

Reference: AF11/861

7<sup>th</sup> December, 2016

## MEMBERS

**NOTICE** is given that the Corporate and Community Services Committee will meet in the following Meeting Room on the day, date and time as follows:

**Corporate and Community Services Committee**  
(Reception Area - Level 4):

Monday 12<sup>th</sup> December, 2016 at 5.30 p.m.

An agenda for the meeting is attached.



**Mark McSHANE**  
CHIEF EXECUTIVE OFFICER

## CONFLICT OF INTEREST DISCLOSURE FORM

I \_\_\_\_\_,  
(insert name)

have received a copy of the agenda for the ☐ **ordinary** ☐ **special** meeting of the

\_\_\_\_\_ ☐ Council ☐ Committee ☐ Board  
(insert full name of Committee/Sub-Committee/Board)

to be held on: \_\_\_\_\_  
(insert date of meeting)

### CONFLICT OF INTEREST DISCLOSURE

I consider that I have a:

☐ **material** conflict of interest pursuant to section 73 (complete and sign below)

☐ **actual** or ☐ **perceived** conflict of interest pursuant to section 74 (complete and sign overleaf)

of the *Local Government Act 1999* ("the LG Act") in relation to the following agenda item:

\_\_\_\_\_  
(insert details - include Agenda Item No, Report Number, Item/Report Subject Title)

which is to be discussed at that meeting.

## MATERIAL

The nature of my **material** conflict of interest is as follows *[ensure sufficient detail is recorded, including the reasons why you (or a person prescribed in section 73(1) of the LG Act) stands to obtain a benefit or suffer a loss depending on the outcome of the consideration of the matter at the meeting of the Council in relation to the agenda item described above].*

In accordance with section 74(1)(b) I will be leaving the meeting room while the matter is being discussed and voted on.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

In accordance with section 75A(2)(b) I propose ☐ to ☐ not to participate in the meeting in relation to the matter.

## ACTUAL

The nature of my **actual** conflict of interest is as follows *[ensure sufficient detail is recorded, including the reasons why the conflict between your interests and the public interests might lead to a decision that is contrary to the public interest in relation to the agenda item described above].*

Where I have proposed to participate in the meeting I intend to deal with my **actual** conflict of interest in the following transparent and accountable way *[ensure sufficient detail is recorded as to the manner in which you intend to deal with the actual conflict of interest in a transparent and accountable way].*

OR

## PERCEIVED

The nature of the **perceived** conflict of interest is as follows *[ensure sufficient detail is recorded, including the reasons why you consider that an impartial fair-minded person could reasonably consider that you have a perceived conflict of interest in the matter].*

Where I have proposed to participate I intend to deal with the **perceived** conflict of interest in the following transparent and accountable way *[ensure sufficient detail is recorded as to the manner in which you intend to deal with the perceived conflict of interest in a transparent and accountable way].*

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

## CORPORATE AND COMMUNITY SERVICES COMMITTEE

Meeting to be held on Monday, 12<sup>th</sup> December, 2016 at 5.30 p.m.

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4. GOVERNANCE – Committees – Audit Committee – Minutes of Meeting held 6<sup>th</sup> December, 2016
5. HEALTH MANAGEMENT - Advice - Regional Public Health Plan - Mental Health - Advice and Information
6. HEALTH MANAGEMENT - Advocating – Emergency Ophthalmology Services – Mount Gambier Hospital
7. CORPORATE AND COMMUNITY SERVICES REPORT NO. 77/2016 - Digital Strategy
8. CORPORATE AND COMMUNITY SERVICES REPORT NO. 78/2016 - Election of Corporate and Community Services Standing Committee Presiding Member
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10. CORPORATE AND COMMUNITY SERVICES REPORT NO. 80/2016 - Transfer of Taxi Licence
11. CORPORATE AND COMMUNITY SERVICES REPORT NO. 81/2016 - Appointment of Representative - Tourism Mount Gambier
12. CORPORATE AND COMMUNITY SERVICES REPORT NO. 82/2016 - Cultural Fund Program Selection Panel
13. CORPORATE AND COMMUNITY SERVICES REPORT NO. 83/2016 – Corporate & Community Services Sub-Committee Memberships

### MOTION WITH NOTICE

1. COMMUNITY RELATIONS - Congratulations, Greetings and Condolences Received and Sent by Council

### MOTIONS WITHOUT NOTICE

## CORPORATE AND COMMUNITY SERVICES COMMITTEE

Meeting to be held in the Reception Area, Level 4, Civic Centre, 10 Watson Terrace,  
Mount Gambier on Monday 12<sup>th</sup> December, 2016 at 5.30 p.m.

### AGENDA

PRESENT: Cr S Meziniec (Presiding Member)  
Cr M Lovett, Cr J Lynagh, Cr S Perryman and Cr H Persello

APOLOGY: moved that the apology from be  
received.  
seconded

COUNCIL OFFICERS: Chief Executive Officer, Mark McShane  
Director - Corporate Services, Grant Humphries  
Finance Manager, Gary Button  
Manager Community Services and Development, Barbara Cernovskis  
Manager Governance and Property, Michael McCarthy  
Administration Officer – Executive Support, Melissa Telford  
Administration Officer – Executive Support, Ashlee Lavia

COUNCIL OFFICERS  
APOLOGIES:

COUNCIL MEMBERS  
AS OBSERVERS:

**WE ACKNOWLEDGE THE BOANDIK PEOPLES AS THE TRADITIONAL CUSTODIANS OF THE LAND WHERE WE MEET TODAY. WE RESPECT THEIR SPIRITUAL RELATIONSHIP WITH THE LAND AND RECOGNISE THE DEEP FEELINGS OF ATTACHMENT OUR INDIGENOUS PEOPLES HAVE WITH THIS LAND.**

