



# **ATTACHMENT D**

**ORDINARY MEETING  
OF COUNCIL**

**AGENDA  
OPEN MEETING  
25 JUNE 2018**

**Item 10.7  
Supporting Documents  
CCA Representatives Meeting – Unconfirmed Minutes  
Battery of the Nation Presentation  
CCA General Update Presentation**

# REPRESENTATIVES MEETING

24 May 2018

---



## MEETING HIGHLIGHTS

### **Battery of The Nation Initiative**

Representatives received a presentation from representatives of the Hydro Tasmania project team responsible for the Battery of the Nation (BotN) initiative. The BotN initiative is about setting up a blueprint for how Tasmania's renewable resources are developed over coming decades, which highlighted that the goal is to be entirely renewable energy driven by 2022. Under the BotN initiative, Hydro Tasmania is looking at development options that can comprehensively assure energy security for Tasmania and give Tasmanians access to the lowest possible power prices.

When realised, this initiative will be great for Tasmania's economy through increased investment, regional development and employment opportunities. This initiative could create up to \$5 billion of infrastructure investment and up to 3000 jobs across a 10 to 15-year construction period.

### **Coordinator-General, Mr John Perry**

Mr John Perry presented an overview of the Office of Coordinator General's (OCG) projects and initiatives. A key focus for the OCG is investment attraction and Mr Perry advised that councils can make their locality/region more attractive to investors by providing incentives such as fee and rate relief. The State Government has a Payroll Tax relief program designed to encourage new investment. The OCG will work with the CCA and councils on investment opportunities.

### **Tourism Website Overview**

Regional Tourism Manager, Ms Theresa Lord presented the new Tourism website for the region. The website is being designed based on research that has highlighted the region's experiences and assets that are most attractive to potential visitors. It will use an "always on" approach to ensure information is up-to-date and contemporary to visitor interests. It was noted and agreed that there was significant opportunity to align and refresh local visitor websites and explore opportunities to better services the needs of potential visitors to increase visitation to the region.

### **Director Appointment**

Representatives endorsed Acting Mayor Annette Rockliff (Devonport City Council) as a CCA Board Director.

### **Key Actions**

1. Circular Head and Waratah-Wynyard Councils to present information of the regional importance of the Bass Highway at the August Representatives Meeting
2. Representatives agreed to nominate an employee from each council to form a networking group with Regional Tourism Manager, Ms Theresa Lord to explore opportunities to align local tourism website and information with the regional offering.



# MEETING MINUTES

## REPRESENTATIVES MEETING

---

Date: 24 May 2018  
Time: 10 am  
Location: 1-3 Spring Street, Burnie

### 1. WELCOME/APOLOGIES

---

#### 1.1. WELCOME/APOLOGIES/PROXIES

Chief Representative and meeting Chair, Mayor Jan Bonde, opened the meeting at 10:05 am, welcoming attendees.

Attendees and apologies are noted at Attachment 1.

### 2. PRESENTATIONS

---

#### 2.1. Battery of The Nation (BoTN)

*Hydro Tasmania Representatives, Mr Paul Molnar, Ms Ari Magalhaes, Ms Rachel Johnson and Mr Dave Procter joined the meeting at 10:07 am and presented an overview of the Battery of The Nation (BoTN) project and their investigations over the past twelve (12) months.*

Key highlights from the presentation were:

- There's currently 5,000 megawatts of hydro in Tasmania with a lot of hydro sites based on the West Coast and in the Mersey Forth catchment
- 90% of renewable power around the world is pumped hydro
- The goal is to make Tasmania entirely renewable by 2022

#### ACTIONS

*EA to circulate a summarised version of the presentation to Representatives.*

*EA to draft a letter to the Hydro Tasmania Representatives, thanking them for their attendance.*

*Chief Representative Bonde thanked them for their presentation and attendance. Hydro Tasmania Representatives left the meeting at 10:44 am.*

## **2.2. JOHN PERRY, COORDINATOR GENERAL OF TASMANIA**

*Coordinator General, Mr John Perry joined the meeting at 10:44 am to provide an overview of the Office of Coordinators General's (OCG) activities and priorities for the State and region and the means of seeking investment attraction in Tasmania.*

Mr Perry presented a promotional video used to market Tasmania's competitive advantages and opportunities to potential investors. It was noted that Tasmania's hydro power is attractive to businesses wanting to demonstrate and market their commitment to environmental sustainability. Mr Perry advised that he is working with the Cradle Coast Authority (CCA) to optimise potential opportunities within the Cradle Coast noting that he saw the role of the OCG was managing large investment opportunities with the CCA focusing on smaller investment opportunities.

*Mr Sid Sidebottom left the meeting at 11:12 am.*

With regard to how councils could assist with attracting investment opportunities, Mr Perry asked councils to consider how they could provide incentives such as fee and rates relief. Mr Perry advised that the State Government was committed to providing Payroll Tax relief for appropriate investments to attract new investment.

*Chief Representative Bonde thanked Mr Perry for his attendance and noted that CCA Representatives look forward to working with Mr Perry on issues of regional significance. Mr Perry left the meeting at 11:38 am.*

### **ACTION**

*EA to draft a letter to Mr Perry, thanking him for his attendance.*

*The meeting paused at 11:39 am and resumed at 11:45 am.*

Chief Representative Bonde welcomed new council Representatives Alderman Leon Perry (Devonport City Council), General Manager Troy Brice (King Island Council) and Cradle Coast Authority's Industry Development Manager Daryl Connelly to the meeting.

General Manager Brice introduced himself to the Representatives and gave a brief overview of his background.

## **3. STANDING ITEMS**

---

### **3.1. DECLARATIONS**

*Alderman French declared her association with the Burnie City Council and the Cruise Ship volunteer with respect to Agenda Item 7.1 Cruise Ship Funding Model.*

### **3.2. CONFIRMATION OF MINUTES**

*Minutes of 22 February 2018 Representatives Meeting were provided at Agenda Item 3.2*

Alderman French noted that she attended the February Meeting and requested that her attendance be reflected in the Meeting Minutes.

### **Recommendation**

That Representatives **ENDORSE** the 22 February 2018 Representatives Meeting Minutes.

Moved: Mayor Quilliam / Seconded: Alderman French / CARRIED

### **3.3. ACTIVITY REGISTER**

A schedule of activities was presented at Agenda Item 3.3

The Activity Register was discussed with edits noted.

### **Recommendation**

That the Representatives **ACCEPT** and **NOTE** the Activity Register.

Moved: Mayor Walsh / Seconded: General Manager Ayton / CARRIED

### **3.4. CORRESPONDENCE**

*A briefing note was presented at Agenda Item 3.4*

All correspondence was circulated separately to reduce the size of the agenda.

### **Recommendation**

That the Representatives **NOTE** the Correspondence.

Moved: Mayor Quilliam / Seconded: Mayor Vickers / CARRIED

## **4. CRADLE COAST AUTHORITY UPDATE**

---

### **4.1. QUARTERLY REPORT & FINANCIAL STATEMENTS**

*The Quarterly Report and Financial Statements were presented at Agenda Item 4.1. The Quarterly Report was circulated as a separate attachment to the Agenda.*

### **Recommendation**

That the Representatives **ACCEPT** and **NOTE** the Quarterly Report and March 2018 Financial Statements.

Moved: Mayor Walsh / Seconded: Mayor Vickers / CARRIED

## **5. FOR DECISION**

---

### **5.1. ANNUAL PLAN AND BUDGET 2018/19**

*A briefing note was presented at Agenda Item 5.1*

- *National Landcare Program (NLP) Tender Submission*

General Manager West queried the impact of the National Landcare Program (NLP) tender submission for Natural Resource Management (NRM). CEO advised that this year, the Australian Government (AG) advertised for an open tender process for project delivery for the 56 NRM regions of Australia. In early May, the CCA were advised that they were unsuccessful in their bid for funding for the next five (5) years within the NRM space. CEO advised the CCA has not received any additional information, and that he is currently working with the AG at this time. It was noted that the Board has and will continue to closely monitor the situation with the objective of mitigating any financial impact on the councils.

- *Bass Highway Priority*

Mayor Quilliam noted that the Annual Plan did not include the Bass Highway as an issue for advocacy by the CCA. It was noted that the Bass Highway was of significance for exporting products from the Wynyard/Circular Head areas. The CEO noted that in correspondence to the Council on this matter, Council was invited to bring the matter to the attention of Representatives for support as an issue of regional significance.

The Representatives endorsed that the Bass Highway as a significant issue for the Cradle Coast and Circular Head /Waratah-Wynyard Councils were requested to provide specific information on what was needed in order to enable the CCA to advocate clearly on the matter.

**ACTION**

*Circular Head and Waratah-Wynyard Councils to present information to highlight the regional importance of the Bass Highway at the August Representatives Meeting.*

**Recommendation**

That the Representatives **ENDORSE** the 2018/19 Annual Plan and Budget.

Moved: Mayor Walsh / Mayor Vickers / CARRIED

*Mayor Boyd entered the meeting at 12:01 pm.*

**5.2. DIRECTOR APPOINTMENT**

*A briefing note was presented at Agenda Item 5.2*

**Recommendation**

That the Representatives **ENDORSE** the appointment of Devonport City Council Acting Mayor, Alderman Annette Rockliff as Director of the Board of the Cradle Coast Authority.

Moved: Mayor Quilliam / Seconded: Councillor Wilson / CARRIED

**6. FOR DISCUSSION**

---

*Nil*

## 7. FOR NOTING

---

### 7.1. CRUISE SHIP FUNDING MODEL

*A briefing note was presented at Agenda Item 7.1*

Alderman French spoke to the matter noting that Burnie City Council encouraged the other councils to be supportive of the cruise ship funding model in light of the economic benefit provided outside of Burnie local government area. As a volunteer tour guide for the Cruise Ships, Alderman French is constantly promoting the region to passengers and would like to think that the Representatives see a contribution to the costs borne by Burnie City Council as a reasonable contribution to the benefits provided by Cruise Ships visitors.

*Alderman French removed herself from the meeting to avoid any further discussion around the Cruise Ships.*

Representatives discussed in great length, the three (3) different funding models for the Cruise Ships that dock in Burnie. Kentish and Waratah-Wynyard Councils agreed to contribute although each supported a different funding option.

#### **Recommendation**

That the Representatives determine not to support the proposal to provide cost recovery assistance to Burnie City Council in relation to cruise ships on the basis:

- (a) All councils have made / will make decisions relating to their individual involvement in activities / programs from time to time that may have flow-on effects within the broader region; and
- (b) Providing support to Burnie City Council for cruise ships would likely set a precedent

Moved: General Manager West / Seconded: General Manager Monson / CARRIED

*Kentish and King Island Councils voted against the recommendation.*

*Alderman French re-entered the meeting.*

### 7.2. SHARED SERVICES

General Manager West provided an update on the Shared Services workshop that was held on 3 May 2018 with General Managers.

