

17.3

CONFIDENTIAL REPORT

VISITOR INFORMATION CENTRE

Pursuant to Section 83(5) of the Local Government Act 1999 the Report attached to this agenda and the accompanying documentation is delivered to the Council Members upon the basis that the Council consider the Report and the documents in confidence under Part 3 of the Act, specifically on the basis that Council will receive, discuss or consider:

- b. Information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and would, on balance, be contrary to the public interest.**

- d. Commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and would, on balance, be contrary to the public interest.**

Recommendation – Exclusion of the Public – Section 90(3)(b & d) Order

- 1** That pursuant to Section 90(2) of the *Local Government Act 1999* Council hereby orders that the public be excluded from attendance at this meeting with the exception of the Chief Executive Officer and Staff in attendance at the meeting in order to consider Report No: 412/18 Visitor Information Centre in confidence.

 - 2.** That in accordance with Section 90(3) of the *Local Government Act 1999* Council is satisfied that it is necessary that the public be excluded to consider the information contained in Report No: 00/18 Visitor Information Centre on the following grounds:
 - b.** pursuant to section 90(3)(b) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the Council is

**conducting business; or
would prejudice the commercial position of the Council.**

 - d.** pursuant to section 90(3)(d) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected

**to prejudice the commercial position of the person who supplied the information, or
to confer a commercial advantage on a third party.**

In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in the continued non-disclosure of the information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information.

 - 3.** The Council is satisfied, the principle that the meeting be conducted in a place open to the public, has been outweighed by the need to keep the information or discussion confidential.
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Item No: **17.3**

Subject: **GLENELG VISITOR INFORMATION CENTRE MANAGEMENT**

Date: 11 December 2018

Written By: Manager City Activation

General Manager: Community Services, Ms M Lock

SUMMARY

An accredited Visitor Information Centre (“VIC”) has operated at Glenelg on a commercial basis since November 1997. On 28 September 2018, existing VIC operators, Temptation Sailing Pty Ltd / Glenelg Tourism Pty Ltd approached and advised Administration that it was no longer a commercially viable operation for them, and as such requested to terminate their current Licence Agreement; which is due to expire 16 November 2020).

The potential change to the structure of the VIC now presents an exciting opportunity for Council to investigate new management and operating structures, subject to Council approving termination of the Licence Agreement, as heard in Report No: 403/18, Item 17.1.

RECOMMENDATION

1. **That Council endorse Adelaide Ocean Safaris managing the accredited Visitor Information Centre aligned with the term of the licence;**
2. **That Council enters into a new Licence Agreement with Adelaide Ocean Safaris over a portion of the ground floor of the Glenelg Town Hall for an initial period of one (1) year, commencing 1 January 2019;**
3. **That no Licence Fee and Outgoings be charged to the new Licensee during this initial term so as to assist in establishing the new operation; and**
4. **That the Mayor and Chief Executive Officer be authorised to execute and seal any documents required to give effect to this lease.**

RETAIN IN CONFIDENCE - Section 91(7) Order

3. **That having considered Agenda Item: 17.3 Report No: 412/18 Glenelg Visitor Information Centre Management in confidence under section 90(2) and (3)(b & d) of the *Local Government Act 1999*, the Council, pursuant to section 91(7) of that Act orders that Report No: 412/18 Glenelg Visitor Information Centre Management and**

associated minutes be retained in confidence until such time that the new Licence is executed.

COMMUNITY PLAN

Economy: Boosting our visitor economy

COUNCIL POLICY

Not Applicable.

STATUTORY PROVISIONS

Not Applicable.

BACKGROUND

Visitor Information Centre's are an essential component of a successful tourism industry structure and are an integral part of any tourism strategy. The primary functions of a VIC are to:

- Provide a friendly, helpful, courteous, efficient and professional service
- Showcase the area & provide comprehensive up-to-date information
- Create increased awareness of the local attractions, facilities, services and visitor experiences
- Encourage extended length of stay and increased visitor expenditure
- Provide a free booking service of accommodation, tours, car hire & other activities
- Provision of internet access, maps, brochures and other tourism related literature

The Holdfast Bay Tourism Plan 2020 adopted by Council in July 2017 vision is:

The City of Holdfast Bay is committed to a lively, diverse, safe and accessible tourism destination for visitors and residents alike whilst ensuring sustainability and economic benefits for our immediate community and region.

Four focus areas underpin the vision to ensure sustainable tourism growth within the City of Holdfast Bay which all correlate with the VIC:

- Driving demand - *Position as a regional gateway*
- Visitor experience - *Elevate visitor needs and expectations*
- Tourism innovation and sustainability - *Increase recognition of the value of tourism and the experiences available*
- Consultation and partnerships - *promote regional transport connections*

This aligns with City of Holdfast Bay current Our Place Strategic Plan 2030 key deliverables to ensure visitors increase expenditure and length of stay.