MINUTES: moved that the minutes of the previous meeting  
held 7<sup>th</sup> November, 2016 be taken as read and confirmed.  
seconded

### QUESTIONS:

- (a) With Notice - Nil received
- (b) Without Notice -

#### **1. FINANCIAL STATEMENT – as at 30<sup>th</sup> November, 2016 TO BE TABLED AT MEETING**

moved it be recommended the financial statement as at 30<sup>th</sup>  
November, 2016 be received.  
seconded

#### **2. ECONOMIC DEVELOPMENT - Progress Report - December 2016 – Ref. AF16/201**

Council has endorsed the development of a “City Economic Development BluePrint” with a proposed release date of 1 July 2017. The BluePrint will provide an opportunity to strengthen the City’s economy by taking a strategic rather than a reactive approach and contribute to wider regional, state and national goals.

The following table provides a “work in progress” summary of actions as at the end of November 2016.

<b><u>Priorities</u></b>	<b><u>Progress</u></b>	<b><u>Time Frame</u></b>
<p><b>Connected City - Digital Economy</b>  <i>Adoption of digital technology and utilising platforms will contribute to reshaping the City's economy to support long term economic, social and environmental development.</i></p>	<p>The City of Mount Gambier sought the services of Explor Consulting to prepare a “Connected City Digital Strategy and Action Plan”. This Plan will provide the overarching framework, strategic direction and actions for delivering a “well connected city” with empowered communities, businesses and industries through the smart use of technology. The strategy will identify important digital outcomes for the city, assess capacity and capability of existing and new digital technologies (including NBN &amp; high speed fibre optics), outline strategies and proposed actions. Explor Consulting visited Mount Gambier on the 17-18 August for a round of key introductory meetings and will return to the City from 7-9 September for further meetings.</p> <p><i>Explor Consulting presented draft Digital Strategy at a Council workshop on Wednesday 26 October 2016. Council members were invited to review and provide feedback by 9 November 2016. One response was received.</i></p> <p><i>Council Member workshop held on the 26<sup>th</sup> October 2015 with David Bartlett (Explor Consulting) presenting draft report.</i></p> <p><i>The final report has been received and will be considered by Council in December 2016.</i></p>	<p><i>Council Member workshop held on the 26<sup>th</sup> October 2015 with David Bartlett (Explor Consulting) presenting draft report.</i></p> <p><i>The final report has been received and will be considered by Council in December 2016.</i></p>

<p><b>2017-2037</b></p> <p><i>Develop a long term City Vision Planning Framework to provide a long term overarching vision and roadmap to deliver a “well connected and innovative city” and will form part of the City Economic BluePrint 2017-2037.</i></p>	<p>Consultant brief under development to engage the services of a consultant to prepare a “City Vision Planning Framework Plan 2017-2037”.</p> <p>The Plan provides a 20 year vision to re-establish the City as the regional centre of choice and will provide clear guidance on policy and investment direction over this timeframe. The Plan will achieve the vision of the city through a coordinated framework and the delivery of transformative projects and initiatives. It will identify the proposed demand for commercial, residential and hotel space in the City.</p> <p>This Plan will be a crucial input into the development of the Economic Development Blueprint</p> <p>The Plan will deliver a coordinated strategy to guide future development, transport and public space investments over the next 20 years to ensure our city heart is safe, attractive and a continued source of pride.</p> <p>A commercial and business audit and retail analysis to be undertaken as part of this process.</p> <p>The plan will consider Business, Cultural and Heritage hubs, Visitor experiences, Aged Care, Industrial and Housing availabilities and opportunities, Digital technologies, Green and Sustainable living and social initiatives and business opportunities.</p>	<p><i>Finalise retail and business briefs - February 2016.</i></p> <p><i>A “Mount Gambier Commercial Development” Forum will be held in February/March 2017 with commercial property developers to discuss current and future planning (energy efficiency, city infill, affordable housing etc).</i></p> <p><i>City Growth strategy consultant brief to be finalised by February 2017.</i></p>
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	<p><i>At our invitation, Renewal SA visited Mount Gambier on Wednesday 23 November, to investigate opportunities to work together in sharing information and experiences in building a city growth strategy.</i></p> <p><i>Retail analysis and Business audit brief are being prepared to form part of the City Growth Strategy - finalised by February 2017.</i></p> <p><i>A "Mount Gambier Commercial Development" Forum will be held in February/March 2017 with commercial property developers to discuss current and future planning (energy efficiency, city infill, affordable housing etc).</i></p> <p><i>City Growth strategy consultant brief to be finalised by February 2017.</i></p>	
<p><b>Economic Performance Scorecard and Future Modelling:</b></p> <p><i>Delivery of "user friendly" economic and social scorecards including key economic performance indicators, identify and monitor economic trends and challenges facing the City now and into the future.</i></p>	<p>Delivery of a "user friendly" economic and social scorecards including key economic performance indicators and have the ability to identify and monitor economic trends and challenges facing the City now and into the future.</p> <p><i>Engaged EconSearch to undertake the development of economic scorecard including performance indicators, case study and future modelling. Report available December 2017.</i> This will include investigation into economic impacts of tourism visitation (increased overnight stays and multiplying impact) and events such as Generation in Jazz and James Morrison Academy.</p> <p>Report will include utilising ABS, RDA Profile ID data and other relevant economic data.</p>	<p><i>Engaged Econsearch to undertake the development of economic scorecard, case study and modelling. Report available December 2017.</i></p>