The Shared Services workshop was facilitated by CCA's Industry Development Manager, Mr Daryl Connelly. Key highlights from the meeting were that:

- The meeting was attended by all General Managers (other than King Island who had only just commenced in the role) and that there was consensus on the need to find opportunities to do things more efficiently and effectively
- Kentish and Latrobe Councils whilst not participating as they have made significance progress on their own shared services initiatives would provide advice



- The agreed focus areas were information technology, waste management and regulatory services
- It was also agreed to develop working groups to consider opportunities for procurement including legal services
- General Managers West, Ayton and Crawford were developing a brief to investigate opportunities for sharing regulatory services

CEO advised he and General Manager Wardlaw would be briefing General Manager Brice (King Island Council) next week on the outcomes and next steps. It was also noted that Mr Alex Tay (Director, Local Government Division) would be briefed on the councils program in early June when he was visiting the region.

#### **ACTION**

*General Manager West to circulate his presentation to all Representatives in relation to the Shared Services project.*

### **7.3. SIGNIFICANT PROJECTS UPDATE**

#### **7.3.1. CRADLE MOUNTAIN MASTER PLAN**

*A briefing note was presented at Agenda Item 7.3.1*

There has been significant progress on project funds from the Federal Government since the Cradle Mountain Master Plan report had been written. It was acknowledged that the Australian Government has committed an additional \$30M to the project.

CEO noted the response from the Premier addressing Master Plan concerns as raised by this group, which provided some comfort to the issue. Chief Representative Bonde received a phone call from the Premiers office, in addition to the letter and she was assured that the Visitor Centre will always be in the new building at Cradle Mountain.

*Director McFie and General Manager Brice left the meeting at 12:42 pm.*

#### **Recommendation**

That the Representatives **NOTE** the report.

#### **7.3.2. NORTH WEST COASTAL PATHWAY**

*A briefing note was presented at Agenda Item 7.3.2*

It was noted that the Australian Government has committed a third (\$4.8M) of the costs for the next development ready stages of the project between Latrobe and Devonport, Don to Leith, Ulverstone to Penguin and Penguin to Sulphur Creek. The CCA will be making representations to the State Government to secure a commitment for the remaining \$4.8M to enable commencement of the project.

CEO advised that consultant's Pitt & Sherry have advised a cost of \$10M to complete the last remaining section of the Coastal Pathway between Wivenhoe to Sulphur Creek. The cost is significantly higher than other sections as it is the most technically challenging space to build within the constraints of the ocean, rail line, Bass Highway and hills.

### **Recommendation**

That the Representatives **NOTE** the report.

## **8. LOCAL GOVERNMENT UPDATE**

---

*The Representatives broke for lunch at 12:45 and resumed at 12:59 pm.*

## **9. GENERAL BUSINESS**

---

### **9.1. TOURISM CONSUMER WEBSITE**

*Ms Theresa Lord presented the Tourism Consumer Website at 1:00 pm.*

Highlights of the presentation included:

- Website branding and how our region can work together for brand alignment
- Updating content and managing your website
- Recommendations for website resourcing and determining if councils need a website
- Supporting / linking websites to promote working together regionally
- Social Media resourcing
- Change of brand strategy and URL for the tourism website to 'Visit Cradle Coast' to leverage our iconic and most visited asset to allow for a content strategy which aims to disperse visitors
- Reducing the amount of signage to minimise confusion and configure a streamlined approach

The Representatives agreed that a wholistic approach to marketing the region was necessary to increase the potential for visitors. It was agreed to nominate an employee from each council to form a networking group with Ms Lord to consider if and how councils could align their own website with the regional website.

The Representatives noted that this website overview helped to better understand the opportunities and challenges and thanked Ms Lord for her time.

- *Cultivate Proposal Status*

Alderman French inquired about the status of the Cultivate proposal. CEO advised that the CCA are still working through the proposal with Cultivate and that the CCA are very conscious of not exposing CCA/councils to unmanageable risk.

CEO noted that the CCA Amended Rules resolutions have not been received from King Island, West Coast and Circular Head Councils.

**10. MEETING CLOSE**

---

Meeting closed at 1:31 pm.

The next meeting will be held on 23 August 2018 at Cradle Coast Authority.

**Confirmed:**

---

**Chief Representative**

---

**Date**

Unconfirmed

## **Attachment 1: Attendees, Observers and Apologies**

### **Representatives**

|                           |  |
|---------------------------|--|
| Alderman Alwyn Boyd       | Mayor, Burnie City Council                           |
| Alderman Sandra French    | Burnie City Council                                  |
| Councillor Jan Bonde      | Mayor Central Coast Council (Chief Representative)   |
| Ms Sandra Ayton           | General Manager, Central Coast Council               |
| Councillor Daryl Quilliam | Mayor, Circular Head Council                         |
| Mr Scott Riley            | General Manager, Circular Head Council               |
| Alderman Leon Perry       | Acting Deputy Mayor, Devonport City Council          |
| Mr Paul West              | General Manager, Devonport City Council              |
| Mr Gerald Monson          | General Manager Kentish and Latrobe Councils         |
| Councillor Peter Freshney | Mayor, Latrobe Council (Deputy Chief Representative) |
| Mr Shane Crawford         | General Manager, Waratah-Wynyard Council             |
| Councillor Robby Walsh    | Mayor, Waratah-Wynyard Council                       |
| Councillor Tim Wilson     | Kentish Council                                      |
| Mr Dirk Dowling           | General Manager, West Coast Council                  |
| Councillor Phil Vickers   | Mayor, West Coast Council                            |
| Mr Troy Brice             | King Island Council                                  |

### **Cradle Coast Authority**

|                     |  |
|---------------------|--|
| Mr Sid Sidebottom   | CCA Board Chair                          |
| Mayor Duncan McFie  | Director                                 |
| Mr Rod Stendrup     | Director                                 |
| Mr Brett Smith      | Chief Executive Officer                  |
| Ms Lauren Clarke    | Executive Assistant, Meeting Secretariat |
| Ms Claire Smith     | Finance and Corporate Services Manager   |
| Ms Cat Gale-Stanton | Communications Officer                   |
| Ms Theresa Lord     | Manager, Regional Tourism                |
| Mr Daryl Connelly   | Industry Development Manager             |
| Mr Andrew Wardlaw   | Director                                 |

### **Apologies**

|                           |                                       |
|---------------------------|---------------------------------------|
| Councillor Mary Duniam    | Deputy Mayor, Waratah Wynyard Council |
| Councillor Don Thwaites   | Mayor, Kentish Council                |
| Alderman Annette Rockliff | Acting Mayor, Devonport City Council  |
| Councillor Jim Cooper     | King Island Council                   |
| Mr Malcolm Wells          | Director                              |

### **Observers**



***Battery of the Nation:  
Vision for Tasmania's role in Australia's future NEM***

Presentation to the CCA Representatives Meeting

May 24, 2018



# The *Battery of the Nation* initiative



**April 20, 2017**

The Prime Minister and Federal Energy Minister meet in Tasmania to announce plans for Tasmania to become the 'battery of the nation'.



# Becoming the renewable energy *Battery of the Nation*

What's the shape of Australia's  
future energy market?

How can Tasmania help the country  
meet its future energy challenges?

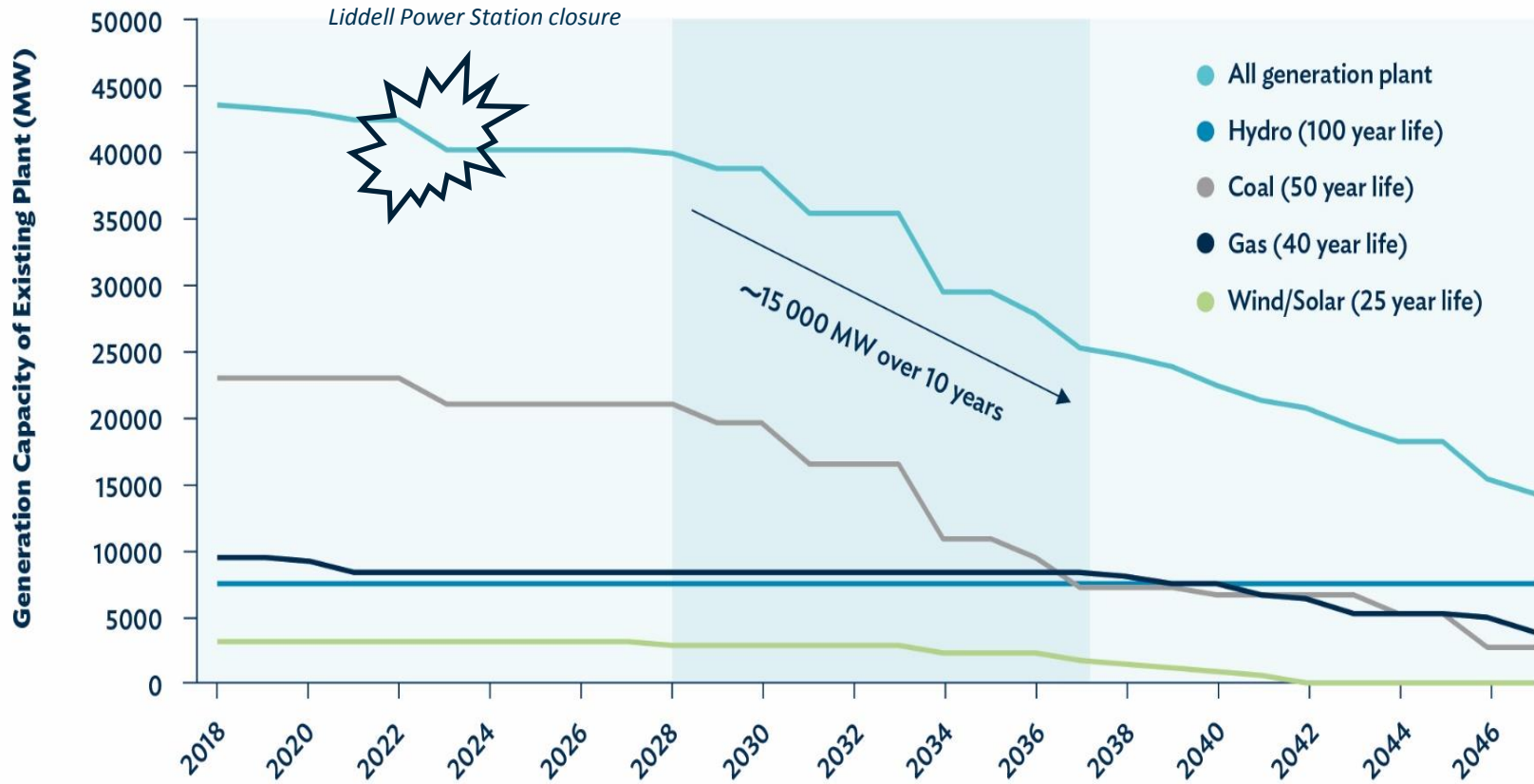
With ARENA funding support, we are assessing:

- Tasmanian 'future state' analysis of the National Electricity Market (NEM)
- Tasmanian pumped hydro opportunities
- Hydropower system improvement



# Where did this come from?

*Australia's NEM is on the cusp of a national transformation.*



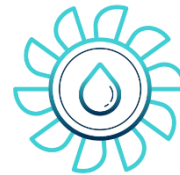
***Does Tasmania have a role to play in this transformation?***



# Can Tasmania be a “Battery for the Nation”?

We believe it can. Tasmania has

- High quality, undeveloped wind resources – 1000s of MW
- A well established hydropower system
- Ample opportunity to invest in pumped hydro technology



But more interconnection will be needed...



