but the odd jar of jam etc and all the talking has got to be good for Albany and the region" – farm producer.*
 - e) *"Great success. Well attended events/tours and venue. Increased income from donations and tours. Received great feedback which we know will become positive word of mouth into the future" – attraction.*
17. Some negative local feedback was received with the principal source being the commercial caravan park operators. A summary of the negative feedback as follows;
- a) *A 10-15% downturn on sites impacted from the CMCA rally doesn't sound like much but when you work it out it's between 110 – 150 site nights. We ask ourselves why the downturn in Business over this period, the problem is when you have a major event in the town that's marketed to attract 800 or more caravans and campervans, the Genuine Tourist/Traveller that we market for think that the 8 or 9 caravan parks in town will be full and overcrowded, meaning we won't go to Albany in this period or bypass the town completely. I can't see what CMCA has to offer in the region that will be beneficial to local Business growth and future in the region" – caravan park operator.*
 - b) *"We feel the CMCA organisation do not like to engage with the local business, they rather there (sic) own events which are beneficial to there (sic) group and not the community they Rally in" – caravan park operator.*
 - c) *"CMCA members are renowned by spending no/as little as possible money wherever they travel" – caravan park operator.*

GOVERNMENT & PUBLIC CONSULTATION

18. The Albany Chamber of Commerce and Industry Inc (ACCI) was a strong proponent for Albany hosting the CMCA event. ACCI representatives have previously attended CMCA events and met with CMCA event organisers.
19. The City initially investigated the host city opportunity with the WA State Government via Tourism WA and Perth Convention Bureau. Following this the City negotiated directly with CMCA to secure the event host rights.
20. The Community Strategic Plan involved widespread community consultation in late 2012 and early 2013. The community identified a number of economic priorities under the theme of Smart Prosperous and Growing including the attraction of iconic major events.
21. The City conducted a survey of local businesses post event with results included in this report. Neighbouring Great Southern local government authorities have also reported strong increase in self drive RV visitors as a result of Albany hosting the CMCA event.

STATUTORY IMPLICATIONS

22. Nil.

POLICY IMPLICATIONS

23. Nil

RISK IDENTIFICATION & MITIGATION

24. The risk identification and categorisation relies on the City's [Enterprise Risk Management Framework](#).

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
Reputational: <i>Suggestions for improvement were received from local businesses via the post event survey. If these are not reviewed and adopted where appropriate then potential reputational risk exists for the City.</i>	<i>Possible</i>	<i>Moderate</i>	<i>Medium</i>	<i>City officers to review local business feedback and suggestions for improvement and integrate into event attraction, management and promotion processes.</i>

FINANCIAL IMPLICATIONS

25. Council endorsed the hosting of the CMCA 2015 National Rally with a net investment of up to \$160,000. The City was successful in securing partner funding for hosting the event in the order of \$70,000 comprising \$40,000 from Perth Convention bureau, \$20,000 from Tourism WA (Events), and \$10,000 from the Great Southern Development Commission. The net financial contribution by the City of Albany to host the event was \$104,844 due to the strong partner support secured.

26. Actual budgets as at 23 November 2015 were as follows;

CMCA Albany Host Destination 26 October - 1 November 2015

INCOME

Description	Actuals - Nov2015
<u>Partner Contributions</u>	
Perth Convention Bureau	\$40,000.00
Tourism WA (Events)	\$20,000.00
Great Southern Development Commission	\$10,000.00
<u>Other Income</u>	
Albany Visitor Centre tour booking commissions	\$2,461.00

Income Totals	\$72,461.00
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EXPENSES

Description	Total
<u>Host destination requirements</u>	
Major events attraction - job number 3325 CMCA	\$159,399.00
CoA Salaries & Wages	<i>\$11,702.00</i>
Materials & Consumables	<i>\$13,869.00</i>
Contract works	<i>\$53,421.00</i>
Hosting fee	<i>\$60,000.00</i>
Internal plant hire depreciation	<i>\$1,338.00</i>
Plant operating costs	<i>\$1,282.00</i>
Labour overhead	<i>\$17,787.00</i>
Amazing Albany destination marketing activities	\$14,346.00
Visitor Centre information desk and staffing	\$3,560.00
Totals	\$177,305.00

City of Albany net contribution	\$104,844.00
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27. Management and oversight of funding and event contractual deliverables was undertaken using existing staff resources within the Economic Development and Commercial Services Directorate, within existing allocated budgets.

LEGAL IMPLICATIONS

28. Nil.

ENVIRONMENTAL CONSIDERATIONS

29. Nil.

ALTERNATE OPTIONS

30. If the committee does not support the evaluation tool developed for assessing the economic impact of this event other methods can be explored.

SUMMARY CONCLUSION

31. Securing the 2015 CMCA National Rally event achieved a City strategic deliverable to identify iconic events that provide community and economic benefits.
32. Local businesses surveyed believed the Albany business community benefitted from hosting the event with nearly two thirds supporting the City hosting events such as the CMCA.
33. The event was assessed as being economically successful delivering a good ROI on the \$160,000 host city investment and generating an estimated \$1.28m of direct event spend (travel to and from Albany excluded) in a typical shoulder visitor period.

Consulted References	:	Council Policy Community Funding and Event Sponsorship (2013) City of Albany Major and Regional Events Strategy 2014-17
File Number (Name of Ward)	:	Not applicable.
Previous Reference	:	Nil.

- 12. NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF THE COMMITTEE**
- 13. MEETING CLOSED TO PUBLIC**
Rex Air – C Woods
- 14. NEXT MEETING DATE**
- 15. CLOSURE OF MEETING**