<p><b>Business/ Community Mentor Program</b></p> <p><i>Program identifying Business and Industry Mentors to work with businesses and community in capacity and capability.</i></p>	<p>Discussions underway with leading educators, service providers and business/industry to develop mentor program.</p> <p><i>Work has been undertaken to review national and international mentor programs that support innovative thinking and building entrepreneurship.</i></p> <p><i>A program proposal to be finalised by February/March 2017.</i></p>	<p><i>A program proposal to be finalised by February/March 2017.</i></p>
<p><b>City Branding and identity</b></p> <p><i>City of Mount Gambier has the opportunity to embrace a dynamic creative approach to be recognised as one of the nation's leading regional cities.</i></p>	<p>City will need to compete and succeed in attracting visitors, new residents and private and public investment over the coming years as the momentum of national growth continues to move away from the capital cities.</p> <p>The City's 'Big Picture' vision will be well designed and written to tell a story. The story will be what Mount Gambier is and where the City wants to go into the future.</p> <p>The "Big Picture" will also map local, interstate and international connections to Mount Gambier and who we should be engaging with.</p> <p>It will celebrate what is great about Mount Gambier and promote why others would love living and working in this resilient City.</p> <p><i>Engaged marketing specialist, Peter Joy, to assist in developing a City branding platform and promoting our identity.</i></p>	<p><i>Branding Think Tank to be held on 23 November 2016.</i></p> <p><i>New communication and engagement initiatives to be implemented by February March/2017.</i></p> <p><i>Brand and Identity framework to be incorporated into Economic BluePrint.</i></p>

	<p><i>Two branding “think tanks” will be held on 23 November facilitated by Peter Joy and Marc Allgrove (branding and marketing specialists). This will assist in further developing the City brand and identity including Sixty Minutes Sixty Experiences tourism branding and Six Minutes Anywhere (resident and investment attraction).</i></p> <p><i>Two initiatives (XPRIZE and “Meet with the Red Couch”) are under development, working in partnership with the Border Watch. These initiatives will adopt new innovative ways to communicate and engage with the community.</i></p> <p><i>Branding Think Tank to be held on 23 November 2016.</i></p> <p><i>New communication and engagement initiatives to be implemented by February March/2017.</i></p> <p><i>Brand and Identity framework to be incorporated into Economic BluePrint.</i></p>	
<p><b>City Business Employment Forum</b></p> <p>Forum to build linkages between businesses, industry, employment and education providers to build an improved and skilled workforce now and into the future.</p>	<p>Discussions regarding a City Business Employment Forum took place with Business and Industry Leaders at the recent workshop on the 28<sup>th</sup> July 2016. It was widely supported and agreed to commence development of a forum framework.</p>	<p><i>First forum to be held late March 2017.</i></p>
<p><b>Communication and Events Plan and Tools</b></p> <p><i>Development of a City communication, and event plan including development and adoption of “state of art” social media and marketing tools.</i></p>	<p>Commenced scoping of a city communication and event plan including social media tools.</p>	<p><i>Scoping underway.</i></p>

<p><b>Investment Prospectus</b></p> <p>Attract investment opportunities to the City.</p>	<p>Commenced initial investigations into the development and content of virtual investment prospect. Require to identify city assets, products and services to attract investment opportunities. Identify and meet with potential investors (including equity investment companies).</p>	<p><i>Prospectus to be developed by April 2017.</i></p>
<p><b>Visitor Economy (Tourism)</b></p> <p><i>Visitor Economy: Tourist attraction, investment, increased visitation, &amp; experiences, infrastructure</i></p>	<p>A Council report (Tourism Plan Implementation) went to Council on the 19<sup>th</sup> July 2016 with several recommendations made based around Council endorsing a Tourism Plan (Changing the Tourism Culture – an industry plan to grow Mount Gambier's Tourism Economy') and also providing a budget for a tourism specialist to help deliver the plan. The report was deferred.</p> <p>A second report (Tourism Plan Implementation) went to Council on the 16<sup>th</sup> August 2016 and was moved as written which includes engaging a tourism specialist for a three year period.</p> <p><i>Job Advertisement and Position Description finalised position advertised in August 2016.</i></p> <p><i>Interviews were held, position was offered and offer declined.</i></p> <p><i>Recruitment process re-commenced in October 2016.</i></p> <p><i>Interim arrangements, in lieu of tourism manager, have been made to ensure the delivery of the tourism strategic plan. Council Economic Development team will assist during this period.</i></p>	<p><i>Tourism Manager Recruitment process re-commenced in October 2016.</i></p> <p><i>Interim arrangements, in lieu of Tourism Manager, have been made to ensure the delivery of the tourism strategic plan. Council Economic Development team will assist during this period.</i></p> <p>Tourism Mount Gambier Board been meeting regularly and is progressing positively in regard to Mount Gambier's tourism future.</p>

moved it be recommended the Economic Development Update for December 2016 be received.

seconded

**3. GOVERNANCE – Committees – Strategic Planning Sub-Committee – Minutes of Meeting held 25<sup>th</sup> November, 2016 – Strategic Planning Sub-Committee Report 8/2016 (attached) - Ref. AF15/366**

moved it be recommended:

- (a) the Minutes of the Strategic Planning Sub-Committee Meeting held on 25<sup>th</sup> November, 2016 be received;
- (b) the following recommendations of the Strategic Planning Sub-Committee be adopted by Council:

- 1. BEST PEOPLE BEST COMMUNITY - Community Plan - Organisation Structure - Strategic Planning Sub-Committee Report No. 8/2016 - Ref. AF16/185

Strategic Planning Sub-Committee Report No. 8/2016 be received and the contents noted.