# The pumped hydro opportunity...

|                   |                                 |
|-------------------|---------------------------------|
| Early assessment: | 2000+ sites in Tasmania         |
| Refinement:       | ~ 30 sites                      |
| Next stage:       | 10-15 sites for pre-feasibility |



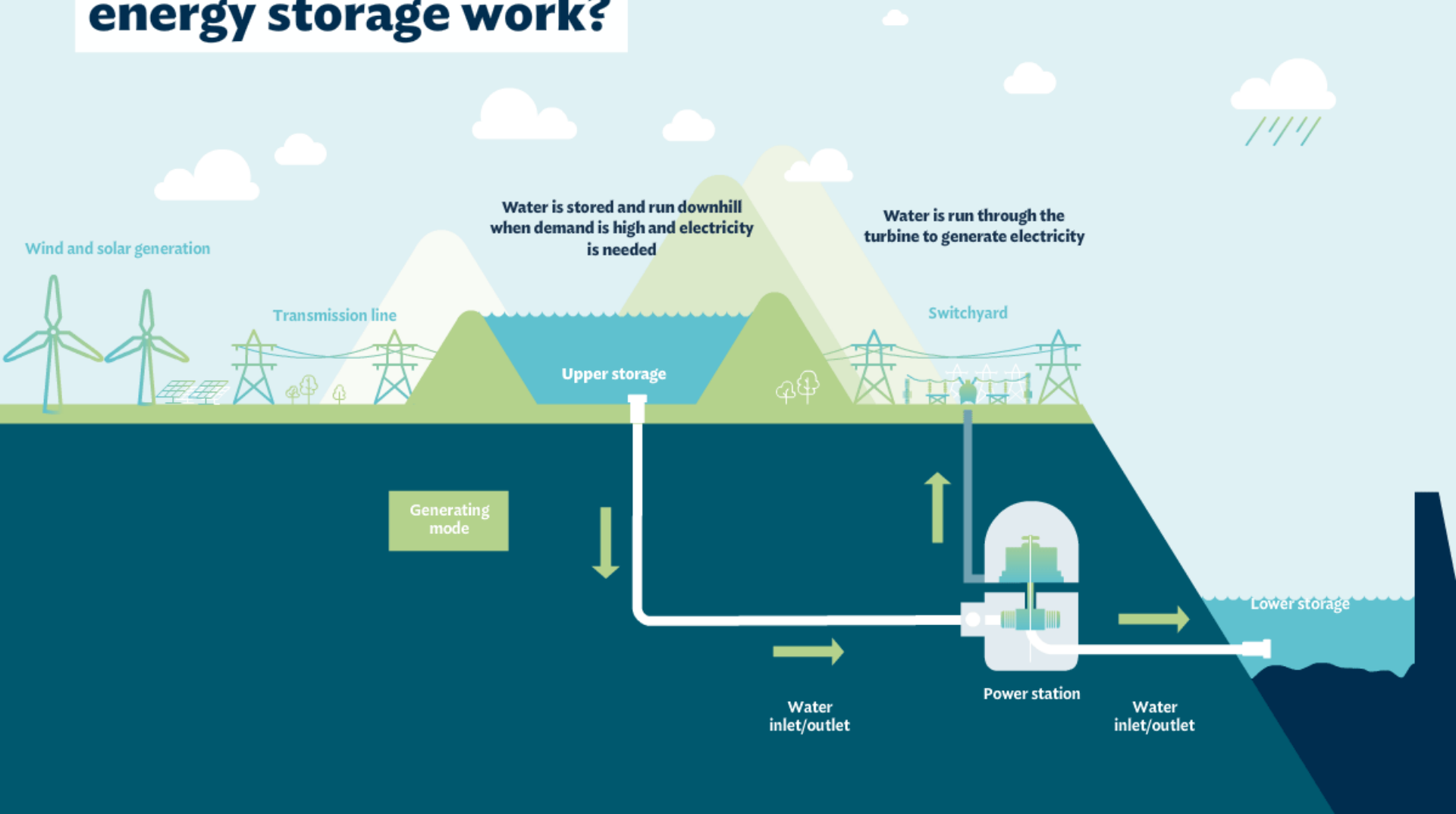
## Key finding:

- Substantial pumped hydro development potential in Tasmania – more than we would need with very attractive “cost to construct” estimates.

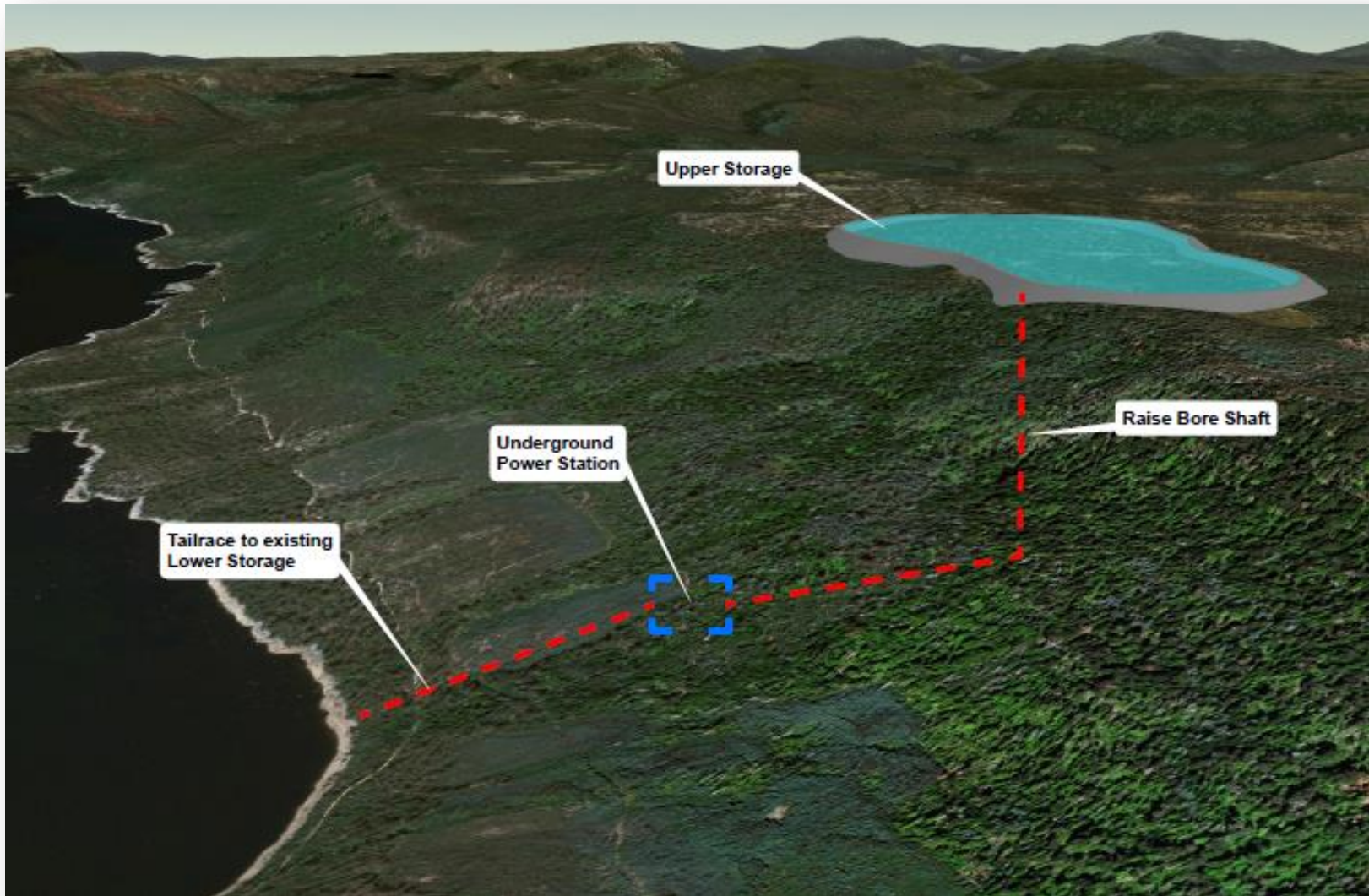
## Options include...

- Converting existing hydropower stations
- Linking existing reservoirs together
- Utilising existing reservoirs and linking to a new off-stream reservoir.

# How does pumped hydro energy storage work?



# Example pumped hydro arrangement





# Example pumped hydro arrangement





# Repurposing the Tarraleah Power Scheme for the future energy market



# Looking to the future

- Boost the hydropower system with pumped hydro
- Further develop our world-class wind power
- Increase interconnection



Tasmania could **double** its current  
clean energy production

# What benefits could this bring?

**This opportunity has significant potential benefits for Tasmanians and the nation. Realising the *Battery of the Nation* concept would:**

1. Ensure the lowest possible power prices for Tasmanians and customers in the NEM.
2. Ensure long term energy supply security for Tasmania, and provide stable, secure and reliable energy supply to the NEM
3. Provide a long term economic stimulus to regional areas of Tasmania
4. Help meet Australia's energy sustainability targets.



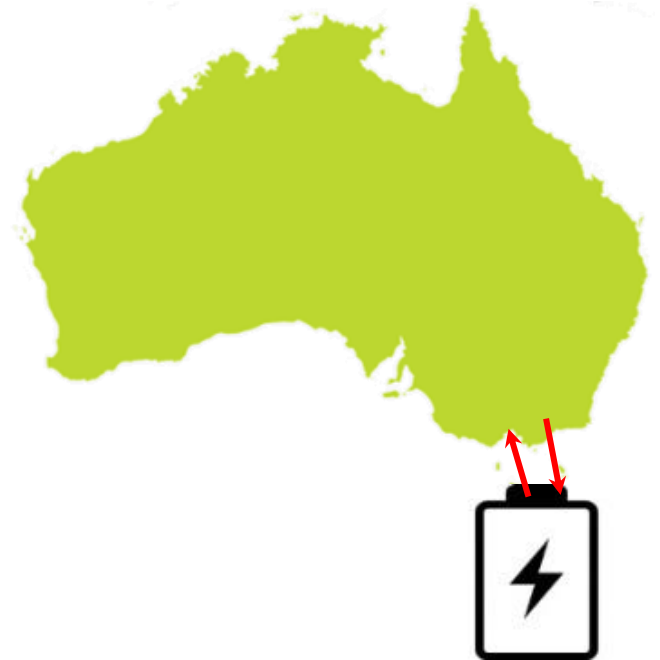
*Thank you*



Questions?