REPORT

The provision of VIC services is a key component of Council's and the State Government's strategic planning. One of Council's roles in contributing to our State's Tourism vision, as outlined in Council's Strategic Plan, is to provide facilities and services that can support Holdfast Bay's tourism appeal. The provision of information to visitors is an important service that encourages visitors to stay longer, spend more money, experience more attractions and make a return visit.

It is recommended to offer Adelaide Ocean Safari's a 12 month free lease agreement in the Glenelg Town Hall. The lease agreement would incorporate minimum service standards & opening hours and regular reporting requirements. This would alleviate pressure from the Bay Discovery Centre team to staff the centre with a minimum of four volunteers on a day to day basis.

This report provides greater insight into the opportunity available to Council to enable informed decisions to be made regarding the future provision of visitor information services.

Proposals

1. Council Operated VIC

While there are numerous benefits to a Council operated facility in terms of service provision and stimulation of the local economy, this is not viable without a long term plan and financial commitment of \$150K - \$200k annually. It is recommended that it is not in the interest of Council or the community for Council to assume responsibility for the management of its own Visitor Information Centre.

2. Non-accredited versus Accredited VIC

Outlined below are the pros and cons for having an accredited or non-accredited VIC. Even though non-accredited VIC offers flexible opening hours and staffing it wouldn't be supported by the South Australian Tourism Commission and the South Australian Tourism Industry Council.

VIC Benefit	Accredited	Non-accredited
Eligibility to use the trademark accredited VIC sign symbol	Yes	No
Ability to use the internationally recognised information symbol	No	Yes
A competitive advantage over non-accredited operators	Yes	No
Recognition as part of the official network of SA VICs	Yes	No
Recognition as part of the national network of VICs	Yes	No
Inclusion in the promotion of the network to the tourism industry	Yes	No
Inclusion in the promotion of the network to visitors	Yes	No
Inclusion in the SATC's marketing brochures, database & website	Yes	No
Inclusion on the SATIC website	Yes	No
Ability to provide quality customer service	Yes	Yes

Formal operational and management procedures	Yes	Yes
Benefits package that includes many marketing initiatives	Yes	No
Flexible opening hours	No	Yes
Less rigid staffing requirements	No	Yes

It is recommended that the Council continues with an accredited VIC model.

3. Independent Run VIC

Council has previously been approached by Adelaide Ocean Safari with interest in running the VIC if the opportunity arose. After being informed of Temptation Sailing's intentions to break the lease Council held in confidence initial discussions with Adelaide Ocean Safari who indicated an interest in the VIC management.

Adelaide Ocean Safari is a family operated business. Owners, Tony and Sandy Coppins have a passion for delivering amazing experiences including wildlife, indigenous culture and seafood indulgence. They have successfully operated Kangaroo Island Ocean Safari's on Kangaroo Island for the last seven years and Tony sits on the Kangaroo Island Visitor Information Centre Board. Tony has an indigenous heritage allowing him to secure a federal grant to start Adelaide operations which will commence in March 2019. He has been working closely with the South Australian Tourism Commission who will support the new product with a cooperative marketing fund and he has close relationships with the local indigenous groups. Tony has also indicated his intention to employ an indigenous trainee to work in the VIC.

Adelaide Ocean Safaris have a long term vision for their Glenelg operations including introducing indigenous experiences and coach tours. Adelaide Ocean Safaris have indicated they would be unable to begin operating the VIC until their Adelaide product is operational in approximately March 2019. Therefore there would be a potential gap of three months where there is no external management system for the VIC. Adelaide Ocean Safaris have proposed a share arrangement with their indigenous trainee through this period with Council. Discussions have also taken place with SATC who have confirmed that official VIC accreditation would be retained during this gap.

Proposed Licence Agreement

Leased Area

Under the proposed new Licence Agreement, Adelaide Ocean Safaris will occupy the same footprint as the existing licensee (approximately 13m²), while also utilising the foyer space jointly with Council's volunteers.

Refer Attachment 1

Leased Term & Rental

The new Licence Agreement will be based on an initial term of one (1) years, with no Option to Renew. No Licence Fee and Outgoings be charged to the new Licensee during this initial term so as to assist in establishing the new operation

BUDGET

Costs for an Indigenous trainee, aged 20-21 is approximately \$32,000pa, with grants available of approximately \$17,000, taking the total cost to \$15,000. Adelaide Ocean Safaris is requesting a contribution to this employment, which we recommend at no more than \$7,500. This person would start early 2019 with Council to begin work and training in the VIC.