- 2. STRATEGIC PLANNING SUB-COMMITTEE - Scheduled Meeting Dates - Ref. AF15/266

The report be received and the Special Meeting of Council to be held on Monday 5<sup>th</sup> December be noted.

seconded

**4. GOVERNANCE – Committees – Audit Committee – Minutes of Meeting held 6<sup>th</sup> December, 2016 – Ref. AF11/863**

moved it be recommended:

- (a) the Minutes of the City of Mount Gambier Audit Committee meeting held on Tuesday 6<sup>th</sup> December, 2016 be received;
- (b) the following recommendations of the Audit Committee meeting held on Tuesday, 6<sup>th</sup> December, 2016 be adopted by Council:

- 1. ANNUAL FINANCIAL STATEMENTS 2015/2016 - Correction - Ref. AF16/322

- (a) the report be received;
- (b) In accordance with Section 126(4)(a) of the Local Government Act 1999 the Audit Committee advises that it has reviewed the annual financial statements (corrected) of the Council for the year ended 30 June 2016 and is satisfied they present fairly the state of affairs of Council;
- (c) The Chief Executive Officer and Presiding Member of the City of Mount Gambier Audit Committee sign the statement to certify the independence of the Council Auditor, Galpins.

2. EXTERNAL AUDITOR – END OF YEAR REPORT - Ref. AF12/227

- (a) the letter be received and contents noted;
- (b) the Audit findings and recommendations be referred to the Council administration for attention and to the Audit Committee for ongoing monitoring;
- (c) Councils External Auditor be advised of this course of action.

3. FINANCIAL INTERNAL CONTROLS - Internal Audit Program - Ref. AF16/164

- (a) the report be received;
  - (b) Financial Internal Controls Report (Control 16) be endorsed by Council;
- seconded

5. **HEALTH MANAGEMENT - Advice - Regional Public Health Plan - Mental Health - Advice and Information - Ref. AF15/373**

The Manager Governance & Property reported:

- (a) Council resolved on 17<sup>th</sup> May, 2016 that:

- *“Council express concern about the reported closure of the mental health rehabilitation facility providing ten community respite beds as of 30 June 2016 and the increasing pressure this will place on other mental health services in Mount Gambier and the surrounding region;*
- *Council write to the relevant Federal and State Government Ministers calling on them to reconsider their decision to cease funding for this ten bed community respite mental health rehabilitation facility”.*

- (b) At it's meeting on 19<sup>th</sup> July 2016 Council received response letters from the Department of Health on behalf of the Federal Minister for Health and the State Minister for Health who had referred the matter to the Minister for Health and Substance Abuse.
- (c) A further response letter dated 20<sup>th</sup> October 2016 has now been received from the State Minister for Mental Health and Substance Abuse, the Hon Leesa Vlahos M.P. (Attachment 1).

moved it be recommended:

- (a) the letter be received.

seconded

6. **HEALTH MANAGEMENT - Advocating – Emergency Ophthalmology Services – Mount Gambier Hospital – Ref. AF16/250**

The Manager Governance & Property reported:

Corporate and Community Services Committee Agenda, Monday 12<sup>th</sup> December, 2016 cont'd...

- (a) Council resolved on 20<sup>th</sup> September, 2016, in response to a letter from the Hon Jack Snelling regarding the termination of emergency ophthalmology services at the Mount Gambier Hospital, that:

*“Council write to Minister for Health the Honourable Jack Snelling, thanking him for his written response regarding the termination of emergency ophthalmology services at the Mount Gambier Hospital requesting him to clarify:*

- (i) How existing demand for ophthalmology services in the Limestone Coast will be serviced following the imminent closure of the Mount Gambier Eye Centre, which had three ophthalmologists and facilitated 16,000 appointments and 750 cataract surgeries each year?*
  - (ii) How many ophthalmologists will service Mount Gambier under the new contractual arrangements?*
  - (iii) If the closure of the purpose-built eye care centre is an acceptable outcome for patients, the community and the State Government?*
  - (iv) If the new consulting rooms are sufficiently equipped to service the needs of 16,000 patients?*
  - (v) If Mount Gambier will continue to be an attractive location for future residents and visiting ophthalmologists?”*
- (b) A further response letter dated 10<sup>th</sup> November 2016 has now been received from the State Minister for Health, the Hon Jack Snelling M.P. (Attachment 1).

moved it be recommended:

- (a) the letter be received.

seconded

**7. CORPORATE AND COMMUNITY SERVICES REPORT NO. 77/2016 - Digital Strategy - Ref. AF16/190**

moved it be recommended:

- (a) Corporate and Community Services Report No. 77/2016 be received;
- (b) the Digital Strategy Report prepared by Explor Consultants be received and endorsed;
- (c) an implementation program to be arranged and discussed at a Council workshop (18<sup>th</sup> January 2017) to prioritise the actions.

seconded

**8. CORPORATE AND COMMUNITY SERVICES REPORT NO. 78/2016 - Election of Corporate and Community Services Standing Committee Presiding Member - Ref. AF11/858**

moved it be recommended:

- (a) Corporate and Community Services Report No. 78/2016 be received;

- (b) Cr \_\_\_\_\_ be Presiding Member of the Corporate and Community Services Committee on and from 20<sup>th</sup> January 2017.

seconded

**9. CORPORATE AND COMMUNITY SERVICES REPORT NO. 79/2016 - China Engagement - Status Update and Planning - Ref. AF13/306**

moved it be recommended:

- (a) Corporate and Community Services Report No. 79/2016 be received;
- (b) the City of Mount Gambier commences the planning for an outbound delegation of Council and business leaders in March 2017;
- (c) That Council attendees include:
- The Mayor
  - The Chief Executive Officer plus another senior staff member;
  - A number of Councillors to be determined by Council.