[www.hydro.com.au/clean-energy/battery-of-the-nation](http://www.hydro.com.au/clean-energy/battery-of-the-nation)

batteryofthenation@hydro.com.au



# CCA UPDATE

# REGIONAL ACTIVITIES

Office of the Coordinator-General

# ECONOMIC UPDATE

---



## Population

Strongest growth in 6 years



## Unemployment

Unemployment rate – 6.0%



## Education

Significant investment in  
leading edge facilities



## Businesses

High Survival Rate



## Construction

Total non-residential construction  
up 4.0% over last 12 months



## Exports

Upward trend - \$3.0 billion  
12 months to Sept 2017



## AA+

Standard & Poor's Credit Rating

# INVESTMENT ACTIVITIES

---



## Real business investment

- Up 16.6% over previous 12 months

## Foreign investment approvals for Tasmania

- \$1.1 billion, 2 year total

## The OCG is facilitating

- Over \$3 billion cross sector investments which will create 6 200 jobs if all realised

# INVESTMENT ATTRACTION (some examples)



| Investment/Project    | Industry             | Investment Value   | Comments         |
|-----------------------|----------------------|--------------------|------------------|
| Hyatt Centric Hobart  | Tourism              | \$40 million       | 60 FTE ongoing   |
| Kangaroo Bay          | Education/Tourism    | \$90 million       | 130 jobs ongoing |
| Moon Lake / Van Milk  | Agribusiness         | \$280 million      | 95 jobs ongoing  |
| Ridley                | Aquaculture          | Up to \$50 million | 20+ FTE ongoing  |
| IT company            | Software development | \$35 million       | 90 FTE ongoing   |
| Int'l Fin Services    | Financial Services   | \$16.4 million     | 40 FTE ongoing   |
| Biomar Aqua Feed Mill | Agribusiness         | \$55+ million      | 55 FTE ongoing   |
| Dutch Mill            | Dairy Processing     | \$25 million       | 100+ FTE ongoing |
| Forrico Pellet Mill   | Energy/Resources     | \$130+ million     | 55 FTE ongoing   |
| Hermal Group (ASH)    | Timber processing    | \$190 million      | 220 FTE ongoing  |
| Silo Hotel Launceston | Tourism              | \$30 million       | 43 FTE ongoing   |



# NORTHERN CITIES MAJOR DEVELOPMENT INITIATIVE

---



## Revitalisation of:

- Launceston
- Devonport
- Burnie

## 3 Key Projects

Catalyst for improved business confidence and rising activity

# NORTHERN CITIES – INVESTMENT & JOBS



| Northern Cities Development Initiative:   | Investment Value  | Jobs                              |
|---|---|-----------------------------------|
| Devonport City Council's Devonport Living City Project  | \$250 million   | 830 on-going jobs                 |
| The University of Tasmania's proposed two projects in Launceston & Burnie                           | \$300 million spend with an annual economic impact of \$424 million<br><br>14 000 additional students | 4,000 construction & ongoing jobs |
| Launceston City Deal<br>• Launceston City Heart<br>• North Bank<br>• Inveresk & Esplanade Precincts | Upwards of \$19.4 million   |                                   |
|   | Upward of \$570 million   | Upward of 4,000 jobs              |

## SOME EXCITING PROJECT EXAMPLES IN CCA REGION

---

- Moon Lake - Dairy farms and milk processing in the North West. \$280 million farm investment and 95 jobs with significant further investment being planned.
- Dutch Mill – purchase of former Murray Goulburn Milk Processing facility at Edith Creek. Investment value \$25 million and around 100 new FTEs.
- Hermal Group (ASH) - new cross laminated timber processing facility at Hampshire. Investment value \$190 million and 221 new FTEs.
- BioMar – new aqua feed facility at Wesley Vale. Investment value \$56 million and 55 new FTEs.





# TOURISM ACCOMMODATION REFURBISHMENT LOAN SCHEME (TARLS)

---



- \$20 million loan scheme to assist owners of Tasmanian Accommodation businesses refurbish and improve their businesses.
- Loans available from \$50 000 to \$1.5 million.
- Low interest rate and more borrowing capacity offered than major lenders.
- 3 significant projects on NW Coast so far.

# ACTIVITIES – INDUSTRIAL PRECINCT PROSPECTUSES

---



## Prospectuses completed include:

- Bell Bay Industrial Precinct
- Valley Central Industrial Precinct
- Ling Siding Industrial Precinct
- Launceston Airport Translink Precinct

\*Working on 3 new prospectuses for other industrial precincts.

# RED TAPE REDUCTION

---



Working on red tape issues at the coal face is becoming an increasingly important function...

- Over 100 issues identified with over 75% actioned to date
- Significant support to small business on wide ranging issues
- Case Management support for proponents

\*Encourage everyone to report any red tape issues via our online tool or directly to our Office.



[WWW.CG.TAS.GOV.AU](http://WWW.CG.TAS.GOV.AU)

Office of the Coordinator-General

Ph: 6777 2786

Em: [cg@cg.tas.gov.au](mailto:cg@cg.tas.gov.au)

12-16 St John Street

Launceston

TASMANIA, AUSTRALIA

CRADLE COAST AUTHORITY  
ANNUAL PLAN & BUDGET  
2018-19

Building a vibrant, capable  
and resilient Cradle Coast Region

Regional  
Better  
Together



### **MISSION**

*CCA exists to build a vibrant, capable & resilient Cradle Coast Region through effective collective action.*

### **PURPOSE**

*We deliver regional economic development, tourism & natural resource management.*

*We advocate by providing a strong, regional voice on important issues.*

*We enable cooperation by being a conduit for regional engagement & council collaboration.*

*We ensure coordination by supporting & directing strategic regional functions, projects & plans.*

### **PRINCIPLES**

*We connect communities, business & government to work together for the good of the region, whilst advocating & supporting change to unlock the region's potential.*

### **VALUES**

*Our core values are central to everything we do, they are critical in defining our personality, behavior & workforce culture.*

*Collaborative – Optimistic - Growth Mindset - Adaptive*

*Our minimum behavioral standards required to be part of our work place include:*

*Integrity - Honesty - Respect*

### **GOVERNANCE & LEADING POSITIVE CHANGE**

*A role model for regional governance that provides leadership for its councils, their communities & their important issues.*

### **ECONOMIC & SOCIAL CHANGE**

*An adaptive & diverse economy built on the region's unique advantages & ideas.*

*An attractive place to live with inclusive communities, healthy people & unlimited access to information, education & employment opportunities.*

### **MANAGING OUR NATURAL RESOURCES**

*A long-term view that helps us protect the region's natural & productive resources, respond to change & prepare for the future.*

## **REGIONAL – BETTER – TOGETHER**

Cradle Coast Authority (CCA) exists to work with and for our Cradle Coast Region, the West and North West Coasts of Tasmania and King Island. Together with our nine local councils, State and Federal Governments, regional businesses and organisations, the education and training sector, and providers of important social and economic services to our region, CCA seeks to promote, advocate for, and develop economic and social opportunities to make the Cradle Coast Region a better place in which to invest, live, work, play, learn, raise a family and conduct business.

2017-2018 has been a very busy and challenging year for CCA as it continues to review and streamline its services, costs and organisational practices.

The CCA has sought to better communicate with its partner councils on a variety of levels and via diverse platforms and opportunities. The Board is appreciative of the work of CCA's communications team and management in this endeavor and believes this is an important strategy to create a much better understanding of what CCA is and does, and likewise, allows CCA to better appreciate what is happening amongst our partner councils and get much broader feedback on matters of shared interest and importance.

The Board is also pleased that CCA has initiated steps to incorporate and value wider input into its operations and decision-making. The involvement of the Cradle Coast Region's Chief and Deputy Chief Representatives in workshops, meetings, and regular informal meetings involving staff, management, Natural Resource Management (NRM) and Tourism Regional Committee Chairs and Board has significantly aided in better understanding and facilitating the work of CCA.

Significant changes have been made to the membership of the CCA Board reflecting the desire of partner council's to be more directly involved with the decision making of CCA and to facilitate broader lines of communication. With one General Manager, two Mayors, three independent and NRM and Tourism Regional Committee Chair directors, the restructured Board has a capacity and membership to act more regionally and collectively on matters intimately linked to the future success of the region.

The work of CCA's Committees is important and greatly appreciated. Our NRM team, Regional Committee and staff, have worked very hard to design and lodge a major funding/tender submission for the next round of the National Landcare Program. There are significant challenges surrounding this submission and the CCA is hopeful of a successful response soon. CCA's Tourism team, Regional Committee and staff, has been very busy in broadening its reach and honing its communication and marketing platforms to maximise visitor information about the Cradle Coast region and its offerings and destinations. The Board is highly appreciative of the work of its Committees and management teams. Like most organisations, the Board is seeking ways to make the work of our Committees as productive and effective as possible and is initiating a review process to help achieve this.

CCA is looking forward to 2018-19 to achieve shared regional goals and priorities. The role of the Representatives Committee is vital to achieve this. The more our representative councils and CCA agree on, inter-relate, and work together to achieve shared priorities, the stronger our region will become in terms of growth, prosperity, livability, and as a united community determined to have its say and to be heard.

Increased regional economic development is integral to our future prosperity. We all share this. CCA is looking to play a greater role in collaborating with our partner councils, business communities and representatives, and the education and training sector to help foster this development in a variety of achievable ways and means in 2018-19 and beyond.

The CCA Board thanks our partner councils, their many representatives and leaders, and the myriad of businesses, social service providers, education and training representatives, local community organisations, and the various government officers, and political representatives for their support of our region and the CCA. We are also highly appreciative of the work of our CCA committees and staff led by CEO Brett Smith and all those who act in the name of and for CCA.



The Hon Sid Sidebottom  
**Chair, Board of Directors**



## 1. OVERVIEW

The Cradle Coast Authority's (CCA) 2018-19 Annual Plan and Budget builds on momentum created over the past 12 months with the development of a three-year Corporate Plan. It is a plan with the objective of improving the region's living standards through regional economic development and other initiatives. The Corporate Plan provides a cohesive vision and actions to support long term sustainable value to councils and the region's stakeholders.

The past year has been marked by continued investment of time and resources towards reviewing the role and relationship of CCA with its partner councils. CCA Rules have been amended and endorsed. The changes to the CCA's Rules aim to improve understanding of the roles and responsibility of CCA and councils. As part of that, two current Mayors and a General Manager joined the Board of Directors. A new Chief Representative was nominated and appointed in November 2017 and both the Chief Representative and Deputy Chief Representative have been involved in meetings and workshops with the Board. To increase the involvement of councilors and aldermen, the approach to the Representatives Quarterly report has been reviewed. The Quarterly report is circulated with the meeting papers no later than three (3) weeks prior to meetings as a stand-alone item to enable it to be circulated more widely highlighting activities and achievements.