Estimated costs to Council for contributing to an indigenous trainee and covering a three month gap for paid VIC staff members (casual, Administration level 1) is approximately \$25,000. As advised by the Asset Accountant, Finance, the City Activation budget is currently looking at a projected salary savings of \$40,000, due to positions not filled at the start of this financial year.

Adelaide Ocean Safaris has also requested a 12 month rent free period to get established, and also acknowledges the potential decrease in visitation due to the balcony and clock tower renovations. There would be a loss of revenue to council of \$4,515 based on the current lease charge. Adelaide Ocean Safaris has agreed to start this period from 1 January 2019.

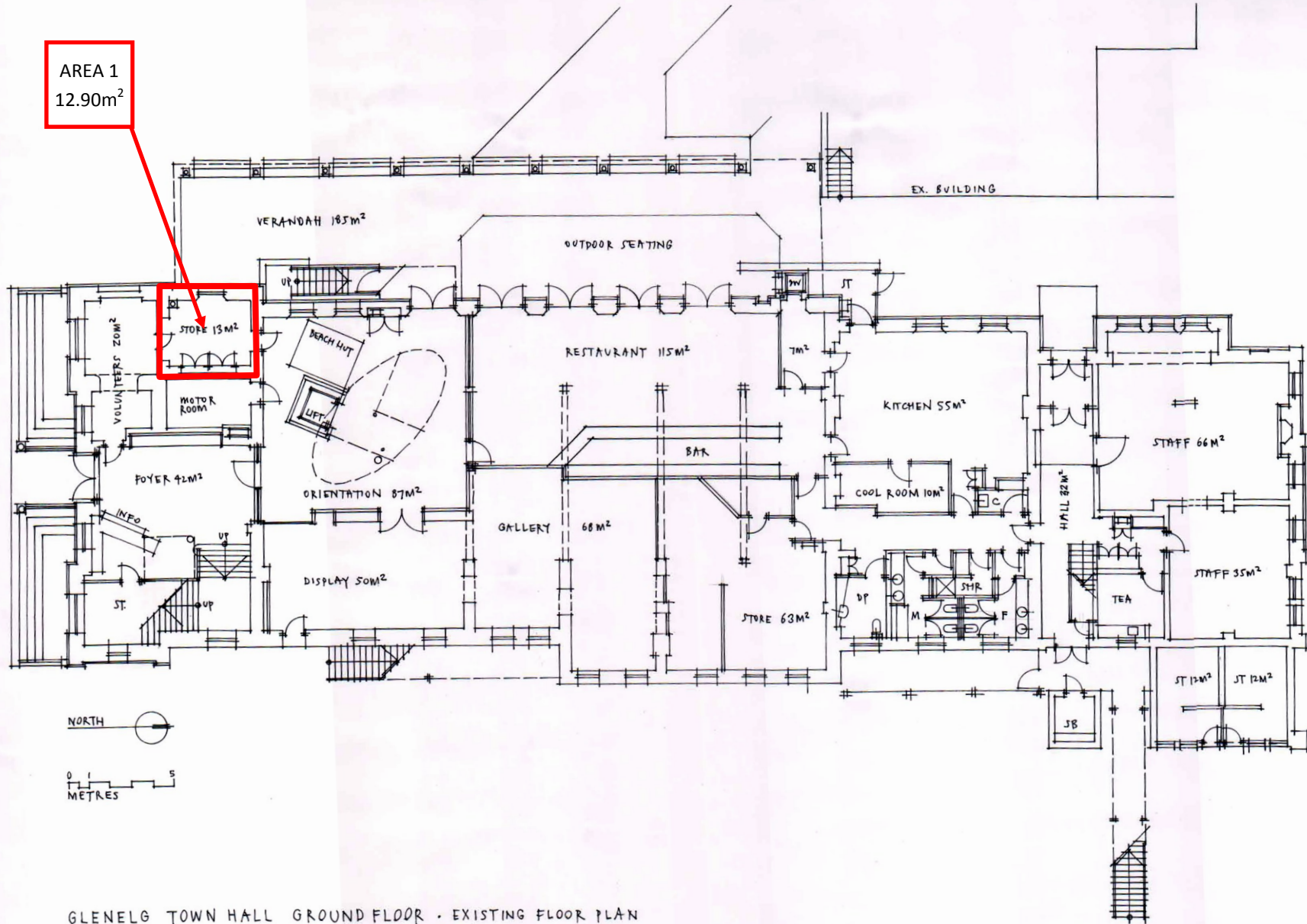
LIFE CYCLE COSTS

Indigenous trainee grant \$7,500 per annum for the duration of the traineeship.

Attachment 1



AREA 1
12.90m²



GLENELG TOWN HALL GROUND FLOOR - EXISTING FLOOR PLAN

PRELIMINARY

flightpath
09 MAY 2013