seconded

**10. CORPORATE AND COMMUNITY SERVICES REPORT NO. 80/2016 - Transfer of Taxi Licence - Ref. AF16/103**

moved it be recommended:

- (a) Corporate and Community Services Report No. 80/2016 be received;
- (b) Council write to all current Taxi Licence holders seeking their views and interest in participating in a tender process for the re-issue of the subject licence;
- (c) a further report be presented to consider any responses received;
- (d) in the event that no responses or objections are received the Chief Executive Officer be authorised to issue a new Licence to the proposed new operator/licensee.

seconded

**11. CORPORATE AND COMMUNITY SERVICES REPORT NO. 81/2016 - Appointment of Representative - Tourism Mount Gambier - Ref. AF11/854**

moved it be recommended:

- (a) Corporate and Community Services Report No. 81/2016 be received;
- (b) The Tourism Mount Gambier Key Performance Indicators be agreed as:
- Increase in occupancy over 2015/2016 figures
  - Increase in Tourism Economy over 2016/2017 figures
  - New Tourism Mount Gambier website operational by 30<sup>th</sup> June 2017
  - Manage expenditure within budget
  - Membership revenue of \$10,000 or 80 members by 20<sup>th</sup> June 2017
  - 2,000 followers of Tourism Mount Gambier facebook page by 30<sup>th</sup> June 2017

- (c) A secret ballot be conducted to determine the successful candidate for the position as Tourism Mount Gambier Board meeting observer.

seconded

**12. CORPORATE AND COMMUNITY SERVICES REPORT NO. 82/2016 - Cultural Fund Program Selection Panel - Ref. AF15/416**

moved it be recommended:

- (a) Corporate & Community Services Committee Report No. 82/2016 be received;
- (b) A designated informal gathering be scheduled following receipt of Cultural Fund Program applications, to accommodate the following Elected Members and Community invitees:
- Cr
  - Cr
  - Community Invitees to be determined at the meeting

seconded

**13. CORPORATE AND COMMUNITY SERVICES REPORT NO. 83/2016 – Corporate & Community Services Sub-Committee Memberships - Ref. AF11/858**

moved it be recommended:

- (a) Corporate & Community Services Committee Report No. 83/2016 be received;
- (b) to be determined at the meeting.

seconded

**MOTION WITH NOTICE**

**1. COMMUNITY RELATIONS - Congratulations, Greetings and Condolences Received and Sent by Council - Ref. AF11/208**

Cr Persello moved it be recommended:

- (a) Council congratulate former Councillor Mr James Maher on his appointment to the Reconciliation South Australia Board.

seconded

**MOTIONS WITHOUT NOTICE**

Meeting closed at      p.m.

FM/MJT/AL



## STRATEGIC PLANNING SUB-COMMITTEE

Meeting held in the Committee Room, Level 4, Civic Centre  
on Friday 25<sup>th</sup> November, 2016 at 1.00 p.m.

### MINUTES

PRESENT: Cr F Morello (Presiding Member)  
Mayor A Lee, Cr M Lovett (arrived at 1.10 p.m.), Cr S Perryman and  
Cr P Richardson

APOLOGIES: Nil

COUNCIL OFFICERS: Chief Executive Officer, Mark McShane  
Manager Business and Strategic Planning, Tracy Tzioutziouklaris

COUNCIL MEMBERS  
AS OBSERVERS: Nil

**WE ACKNOWLEDGE THE BOANDIK PEOPLES AS THE TRADITIONAL CUSTODIANS OF THE LAND WHERE WE MEET TODAY. WE RESPECT THEIR SPIRITUAL RELATIONSHIP WITH THE LAND AND RECOGNISE THE DEEP FEELINGS OF ATTACHMENT OUR INDIGENOUS PEOPLES HAVE WITH THIS LAND.**

MINUTES: Mayor Lee moved that the Minutes of the previous meeting held on Friday 28<sup>th</sup> October, 2016 be taken as read and confirmed.

Cr Perryman seconded

Carried

### QUESTIONS:

(a) With Notice - nil submitted

(b) Without Notice - nil

1. **BEST PEOPLE BEST COMMUNITY - Community Plan - Organisation Structure - Strategic Planning Sub-Committee Report No. 8/2016 - Ref. AF16/185**

Cr Richardson moved it be recommended Strategic Planning Sub-Committee Report No. 8/2016 be received and the contents noted.

Mayor Lee seconded

Carried

Cr Perryman vacated the meeting at 1.50 p.m. and did not return.

2. **STRATEGIC PLANNING SUB-COMMITTEE - Scheduled Meeting Dates - Ref. AF15/266**

The Manager Business and Strategic Planning reported:

- (a) Important scheduled meetings for Members in relation to Best People Best Community include:

Monday 5<sup>th</sup> December, 2016 Special Meeting of Council

Strategic Planning Sub-Committee Minutes, Friday, 25<sup>th</sup> November, 2016 cont'd...

**Mayor Lee moved it be recommended:**

- (a) the report be received and the Special Meeting of Council to be held on Monday 5<sup>th</sup> December be noted.

Cr Lovett seconded

**Carried**

**MOTIONS WITH NOTICE** - Nil

**MOTIONS WITHOUT NOTICE** - Nil

The meeting closed at 2.15 p.m.  
TT

## **STRATEGIC PLANNING SUB COMMITTEE REPORT NO: 8/2016**

**SUBJECT: COMMUNITY PLAN – BEST PEOPLE BEST COMMUNITY – ORGANISATION STRUCTURE**

**REF: AF16/185**

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### **INTRODUCTION**

The Best People Best Community framework was developed to deliver the Community Plan through a review of all services to identify Council's strengths, weaknesses and to identify opportunities to improve on the effective and efficient delivery of services.