At the same time, the Board and staff have continued with the development of a Futures Plan to improve the region's living standards and wellness. CCA has continued to reduce the costs of internal services and reinvesting savings into creating a Regional Development capability. The Regional Development business unit has begun a process of review and investigation. It has worked closely with a broad range of stakeholders including industry and business, interest groups, shareholders and government to develop an approach to address the challenge of improving the living standards of the region for our community through economic development initiatives.

Improving the Cradle Coast's living standards will require actions and initiatives across a range of areas and will require the effort of many stakeholders. CCA continues conversations with stakeholders in areas including business, education and government. It will look to align the opportunities from its natural resource management (NRM) and tourism functions to support the objectives.

Collaboration and partnerships within the community, businesses and interest groups, creates the networks that will support and build the confidence to stimulate investment and growth in projects and initiatives. Working closely with government, CCA on behalf of its partner councils and their communities is focused on identifying the actions required to improve the region's living standards and wellness.

The 2018-19 Annual Plan will focus on:

- Developing the region's skills capacity to support economic development.
- Developing regional collateral (assets) to guide the region's planning, development and investments.
- Creating partnerships with government and industry to support and co-invest in the actions and initiatives required to address the region's living standards.

- Key projects including the Coastal Pathway, Cradle Mountain Master Plan and Shared Services Review.

The ongoing key challenge for CCA delivering outcomes for the region is the solidarity of the councils and their commitment to working as a region and supporting CCA to address the issues underlying the region's living standards. The unresolved membership of CCA and speculation of withdrawals that may follow has a detrimental effect on the CCA's effectiveness and productivity. Left unresolved, this will continue to hold back the effectiveness of CCA to do the things expected by the councils.

## 2. REVIEW OF THE PAST 12 MONTHS

In May 2017, Representatives approved the *2017-18 Annual Plan and Budget* which proposed to:

1. Develop a Cradle Coast CCA Corporate Plan
2. Focus on Regional Economic Development
3. Improve the Visitor Economy
4. Deliver Natural Resource Management
5. Deliver Key Projects

### 2.1. Corporate Plan

A challenge for CCA to effectively support the region and efficiently deliver projects and initiatives is the perceived lack of shared and common vision and purpose held by partner councils. The operating environment for CCA has significantly changed with government financial assistance becoming more restricted in scale and scope. To be better placed to secure these opportunities, we needed a shared and common narrative for the region. Whilst this is being addressed in part through the development of the Future Plan, it is predicated on assumptions regarding the councils' expectations of the CCA.

The Corporate Plan was developed following engagement and consultation with councils, business and community leaders. The Plan provides a regional context to set the direction for CCA to determine how best to target its limited resources.

- It drew from and aligned key priorities from Council economic and community plans and other strategic sources.
- It reinforced that the economic and social issues that underpin the region's strategic priorities do not align with municipal boundaries and so require collective action between Councils, business, community and all tiers of government.
- Through regional leadership and shared understanding, CCA will help connect communities, business and government to work together for the good of the region
- Working regionally and collectively provides the scale and scope to focus on key challenges and opportunities in ways that would not be possible by individual organisations

The Corporate Plan sets the direction and strategic priorities for the CCA. A three-year work delivery program (WDP) has been developed for turning the Plan in to action. However, in such a rapidly changing environment, we need to be agile and adaptive to respond to new and emerging challenges and opportunities. To this end;

- CCA is establishing an annual planning session in November of each year for Representatives to review the Corporate Plan and projects
- The timing of the session will ensure that any financial and/or resource implications can be considered in annual budget processes
- A related process is being developed to enable the Councils to raise burning issues for consideration outside the annual process

## 2.2. Focus on Regional Economic Development

From a regional and economic development perspective, CCA continues to develop and implement the strategy to improve the region's living standards with economic development at its foundation. The Corporate Plan identified key areas of focus that contribute to developing a more competitive and productive regional economy that will improve living standards and prosperity for our communities.

| Key Result Areas  | Key outcomes  |
|---|---|
| <ul style="list-style-type: none"> <li>• Investment attraction</li> <li>• Innovation and business growth</li> <li>• Workforce planning and development</li> <li>• Education and training</li> <li>• Settlement, infrastructure and land-use</li> <li>• Health and well-being</li> </ul> | <ul style="list-style-type: none"> <li>• Targeted population growth</li> <li>• Net inward migration</li> <li>• Healthy inclusive communities</li> <li>• Local / regional jobs growth</li> <li>• Improved global connections</li> <li>• Increased investment</li> <li>• Improved educational attainment</li> <li>• Higher weekly household wages and living standards</li> </ul> |

CCA has invested significant time with stakeholders including government, the education sector and industry to develop a strategic framework and governance model to develop a regional economic development strategy (Cradle Coast Futures Plan). Key features of the strategy developed in collaboration and partnership with industry, government and university include:

- Common vision and priorities
- Integration between government and industry
- Collaborative leadership
- Building on what works and not reinventing the wheel
- Developing regional capability
- Knowledge partnering
- Smart decision-making informed by evidence
- Action orientated

As part of CCA's objective to increase workforce development in the region, it has worked closely with and supported the Department of Education's (DoE) Australian School based Apprenticeship (ASbA) program. In 2017-18, CCA made representations to the Minister for Education and DoE which contributed to the creation of an additional position to work with Cradle Coast businesses. Initial feedback provided to the CCA points to an increased uptake in ASbA's as the program is better supported to engage with businesses and schools in the region. New partnerships between businesses and students are being established; meeting business skill requirements and supporting students to complete year 12. In 2018-19 CCA will work with DoE and local government to identify opportunities within councils. The CCA will provide updates on further successes.

CCA was also successful in attracting a \$80,000 co-investment from the Australian Government for projects under the Futures Plan. The development of the Futures Plan and implementation of related activities will be the main focus for 2018-19. The Futures Plan will provide an overarching

strategic direction and collegiate system of governance to guide the development of a resilient and sustainable framework for regional economic development. It will provide the framework for future decision making and actions to improve the competitiveness and productivity of the regional economy. Unlike previous economic development plans, it will be lean and agile, and the emphases will be on execution and action.

### **2.3. Visitor Economy**

CCA as the Regional Tourism Organisation (RTO) continued with the implementation of the actions and initiatives under the Cradle Coast Destination Management Plan (2014). CCA is supported by a Regional Tourism Committee. Key areas of focus were marketing and market development; experience and product enhancement and development; industry development; and governance and leadership.

The visitor economy remains a significant economic driver for the region. Visitation to the region has continued to increase but not at the same rate as the overall visitation to the state. To address this, CCA has invested in developing a new regional marketing strategy along with a review of products and destinations. As part of the renewal of the tourism function, an exploration of gaps and opportunities was undertaken to ensure that our strategies and plans align with the region's products and experiences. The work was undertaken with input from the tourism industry and Tourism Tasmania.

CCA received \$40,000 from the Commonwealth Government to develop a regional events and arts strategy which will be developed in 2018-19. CCA will leverage this with a co-contribution of \$20,000 along with an additional \$16,000 received from the State Government to address the absence of a regional strategy to maximise opportunities from events to the region embedding learnings from the Australian Masters Games and allowing for improved coordination of events from a visitor perspective.

CCA with financial support from the State Government has been developing Destination Actions Plans (DAP) to identify priorities and projects to support and stimulate tourism at a local scale. DAPs have been completed for all local government areas with CCA now providing support to the respective DAP leadership groups charged with responsibility for overseeing the implementation of agreed projects and initiatives.

### **2.4. Natural Resource Management**

CCA is the natural resource management (NRM) regional body responsible for delivering a range of services and projects under contract with the Commonwealth Government. The CCA's NRM function is supported by the Cradle Coast Regional NRM Committee. In the past 12 months, CCA conducted a range of projects and initiatives including farm management planning, riparian rehabilitation, weed management, environmental education and support for community environmental groups.

The Commonwealth Government's National Landcare Program (NLP) expires at the end of the 2017-18 financial year. In addition to completing projects contracted under the NLP, a regional investment prospectus (RIP) is being developed as a tool to attract institutional and industry co-investment. The RIP was based on the issues identified under the Cradle Coast NRM Regional



Strategy approved by the Tasmanian Government in March 2016. The RIP will consider issues identified during the Corporate Plan process and Regional Futures Plan to ensure that the projects and initiatives protect and enhance the region's clean and pristine image as it underpins the value of its economic production.

In March 2016, a new Regional Natural Resource Management Strategy developed by CCA was endorsed by the Tasmanian Government. Key to the development of the new plan was significant consultation with both stakeholders and the regional community providing a clear direction for our work. The consultation indicated there are considerable synergies with other community-based planning including provisional work on the Greater Murchison Plan.

A clear priority from the Regional Natural Resource Management Strategy consultation has been the need to maintain, improve and protect our waterways which provide many economic, social and environmental benefits to our region. Building on and learning from research and modelling on the Tamar River, Cradle Coast NRM is currently piloting the development of a practical and cost-effective Water Quality Improvement Plan for the Duck, Montague and Welcome Rivers. This includes the development of a robust modelling tool which will support decisions around prioritising work for the most effective outcomes. If proven successful, CCA will be looking to apply this approach in partnership with our stakeholders and community across the region for long term management of our waterways.

CCA NRM team continues to provide leadership in the response to the June 2016 floods working closely with landholders to recover from one of the region's worst flooding events. The team has continued to provide support facilitating and assisting landholders prepare submissions for funding assistance.

## **2.5. Key Projects**

### *(i) Australian Masters Games*

The 16<sup>th</sup> Australian Masters Games (16AMG) was held across Tasmania's North West between 21-28 October 2017. CCA worked closely with the AMG organisers and hosted the AMG operations team within the CCA's office to deliver the event for the region. A key focus was marketing the region in the lead-up to the AMG to maximise the stay and reach of visitors across the region. The AMG team worked closely with councils to finalise event locations and develop a social events program including opening and closing ceremonies. The marketing and promotion of the region, including King Island, was enhanced due to the establishment of a presence at events on the Gold Coast and in New Zealand. Launceston City Council provided financial support for the AMG in recognition of the benefits to the Launceston greater area.

To maximise the opportunities for the councils and their communities, a dedicated project officer was appointed within CCA with the responsibility to actively coordinate and liaise with businesses and service providers and to develop marketing materials to showcase the region's destinations and attractions before, during and after the event.

The 16AMG Event Final Report, Economic Impact and Attendee Experience Reports were presented to the Representatives in May 2018. An estimated 1,500 people from the Cradle

Coast community actively participated in the 16AMG through attendance at a sports or community event. The final program consisted of 47 sports across 63 venues attracting over 5,000 participants to the Cradle Coast with an economic impact of \$8.34M. As a legacy CCA have committed to support the development of a Regional Events Strategy. Funding for this project has been secured from the State and Federal Government with the project to commence in 2018.