Steps 3 and 4 involving a Service Review, SWOT Analysis and Functional Alignment of all of the services identified have now been completed. Consideration is now being given to the structure of the organisation to achieve the best delivery of services provided by Council (Step 5 of Best People Best Community).

### **DISCUSSION**

As identified with Strategic Planning Sub-Committee Report No 6/2016 all of Council's services have been assessed in accordance with:

1. The level of alignment of the service with the strategic goals as contained within the Community Plan and Council core business;
2. Options per alternative service delivery including:
  - to continue with the level of a service.
  - alternative Service Delivery Models.
  - to decrease the level of service.
  - to provide no service.
  - to increase the level of a service.
3. How well a service meets intended performance outcomes and identifies:
  - Maintain performance;
  - Continuous Improvement;
  - Value and Efficiency; and
  - Delivery Review.

Upon the completion of the review of Council Services, consideration has been given to the most appropriate organisational structure to deliver the outcomes identified by the Community Plan and the ongoing demands placed on Local Government.

Council's Strategic Planning Sub-Committee will receive a verbal presentation by the Chief Executive Officer of the revised organisational structure at the Strategic Planning Sub-Committee meeting scheduled for Friday 25<sup>th</sup> November, 2016.

Following the Special Council Meeting on 5<sup>th</sup> December 2016, meetings will occur with Directors, Managers/Supervisors to inform them of the structure. Staff whose roles and reporting lines have been altered by the reviewed structure will meet with the Chief Executive Officer and relevant Directors & Supervisors.

There will be a general release of the organisational structure to all staff including a presentation by the Chief Executive Officer and Directors at staff meetings.

Strategic Planning Sub-Committee Report No. 08/2016 cont'd...

The implementation of the new structure will be staged over the first four months in 2017 with each new department coming 'on stream' following the commencement of each Director. Logistical office accommodation arrangements will occur in due course during 2017.

With a new organisational structure, it is likely that the reporting structure to Council will also be reviewed. Should the structure of the organisation reflect in part or fully, the four goals within the Community Plan, consideration will need to be given to the Standing Committee and Sub-Committee structure of Council to provide an effective reporting process between the Elected Members of Council and the administration. As the new structure will be implemented over several months in early 2017 Council will have adequate time to reflect upon and adjust the Decision Making Structure.

Once this process has been completed action plans for the new business units and individual staff will be developed and further refined to reflect the outcomes of each service that has been aligned to the Community Plan. Performance Manager will be modified to report on the Community Plan outcomes. The Action Plans will be supported by a revised Performance Development Review process with accomplishment records and development centres. These are outlined in Steps 6 – 8 of the Best People Best Community project work flow.

Not only is Best People Best Community a review process investigating the efficient and effective service delivery as outlined within the Community Plan, it also provides a strong focus on staff development. It is designed to build staff capacity, be inclusive, build capacity to think innovatively, challenge the status quo and embed a culture of continuous improvement.

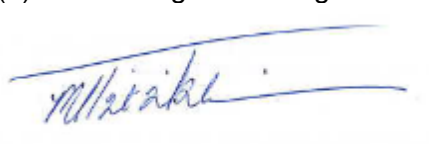
## **CONCLUSION**

Best People Best Community is the framework being used to develop an understanding of the resource implications of the Community Plan.

It focuses on the efficiency and effectiveness of services delivered by Council for the community. The consideration of the organisation structure is about targeting improvement to Council's service delivery and aligning efforts towards achieving the aspirations of the Community Plan. Structure is not fixed and will be continuously recalibrated to meet the effective service delivery and needs of the community.

## **RECOMMENDATION**

- (a) Strategic Planning Sub –Committee Report No 8/2016 be received and the contents noted.



**Tracy TZIOUTZIOUKLARIS**  
MANAGER BUSINESS AND STRATEGIC PLANNING

Sighted:



**Mark McSHANE**  
CHIEF EXECUTIVE OFFICER



**Government  
of South Australia**

**Hon Leesa Vlahos MP**

16MMH/0356

**Mr Mark McShane  
Chief Executive Officer  
City of Mount Gambier  
PO Box 56  
MOUNT GAMBIER SA 5290**

**Dear Mr McShane**

Thank you for copies of your letters of 27 May, 2016, to Hon Jack Snelling MP, Minister for Health, and Hon Sussan Ley, Federal Minister for Health, about the closure of 10 mental health community rehabilitation beds in Mount Gambier on 30 June, 2016.

I share your disappointment that Federal Government cuts to health have led to the closure of beds for mental health consumers.

During 2015 and earlier in 2016, the State Government made several efforts contacting the Federal Government to have the funding reinstated. It was disappointing that the funding was discontinued and that it will have an effect on many mental health consumers in South Australia, particularly the South East.

The State Government is dedicated to continuing to provide mental health services to the community in the South East. This is highlighted by recent additional investments in mental health services in Mount Gambier.

In June, 2015, a six bed Limited Treatment Centre was opened at the Mount Gambier and Districts Health Service so that consumers can receive treatment closer to home and reduce the need to travel to Adelaide. On 26 September, 2016, I approved the centre to become an Approved Treatment Centre, further solidifying the service so that consumers can receive more complex care closer to home.

Country Health South Australia has implemented the Intensive Community Program, which will further enhance consumer services with access to sub-acute care within the Integrated Mental Health Teams in Whyalla and the South East. This will include access to short term shared housing to supplement in-home support for consumers.

**Minister for Disabilities  
Minister for Mental Health and Substance Abuse**

Level 12 North, 1 King William Street, Adelaide SA 5000 | GPO Box 1838, Adelaide SA 5001 | DX 838  
Tel 08 8303 2926 | Fax 08 8303 2533 | Email [minister.vlahos@sa.gov.au](mailto:minister.vlahos@sa.gov.au)



Additional funding has also been provided to establish Suicide Prevention Networks throughout South Australia, two of which are operating in Mount Gambier, and there has been a round of Suicide Prevention Grants awarded to community groups for prevention activities, three of which were awarded to groups in Mount Gambier.

The State Government has also provided additional funding of \$66,667 to Lifeline South East (SA) for the 2015-16 period.

Mental health services will continue to be reviewed to ensure that South Australian consumers are receiving appropriate care and the State Government is committed to this.

Yours sincerely

A handwritten signature in black ink, reading "Leesa Vlahos". The signature is fluid and cursive, with the first name "Leesa" and the last name "Vlahos" clearly distinguishable.

**Leesa Vlahos M.P.**  
Minister for Mental Health and Substance Abuse

*20* October, 2016

Our ref: MH16-4153  
Your ref: AF16/250 LD



Government  
of South Australia

10 November, 2016

The Hon. Jack Snelling M.P.

Mr M. McShane  
Chief Executive Officer  
City of Mount Gambier  
P.O. Box 56  
MOUNT GAMBIER S.A. 5290

Dear Mr McShane

Thank you for your letter of 23 September, 2016, about private outpatient ophthalmology services in Mount Gambier. I appreciate you seeking accurate information to pass on to community members who may raise concerns with Council.

A procurement process was used to secure 400 public cataract surgeries for the Mount Gambier and District Health Service for three years from 1 July, 2016, with the option of a two year extension. Dr Michael Bailey, a former colleague of Dr Hodson, was the successful applicant. He now provides both public and private cataract surgery at Mount Gambier and District Health Service.

Dr Bailey will be responsible for the completion of the 400 public cataract surgeries under his contract. He can complete this work himself, or with the assistance of other ophthalmologists.

I am unable to comment on the facilities or equipment at Dr Bailey's rooms or the number of patients that may be serviced by his private practice as these matters are unrelated to his contractual obligations to Country Health SA Local Health Network.

I am aware that private ophthalmology practice capacity in Mount Gambier has reduced from the previous three residents and two visiting ophthalmologists in one practice, to two full time, one part time and two visiting specialists in two practices. The closure of the Mount Gambier Eye Centre may initially reduce this to one full time and one part time resident specialist. I am unable to comment on the future availability of visiting specialists, or on other additional services that may develop.

As SA Health does not fund or purchase private outpatient service, such as those provided by Dr Bailey and Dr Hodson, I am unable to influence the level of services available in a community. It is not possible to determine the future capacity of local private practices or the

Minister for Health | Minister for Health Industries | Minister for the Arts  
Leader of Government Business in the House of Assembly

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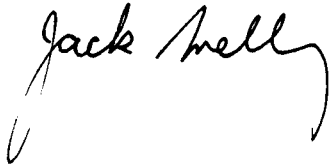
number of patients who may travel to other locations if the demand for specialist services in an area exceeds supply.

It is disappointing that the Mount Gambier Eye Centre may close as this business has been a valuable part of private specialist service provision in the South East for many years. The Mount Gambier Eye Centre is a private business and is regulated and funded by the Federal Government through payments under the Medicare Benefits Schedule, supplemented by gap payments paid by patients using the service. I therefore have no influence over Dr Hodson's decision to close the Mount Gambier Eye Centre.

Given the reported level of demand, Mount Gambier would likely present as an attractive opportunity for Dr Bailey to expand his new practice and for other ophthalmologists to set up new practices. Dr Robert Harvey, joining Dr Bailey's practice on a part time basis is a positive step in that direction. Private specialists who wish to provide visiting or resident services to rural communities are welcomed. I hope that Council and the Mount Gambier community will support local providers and encourage growth in ophthalmology services sufficient to meet local and regional needs.

If you would like more information, please phone Jayne Downs, Regional Director South East, on 8721 1577 or email [jayne.downs@sa.gov.au](mailto:jayne.downs@sa.gov.au).

Yours sincerely

A handwritten signature in black ink, reading "Jack Snelling". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

**Jack Snelling M.P.**  
Minister for Health



## **CORPORATE AND COMMUNITY SERVICES REPORT NO. 77/2016**

**SUBJECT: DIGITAL STRATEGY**

**REF: AF16/190**

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### **Background**

The City of Mount Gambier engaged the services of Explor Consulting (digital consultants) to prepare a "Connected City Digital Strategy and Action Plan". The plan provides the overarching framework, strategic direction and actions for delivering a "well connected city" with empowered communities, businesses and industries through the smart use of technology. The strategy has identified important digital outcomes for the city, has assessed the capacity and capability of existing and new digital technologies (including NBN & high speed fibre optics) and outlined strategies and proposed actions.

The digital strategy is a game changer, it will contribute to reshaping the City's economy in the decades to come and provide insight into how digital technologies and broadband services can be adopted to support economic, social and environmental development.

The strategy will be an input into the development of the City's new Economic Development Blueprint and will provide the platform to identify, foster and enhance new and existing services to the community.

Advancements in digital technologies enable unprecedented connectivity with the community, businesses and governments. With the pending rollout of the national broadband network (NBN), increasing usage of smart phones and other devices, social media platforms such as Facebook, Twitter, LinkedIn and Googleplus+, there is an opportunity for the City to better connect with each other and the world, is greater than ever.

Smart Cities ensure their digital technology capabilities are forward thinking, innovative and adaptable, as these are crucial in sustaining Mount Gambier as one of the best places to live, work, learn and play.