*(ii) Shared Services*

CCA continued to support councils in their review and consideration of shared services as an opportunity for new ways of doing business more efficiently and effectively. CCA provided logistical, administrative and stakeholder management support for the work undertaken by a consultant engaged to investigate the opportunities, barriers and challenges to increased service sharing arrangements between the councils. The final report was presented to councils in November 2017. Councils have agreed to further investigate opportunities for resource sharing and CCA will assist with requested activity to encourage and support the progress of this ongoing opportunity.

*(iii) Waste Management*

CCA hosts the Cradle Coast Waste Management Group (CCWMG) including providing financial and governance support. During 2017-18, the CCWMG focused on developing a proposal for a joint approach to providing an organic waste collection and management service. Education through communications has been an ongoing initiative designed to improve the communities' contribution to waste management including initiatives to reduce waste contamination, illegal dumping and school-based programs.

*(iv) Cradle Mountain*

The development of the proposal to reimagine the Cradle Mountain visitor experience was a high priority for CCA given the destination's significance to the region's economy. In partnership with the Tourism Industry Council of Tasmania, National Park Service and Kentish Council, CCA led the development of the Cradle Mountain Master Plan. The \$160M public private investment proposal will rejuvenate the Cradle Mountain experience in line with visitor expectations attracting an additional 60,000 visitors and creating over 120 construction jobs and 180 jobs once completed.

The Tasmanian Government has committed \$21.8M to developing essential infrastructure including a viewing shelter at Dove Lake, car parking, road infrastructure and the commencement of a new park gateway village precinct. The Tasmanian Parks and Wildlife Service has primary responsibility for the delivery of the infrastructure funded by the State Government.

Detailed design development is underway to consider all functional aspects and requirements for elements within the park gateway village precinct including commercial tour operator outlets, shuttle bus circulation, pickup and departure points. The objective of this approach is to maximise the investment potential of the entire site and to realise the greatest opportunity to invest the total government funding (\$21.8M) in essential public facilities at the Cradle

Mountain Gateway Precinct and the Dove Lake viewing shelter, whilst also ensuring the objective of a seamless visitor arrival experience is achieved. CCA continues to provide representation on the inter-governmental Project Steering Committee.

*(v) Coastal Pathway Network*

The Coastal Pathway project is a priority regional infrastructure project agreed by Cradle Coast Councils. In 2017, councils supported the engagement of engineering consultants to investigate outstanding technical issues. In 2018, CCA submitted detailed information on behalf of Cradle Coast councils seeking a one-third co-investment of \$4.8M to complete the remaining major stages of the Coastal Pathway under a three-way partnership with the Tasmanian and Australian Government. The proposed shovel ready sections provide connectivity between the communities of Central Coast, Devonport and Latrobe

*(vi) University of Tasmania (UTas) Relocation & Service Offering*

Planning for the relocation of UTas to West Park is continuing. CCA has continued to work closely with UTas and partner organisations including Burnie City Council to support the relocation of the UTas Cradle Coast campus to West Park. The project will increase the capacity of the campus to accommodate new students and will include new service offerings specifically designed to develop the capacity of the region's workforce in response to the emerging technologically driven economy. Under a MoU with UTas, CCA has provided support and advice for the development of the new associate degrees and UTas will be a partner in the Futures Plan.

## **2.6. Other Activities**

CCA has continued to identify opportunities to improve skills capacity, decision making, leadership and governance within the region. Initiatives delivered include professional development courses for council officers and elected member on subjects including:

- Project Management
- Not for Profit Financial Sustainability
- Understanding Financial Statements
- Effective Decision Making
- Change Leadership

CCA has hosted meetings with councils' officers to encourage knowledge sharing for:

- Financial officers
- Human resource officers
- Economic development officers
- Communication officers
- Executive Assistants

CCA has facilitated engagement with government agencies and stakeholders to provide information and assistance for partner councils including:

- Integrity Commission
- Tasmanian Planning Commission
- Tasmanian Audit Office
- CPA Australia

CCA Chair, CEO and Managers have met with councils throughout the year and will continue in 2018-19 to increase engagement and understanding of the CCA's regional activities and initiatives.

### 3. ANNUAL PLAN

The 2018-19 Annual Plan has been designed to enable CCA, with its partners, to build on the foundations created over the previous 24 months to support the objective of improving the region's living standards. The foundations are built on collaboration, systems and governance, capacity and solidarity of purpose.

In accordance with the Corporate Plan, CCA's strategic priorities are:

1. Governance and Leading Position Change
2. Economic and Social Change
3. Managing Our Natural Resources

In 2018-19, CCA will focus on:

- Detailed economic analysis and industry engagement to develop an agreed understanding of the region's key economic strengths and growth opportunities and to identify and prioritise the key initiatives needed to leverage these opportunities.
- Completing an online regional knowledge hub and development toolbox to support and attract new economic growth opportunities including an online and printed regional investment prospectus.
- Advocating and seeking co-investment in regionally significant infrastructure and initiatives including the Coastal Shared Pathway.
- Developing a regional workforce and employment pathway plan.
- Conducting business and community forums to engage stakeholder groups in supporting economic growth opportunities.

The work delivery program at Attachment 1 provides an overview of key result areas and strategic actions for year one.

#### 3.1. Regional Economic Development

CCA will continue to develop and implement the corporate plan strategy to improve the region's living standards with economic development at its foundation. The strategy will provide an overarching strategic direction and collegiate system of governance to guide the development of a resilient and sustainable framework for regional economic development. It will provide the framework for future decision making and actions to improve the competitiveness and productivity of the regional economy. Unlike previous economic development plans, it will be lean and agile, and the emphasis will be on execution and action.

Key initiatives in 2018-19 will be:

- Development of regional collateral (assets) designed to provide strategic direction for development, investment and advocacy including sustainable population growth, settlement, liveability and strategic land use, education and training, strategic workforce planning, regional governance, stewardship and collaboration.



- Develop an online investment prospectus which will showcase the region's assets and lifestyle, economic profile and investment opportunities along with strategic priorities. This will be a major contributor to establishing and maintaining the region's brand beyond tourism.
- The development of a Strategic Management Framework and significant projects register, including an agreed methodology with councils on how to prioritise and prepare business cases for projects of significance.
- The regional development team will continue to support capacity building through training and development opportunities with external partners (project management, leadership). In addition, the potential for one or more regional innovation hubs will be explored along with other key regional development initiatives identified.
- Establish networks to support and drive regional economic development initiatives and actions.

### **3.2. Visitor Economy**

The Regional Marketing Strategy was endorsed by the Regional Tourism Committee in August 2017 providing a new strategic direction and structured framework for delivering regional tourism outcomes for the next three years. The strategy provides a plan for activities and deliverables, according to three major priorities:

- Driving demand through destination marketing and management
- Activating events through a Regional Events Strategy
- Building industry capacity and capability, along with a strategic approach to stakeholder engagement

### **3.3. Natural Resource Management**

The Australian Government introduced a new 5-year model for NRM services in 2017 for the period 2018-19 to 2023-24. The National Landcare Program (NLP) 2 – Regional Land Partnership was a competitive open tender seeking organisations to deliver a range of NRM services being offered by the Australian Government.

CCA's NLP-2 project suite was endorsed by the Regional NRM Committee in February 2018 providing a strategic direction and structured framework for delivering regional NRM outcomes for the next five years. The submission provides a plan for activities and deliverables, according to five major program priorities whilst building capacity and capability, and a strategic approach to stakeholder engagement and community participation.

Budget forecasts are based on projected project costings and an increase in on-ground activities. As current NLP funding arrangements come to an end, CCA is required to meet all contractual requirements in accordance with agreed milestones. As a result, it is expected that all NLP reserves and funding will be acquitted by 30 June 2018.

The review of the NRM project delivery team structure continues to be assessed as the functionality of positions and resourcing levels are considered. This could impact budget forecasts; however, salary and wage expenses will be driven by the levels of funding awarded and agreed project delivery activities by the Australian Government.

It is expected that the Australian Government will advise preferred service providers in May 2018, with negotiations to follow on project specifics including budgets.

### **3.4. Projects**

Key projects in 2018-19 are:

*(i) Regional Coastal Pathway Network*

CCA will continue to work with councils to advocate for a co-investment in the remaining stages of the Coastal Pathway. In support of the project, CCA with interested parties will develop a cycling experience strategy that will identify the opportunities associated with cycle infrastructure and tourism. CCA will assist councils with coordination and advocacy for the project.

*(ii) Cradle Mountain*

The investment in new visitor facilities at Cradle Mountain is vital to the continued growth of the region's visitor economy. CCA is committed to ensuring that the project receives the necessary public investment to attract private investment and to provide regional representation during the negotiation, planning and delivery stages of the project.

*(iii) Destination Marketing*

Destination marketing will be implemented via an evidence-based approach, using strategic partners and content producers, with established metrics to measure results. During 2018-19, the approach to marketing transitioned from tactical campaigns, using traditional marketing channels, to promoting key experiences and targeting core markets at the aspirational and planning stage of the travel planning journey.

Given the limited discretionary budget to invest in marketing campaigns, digital and social media are the core marketing channels utilised whilst reach and engagement is leveraged through partnership brands. Partnerships with media outlets will be established to develop strategic communications to promote the region.

*(iv) Industry Development*

Industry development will be achieved through relationships with local tourism associations, local government tourism officers, visitor centres and industry operators. Network and educational sessions will be delivered to engage and grow industry through the development of skills and knowledge to provide memorable visitor experiences, exceptional service delivery and product offerings. All tourism priorities are focused towards the goal of increasing visitation to the region, increasing yield and overnight stays.

(v) *Regional Events Strategy*

A Regional Events Strategy will be developed using grant funding received from the Australian Government in 2017-18, with further investment from Local and State Government. The strategy will provide a regional approach to event planning and management to ensure the region can attract and support increased visitation and regional dispersal through events.

(vi) *Shared Services Review*

CCA will provide support to the Councils to implement any initiatives agreed.

(vii) *Northern Cities Project*

The Government's North Cities Project for the Cradle Coast Region comprises the Living City and UTas projects. CCA will continue to provide assistance and advocacy for these projects to ensure they deliver the intended economic and social outcomes.

(viii) *Advocacy*

CCA will continue to advocate for the following issues:

- Improved regional communications
- King Island visitor infrastructure and services improvements
- Bass Highway

## 4. FINANCE

The focus of the 2018-19 budget is to:

- continue monitoring controllable overhead costs
- deliver further operating efficiencies
- create sustainable value
- support a stronger focus on project management, planning and delivery.

### 4.1. Budget Highlights

- Operational overheads have been maintained at approximately 15% lower than the 2014-15 budget and council contributions maintained at approximately 14% lower.
- Employee costs remain stable, at approximately 10% lower than in 2014-15.
- Operational overheads are forecast to decrease by 4% (\$30K) from 2017-18.
- Allowance for full Board Directorship with five (5) paid positions.
- Council contributions increase by 2% despite underlying cost pressure from fixed costs of between 2-4%, because of additional efficiencies achieved in 2017 and 2018.
- Overhead allocations to service delivery business units have been reviewed to provide a more transparent view of the cost of delivering external services and programs.
- The 2018-19 budget will continue to build on corporate development outcomes already achieved to realise greater efficiencies whilst continuing to explore opportunities and initiatives aligned with best practice.
- Additional revenue of \$145K from the accommodation and delivery of Government services.

### 4.2. Budget Funding Sources

In 2018-19, CCA is forecasting total income of \$4,592,844 comprised from the sources in the table below.

| Contributor                              | \$               | % of Total \$ |
|--|------------------|---------------|
| Council Contributions                    | 869,389          | 19%           |
| Government Grants                        | 3,182,178        | 69%           |
| Other Project Contributions <sup>1</sup> | 450,371          | 10%           |
| Other Income                             | 45,906           | 1%            |
| Interest                                 | 45,000           | 1%            |
| <b>Total</b>                             | <b>4,592,844</b> | <b>100%</b>   |

<sup>1</sup> Includes CCWVG levy funds

## 4.3. 2018-19 Consolidated Budget

|   | 18/19 Budget        | 17/18 Budget        | 16/17 Budget        | 15/16 Budget        | 14/15 Budget        |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>INCOME</b>                                 |                     |                     |                     |                     |                     |
| Council Contributions                         | \$ 869,389          | \$ 852,342          | \$ 839,746          | \$ 883,943          | \$ 930,466          |
| Australian Government                         | \$ 2,387,507        | \$ 2,168,487        | \$ 2,538,487        | \$ 1,980,987        | \$ 3,200,000        |
| State Government                              | \$ 794,671          | \$ -                | \$ -                | \$ -                | \$ -                |
| Industry Contributions - Projects             | \$ -                | \$ 40,000           | \$ 50,000           | \$ 140,000          | \$ -                |
| Council Contributions - Projects              | \$ 350,000          | \$ 500,000          | \$ 180,000          | \$ -                | \$ -                |
| Fees & Charges (project management & support) | \$ 16,186           | \$ 33,080           | \$ -                | \$ -                | \$ -                |
| Other Contributions - Projects                | \$ 100,371          | \$ 88,808           | \$ 30,000           | \$ 35,000           | \$ 333,300          |
| Other Income                                  | \$ 29,720           | \$ 10,000           | \$ 20,000           | \$ 45,000           | \$ 191,700          |
| Interest Received                             | \$ 45,000           | \$ 42,000           | \$ 54,000           | \$ 50,000           | \$ 65,000           |
| <b>Total Income</b>                           | <b>\$ 4,592,844</b> | <b>\$ 3,734,717</b> | <b>\$ 3,712,233</b> | <b>\$ 3,134,930</b> | <b>\$ 4,720,466</b> |
| <b>EXPENSES</b>                               |                     |                     |                     |                     |                     |
| Audit & Legal Fees                            | \$ 21,140           | \$ 12,978           | \$ 14,861           | \$ 11,350           | \$ 20,000           |
| Capital Expenditure                           | \$ 3,978            | \$ 3,900            | \$ 15,000           | \$ -                | \$ -                |
| Committee operating costs                     | \$ 37,500           | \$ 54,000           | \$ 74,600           | \$ 101,400          | \$ -                |
| Depreciation & Amortisation                   | \$ 77,769           | \$ 75,702           | \$ 83,789           | \$ 107,404          | \$ 105,000          |
| Executive remuneration (Board Directors)      | \$ 80,125           | \$ 68,690           | \$ 105,570          | \$ 102,000          | \$ 104,000          |
| Employee Expenses                             | \$ 1,956,109        | \$ 1,827,765        | \$ 1,859,951        | \$ 2,012,790        | \$ 2,150,000        |
| General Office Expenses                       | \$ 76,118           | \$ 107,343          | \$ 116,764          | \$ 106,391          | \$ 168,000          |
| Insurance                                     | \$ 8,832            | \$ 6,583            | \$ 6,833            | \$ 9,200            | \$ 10,200           |
| Interest on borrowings                        | \$ 18,843           | \$ 25,720           | \$ 25,720           | \$ 25,720           | \$ 25,720           |
| IT Expenses                                   | \$ 57,389           | \$ 66,211           | \$ 34,713           | \$ 27,396           | \$ 35,000           |
| Loan Repayments                               | \$ 52,353           | \$ 45,476           | \$ 45,476           | \$ 45,476           | \$ -                |
| Loss on disposal of non current assets        | \$ -                | \$ 16,348           | \$ 10,000           | \$ -                | \$ 2,500            |
| Other operating expenses                      | \$ 269,606          | \$ 144,049          | \$ 158,379          | \$ 124,483          | \$ 285,550          |
| Project delivery expenses                     | \$ 1,933,609        | \$ 1,624,049        | \$ 1,545,412        | \$ 1,226,352        | \$ 2,358,000        |
| Rent - Rates & Taxes                          | \$ 66,929           | \$ 63,541           | \$ 61,174           | \$ 61,746           | \$ 56,000           |
| <b>Total Expenses</b>                         | <b>\$ 4,660,301</b> | <b>\$ 4,187,237</b> | <b>\$ 4,158,242</b> | <b>\$ 3,961,708</b> | <b>\$ 5,319,970</b> |
| <b>SURPLUS / (DEFICIT)</b>                    | <b>\$ (67,457)</b>  | <b>\$ (452,520)</b> | <b>\$ (446,009)</b> | <b>\$ (826,778)</b> | <b>\$ (599,504)</b> |
| <b>OPENING RESERVES</b>                       | <b>\$ 1,263,035</b> | <b>\$ 886,157</b>   | <b>\$ 1,243,835</b> |                     |                     |
| <b>CLOSING RESERVES</b>                       | <b>\$ 1,195,579</b> | <b>\$ 433,636</b>   | <b>\$ 797,826</b>   |                     |                     |

Note: 17/18 Actual Opening Reserves were \$1.83M compared to the budget estimate of \$886K, primarily due to timing of project expenditure.



#### 4.4. Council Contributions

Council contributions increase by 2% despite underlying cost pressures of between 2.5 – 4%. The increase is less than the 2018-19 LGAT Index of 2.42%.

| Council         | %    | 2014/15 Actual | 2015/16 Actual | 2016/17 Actual | 2017/18 Actual | * 2018/19 BAU | 2018/19 Budget | Quarterly Instalment | 17/18 Actual vs 18/19 Budget |
|-----------------|------|----------------|----------------|----------------|----------------|---------------|----------------|----------------------|------------------------------|
| Burnie          | 18%  | \$ 167,298     | \$ 158,933     | \$ 150,986     | \$ 153,251     | \$ 181,563    | \$ 156,316     | \$ 39,079            | \$ 3,065                     |
| Central Coast   | 19%  | \$ 180,510     | \$ 171,485     | \$ 162,910     | \$ 165,354     | \$ 195,901    | \$ 168,661     | \$ 42,165            | \$ 3,307                     |
| Circular Head   | 7%   | \$ 69,506      | \$ 66,031      | \$ 62,729      | \$ 63,670      | \$ 75,433     | \$ 64,944      | \$ 16,236            | \$ 1,273                     |
| Devonport       | 23%  | \$ 211,309     | \$ 200,744     | \$ 190,706     | \$ 193,567     | \$ 229,326    | \$ 197,438     | \$ 49,360            | \$ 3,871                     |
| Kentish         | 5%   | \$ 50,617      | \$ 48,086      | \$ 45,682      | \$ 46,367      | \$ 54,933     | \$ 47,294      | \$ 11,824            | \$ 927                       |
| King Island     | 2%   | \$ 14,422      | \$ 13,701      | \$ 13,016      | \$ 13,211      | \$ 15,652     | \$ 13,475      | \$ 3,369             | \$ 264                       |
| Latrobe         | 8%   | \$ 75,461      | \$ 71,688      | \$ 68,104      | \$ 69,125      | \$ 81,895     | \$ 70,508      | \$ 17,627            | \$ 1,383                     |
| Waratah-Wynyard | 13%  | \$ 117,425     | \$ 111,554     | \$ 105,976     | \$ 107,566     | \$ 127,437    | \$ 109,717     | \$ 27,429            | \$ 2,151                     |
| West Coast      | 5%   | \$ 43,918      | \$ 41,722      | \$ 39,636      | \$ 40,231      | \$ 47,663     | \$ 41,035      | \$ 10,259            | \$ 805                       |
| <b>Total</b>    | 100% | \$ 930,466     | \$ 883,943     | \$ 839,746     | \$ 852,342     | \$ 1,009,803  | \$ 869,389     | \$ 217,347           | \$ 17,047                    |

\* 2018/19 BAU if 2014/15 contributions continued to increase in line with LGAT Council Index.

#### 4.5. 2018-19 Distribution of Council Contributions

The distribution of Council Contributions is accounted through supporting external service delivery business functions and resourcing Regional Economic Development. Along with a portion of core overhead expenses in relation to the 'governance' discount applied under the current overhead apportionment to recognise governance functions and compliance requirements. The below provides an indicative distribution of funding based on 2018-19 budget estimates.

| Function                      | \$             | %          |
|-------------------------------|----------------|------------|
| Regional Economic Development | 503,380        | 58         |
| Regional Tourism              | 245,597        | 28         |
| Regional NRM                  | 48,347         | 6          |
| Core Operations               | 72,065         | 8          |
| <b>Total</b>                  | <b>869,389</b> | <b>100</b> |

## 4.7. 2018-19 Business Unit Function Overview

| <b>Regional Tourism</b>    | <b>\$</b>      |
|----------------------------|----------------|
| <b>Income</b>              |                |
| Local Government           | 245,597        |
| Tourism Tasmania           | 270,504        |
| Department of State Growth | 57,500         |
| Other Income               | 5,000          |
| <b>Total Income</b>        | <b>578,601</b> |
| <b>Expenditure</b>         |                |
| Resourcing                 | 286,967        |
| Project Delivery           | 129,114        |
| Other Operating Expenses   | 89,536         |
| <b>Total Expenditure</b>   | <b>505,617</b> |

| <b>Regional Economic Development</b> | <b>\$</b>      |
|--------------------------------------|----------------|
| <b>Income</b>                        |                |
| Local Government                     | 503,380        |
| Australian Government                | 80,000         |
| <b>Total Income</b>                  | <b>583,380</b> |
| <b>Expenditure</b>                   |                |
| Resourcing                           | 365,280        |
| Project Delivery                     | 115,000        |
| Other Operating Expenses             | 103,100        |
| <b>Total Expenditure</b>             | <b>583,380</b> |

| <b>Natural Resource Management (NLP2 &amp; Regional State Support)</b> | <b>\$</b>        |
|--|------------------|
| <b>Income</b>  |                  |
| Local Government   | 48,347           |
| Department of Primary Industries, Parks, Water & Environment           | 466,667          |
| Australian Government  | 2,307,507        |
| Other Income   | 24,000           |
| <b>Total Income</b>  | <b>2,846,521</b> |
| <b>Expenditure</b>   |                  |
| Resourcing   | 1,126,457        |
| Project Delivery   | 1,029,163        |
| Other Operating Expenses   | 488,544          |
| <b>Total Expenditure</b>   | <b>2,644,164</b> |



ATTACHMENT 1

2018-19 Action Plan

| Strategic Priority                      | Key Result Area             | Strategic Actions   | Related tasks   | Outputs  | Outcomes  |
|---|-----------------------------|---|---|--|---|
| 1. Governance / Leading Positive Change | 1.1. Regional Governance    | 1.1.1. Develop a Regional Futures Plan <sup>2</sup>                 | <ul style="list-style-type: none"> <li>(a) Analysis &amp; engagement</li> <li>(b) Developing Futures Plan</li> <li>(c) Developing model of governance, tools &amp; resources</li> </ul>   | <ul style="list-style-type: none"> <li>• Regional innovation hub / network</li> <li>• Online regional development toolbox</li> <li>• Strategic regional agenda</li> <li>• Strategic project investment framework / register</li> <li>• Regional investment prospectus</li> <li>• System of collaborative governance</li> <li>• Scalable economic / community profiles</li> </ul> | <ul style="list-style-type: none"> <li>• Regional stewardship</li> <li>• Increased investment</li> <li>• Improved innovation &amp; global connections</li> <li>• Increased wealth creation</li> <li>• Improved educational attainment</li> <li>• Jobs growth &amp; more productive workforce</li> <li>• Livable population centres</li> <li>• Targeted local &amp; regional population growth</li> <li>• Higher household incomes / living standards</li> </ul> |
|   | 1.2. Regional Knowledge Hub | 1.2.1. Develop an online regional engagement portal / knowledge hub | <ul style="list-style-type: none"> <li>(a) Redevelop CCA website to showcase the region</li> <li>(b) Develop Regional Development Portal – toolbox &amp; knowledge hub, accessible via CCA website</li> <li>(c) Improve the functionality of the CC Regional Profile</li> </ul> | <ul style="list-style-type: none"> <li>• Online Regional Showcase</li> <li>• Online Regional Investment Prospectus</li> <li>• Regional Economic Profile</li> <li>• Access to online engagement / development &amp; collaboration tools</li> </ul>  | <ul style="list-style-type: none"> <li>• Increased investment</li> <li>• Improved / informed decision making</li> <li>• Improved engagement / collaboration</li> <li>• Improved global connections</li> </ul>   |

<sup>2</sup> Futures Plan development will have its own specific action plan

| Strategic Priority          | Key Result Area                              | Strategic Actions  | Related tasks  | Outputs   | Outcomes   |
|-----------------------------|--|--|--|---|--|
|                             |  | 1.2.2. Develop maintain regional economic performance & community living standards dashboard                     | <ul style="list-style-type: none"> <li>(a) Identify key community &amp; economic indicators to reflect region's living standards</li> <li>(b) Develop &amp; periodically update the dashboard</li> <li>(c) Make dashboard available via CCA website</li> </ul> | <ul style="list-style-type: none"> <li>• Online dashboard</li> </ul>  | <ul style="list-style-type: none"> <li>• Improved / informed decision making</li> </ul>  |
|                             |  | 1.2.3. Develop / implement annual calendar of events   | <ul style="list-style-type: none"> <li>(a) Conduct a range of topical forums</li> </ul>  | <ul style="list-style-type: none"> <li>• Use local &amp; regional socio/economic data</li> <li>• The Digital Economy</li> <li>• Agri-food innovation / value adding</li> <li>• Developing emerging leaders / change makers</li> </ul> | <ul style="list-style-type: none"> <li>• Improved / informed decision making</li> <li>• Improved capability</li> <li>• Improved engagement / collaboration</li> <li>• Improved innovation</li> </ul> |
|                             |  | 1.2.4. Source, analyze & distribute key social / economic data to inform regional decision making                | <ul style="list-style-type: none"> <li>(a) Establish document / data clearing house in regional development portal</li> <li>(b) See above re development of regional profile</li> </ul>  | <ul style="list-style-type: none"> <li>• Access to up to date &amp; relevant information / reports / data</li> </ul>  | <ul style="list-style-type: none"> <li>• Improved / informed decision making</li> </ul>  |
| 2. Economic & Social Change | 2.1. Investment Attraction & visitor economy | 2.1.1. Develop Regional Investment Prospectus to showcase region as a place to live, work, study, invest & visit | <ul style="list-style-type: none"> <li>(a) See above</li> </ul>  |   |  |



| Strategic Priority | Key Result Area | Strategic Actions   | Related tasks   | Outputs   | Outcomes   |
|--------------------|-----------------|---|---|---|--|
|                    |                 | 2.1.2. Develop framework to guide strategic investments to attract government & private sector investment | <ul style="list-style-type: none"> <li>(a) Identify demand &amp; scope online project management platform</li> <li>(b) Develop templates &amp; criterion for identifying &amp; prioritizing regionally significant projects</li> <li>(c) Develop regional project register</li> </ul> | <ul style="list-style-type: none"> <li>• Externally hosted project management platform / decision making process</li> <li>• Online regional project register</li> </ul> | <ul style="list-style-type: none"> <li>• Improved / informed decision making</li> <li>• Improved project management capability</li> <li>• Improved collaboration</li> <li>• Increased investment</li> </ul>  |
|                    |                 | 2.1.3. Develop database including prioritized projects & investment opportunities                         | (a) Display key regional data such as major infrastructure, key services & investment opportunities   | <ul style="list-style-type: none"> <li>• Regional investment showcase on interactive GIS</li> </ul>   | <ul style="list-style-type: none"> <li>• Improved / informed decision making</li> <li>• Increased investment</li> </ul>  |
|                    |                 | 2.1.4. Implement regional tourism marketing plan  | (a) 2017-2020 Marketing Plan  | <ul style="list-style-type: none"> <li>• Annual Marketing Plan</li> <li>• Annual Industry Development Plan</li> </ul>   | <ul style="list-style-type: none"> <li>• Visitation growth &amp; yield increased</li> <li>• Increase in overnight stays</li> <li>• Increase in social media engagement</li> <li>• Enhanced measurement &amp; evaluation of marketing activities</li> <li>• Increase in industry capacity &amp; capabilities</li> </ul> |
|                    |                 | 2.1.5. Implementation of local destination action plans   | <ul style="list-style-type: none"> <li>(a) Facilitate &amp; coordinate implementation activities</li> <li>(b) Attend DAP meetings</li> </ul>  | <ul style="list-style-type: none"> <li>• Regional Events Strategy</li> <li>• Winter Events Program – Kentish Council</li> </ul>   | <ul style="list-style-type: none"> <li>• DAP priorities achieved - subject to community &amp; LG support</li> </ul>  |

| Strategic Priority | Key Result Area                            | Strategic Actions  | Related tasks  | Outputs   | Outcomes   |
|--------------------|--|--|--|---|--|
|                    | 2.2. Innovation / Business Growth          | 2.2.1. Identify & support development of innovation clusters           | <ul style="list-style-type: none"> <li>(a) Develop &amp; support regional innovation network</li> <li>(b) Identify needs &amp; development opportunities</li> <li>(c) Support development of specific clusters</li> <li>(a) Develop associated services &amp; activities to support innovation &amp; growth</li> </ul> | <ul style="list-style-type: none"> <li>• Online innovation network</li> <li>• A range of delivered services &amp; development opportunities</li> <li>• Emerging special interest clusters / eco-systems</li> </ul>                            | <ul style="list-style-type: none"> <li>• Improved innovation</li> <li>• Improved engagement / collaboration</li> <li>• Jobs growth</li> </ul>  |
|                    | 2.3. Workforce Development                 | 2.3.1. Develop a workforce planning & development policy & action plan | <ul style="list-style-type: none"> <li>(a) Seek funding for regional workforce development plan</li> <li>(b) Manage process in conjunction with region's key stakeholders</li> </ul>   | <ul style="list-style-type: none"> <li>• Regional Workforce Plan</li> <li>• A range of delivered &amp; evaluated pilot projects designed to address identified issues</li> </ul>  | <ul style="list-style-type: none"> <li>• Improved / informed decision making</li> <li>• Jobs growth &amp; more productive workforce</li> <li>• Higher household incomes / living standards</li> </ul>  |
|                    | 2.4. Settlement, Infrastructure & Land-Use | 2.4.1. Develop a regional telecommunications policy                    | <ul style="list-style-type: none"> <li>(a) Develop &amp; conduct regional digital transformation forum</li> <li>(b) Develop digital transformation interest group</li> <li>(c) Engage network to identify specific challenges &amp; development opportunities</li> </ul>   | <ul style="list-style-type: none"> <li>• Conducted workshop</li> <li>• Special interest group formed</li> <li>• Develop opportunities to leverage digital transformation (including being part of a Tasmania becoming a gig-State)</li> </ul> | <ul style="list-style-type: none"> <li>• Jobs growth &amp; more productive workforce</li> <li>• Improved innovation</li> <li>• Improved engagement / collaboration</li> <li>• Increased investment</li> <li>• Improved global connections</li> </ul> |
|                    | 3.1. Productive Landscapes                 |  | <ul style="list-style-type: none"> <li>(a) NLP2 Proposed Projects</li> </ul>   | <ul style="list-style-type: none"> <li>• Private landholder conservation agreements</li> </ul>  | <ul style="list-style-type: none"> <li>• Measurable improvement in soil &amp; catchment health</li> </ul>  |

| Strategic Priority                | Key Result Area                           | Strategic Actions  | Related tasks              | Outputs  | Outcomes  |
|-----------------------------------|---|--|----------------------------|--|---|
| 3. Managing our Natural Resources |   |  |                            | <ul style="list-style-type: none"> <li>• Best practice land management engagement</li> <li>• Farm land use planning &amp; management support</li> </ul>  | <ul style="list-style-type: none"> <li>• Value-added natural resource-based farming industries adapt to market demand &amp; climate change</li> </ul>   |
|                                   | 3.2. Sustainable Natural Resources/Assets | 3.2.1. Safeguard & enhance the regions natural assets & productive resources | (a) NLP2 Proposed Projects | <ul style="list-style-type: none"> <li>• Review Regional NRM Strategy &amp; address regional priorities</li> <li>• Community &amp; Indigenous Participation Plan</li> <li>• Orange Bellied Parrot (OBP) technical reference team established</li> <li>• Community based training &amp; monitoring regimes</li> <li>• Migratory bird critical habitat defined</li> <li>• Feral cat control training</li> <li>• Weed &amp; pest control</li> <li>• Virtual fencing to protect Eastern Barred Bandicoot &amp; threatened mammals</li> </ul> | <ul style="list-style-type: none"> <li>• Improved migratory bird habitat</li> <li>• Safeguarded priority threatened species</li> <li>• Ecological character of Ramsar wetland maintained</li> <li>• Protected natural values of TWWHA</li> <li>• Ecosystems services secured</li> </ul> |