### **Discussion**

In May 2016, the Council endorsed a City Economic Development BluePrint to be developed, with a release date of July 2017.

A number of actions will be undertaken to inform the development of the Blueprint. One of these key actions was to prepare and endorse a digital strategy and action plan to improve the City's digital products, infrastructure and services for residents, business and industry (utilising broadband and high speed fibre optics infrastructure) and identify opportunities for knowledge intensive jobs and services.

Explor Consulting have produced a strategic plan that meets the requirement needs of the original brief and acknowledgement of the Council's Community Plan. The consultants met with numerous key stakeholders to acquire a better understanding of the services provided in Mount Gambier. Several meetings and workshops were held with Council and Council staff, on two separate occasion's meetings with educators, tourism bodies, the retail sector, media, aged care, health care, youth and business leader.

Corporate and Community Services Report No. 77/2016 cont'd...

**RECOMMENDATION**

- (a) Report be received.
- (b) The Digital Strategy report prepared by Explor Consultants be received and endorsed.
- (c) An implementation program to be arranged and discussed at a Council workshop (18<sup>th</sup> January 2017) to prioritise the actions.



**Simon WISEMAN**  
ECONOMIC DEVELOPMENT COORDINATOR

Sighted:



**Mark McSHANE**  
CHIEF EXECUTIVE OFFICER

24<sup>th</sup> November, 2016  
SW.AL

# BUILDING A CONNECTED REGIONAL CITY

A Digital Strategy and Action  
Plan for the City of Mount  
Gambier

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**November 2016**

This digital strategy and action plan has been prepared by Explor Consulting Pty Ltd for the City of Mount Gambier.

Explor Consulting is a leader in digital futures consulting.

We help communities and their governments to plan and build better futures, taking advantage of the opportunities of digital technologies.

Explor works with governments at all levels: local, regional, state, territory, provincial and national.

We provide advice, we help develop digital strategies, we facilitate the initiation of projects and we provide management assistance.

Explor's people have unique insights into how digital technologies can be exploited to support economic, social and environmental development.



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## This Strategy & Action Plan

Mount Gambier is a significant Australian regional city offering an enviable lifestyle in an area that is rich with natural assets and cultural heritage. The city has developed over more than 170 years into a strong community with a diverse economy. It is the second largest population centre in South Australia and serves a broad region that extends into western Victoria.

Like all cities throughout the world, Mount Gambier faces major changes, driven by powerful global forces and trends: economic, social, environmental and technological. These changes are bringing both threats and opportunities. The cities that are most likely to thrive are those that confront and actively respond to the changes.

The City of Mount Gambier recognises the reality of change and is determined to chart a future that addresses the threats and exploits the opportunities. It is developing forward-looking strategies including a new *Economic Development Blueprint*, due for completion in 2017. Two key plans have now been prepared: *A Futures Paper for City Development* and the *Community Plan – The Futures Paper 2016-2020*.

Digital technology will have a major impact on the city's future. It will cause disruption to many areas of life and business in the city but at the same time it will also offer many opportunities for securing a strong future for the city.

A main responsibility of city local government authorities has always been to manage and maintain the local infrastructure. This has primarily been physical infrastructure such as roads, pipes, public buildings and public spaces. In an era of pervasive digital technology, local government must also address and lead in local information and digital infrastructure.

This document, Mount Gambier's digital technology strategy and action plan, explains what the city will do to reap the benefits of digital technology for meeting its aspirations.

This plan builds on the city's recent futures planning and draws on insights about how other cities have been exploiting digital technology to secure their futures.

The plan has been prepared with the assistance of Explor Consulting, a digital futures consulting firm. A number of Council and community members and experts contributed to the preparation of this plan. Their advice has been valuable. A list is attached in Appendix A.

## A City That Looks to the Future

Mount Gambier is actively shaping its own future. The community have identified aspirations that are based on enriching and building on its key assets:

1. The people
2. The location
3. The economy
4. The climate, natural resources, art, culture and heritage.

The city's plans are based on exploiting its opportunities and confronting its challenges.

### Mount Gambier's Opportunities

Mount Gambier is a regional city with many opportunities.

Its population of around 26,000 people gives the city a solid critical mass of people, skills, facilities and services. Mount Gambier serves a broader geographic area with a community of close to 60,000 people, which has an ongoing demand for public and commercial services. The city also has a higher degree of agility compared to larger cities because its smaller population allows effective social, professional and commercial networks to flourish. These networks are also supported by a local culture of philanthropy.

Mount Gambier offers an excellent quality of life and has many strengths on which to build a bright future including:

- There is a strong social fabric including a diverse and active community sector.
- Housing is affordable, the physical infrastructure is good and the quality of public services is high.
- The city's size means that for most residents, the travelling time to work, education, retail outlets and other services is short.
- The city's status as a regional centre has helped it to attract and sustain excellent education, health and community service facilities.
- Universities and other institutions have invested in new facilities and are extending their local partnerships.
- The city is located in an attractive landscape with many natural assets. The region's unique geology offers attractions such as the Blue Lake and supports adventure tourism activities such as cave diving.
- The fertile soils support a thriving food and wine sector.
- The city and surrounding region also presents a rich human heritage encompassing indigenous culture and European settlement from the early nineteenth century.
- There is also a thriving artistic and cultural sector. Mount Gambier is arguably Australia's premier jazz music city.

Mount Gambier also has an attractive cityscape with significant public buildings and interesting public spaces. The Main Corner, the Riddoch Gallery and the renowned Mount Gambier Public Library are excellent facilities for visitors and the local community. The

former railway lands are being used and developed as a unique and exciting space.

Mount Gambier has a diverse and vibrant economy that reflects its location, its status as a regional centre and the resource base of the surrounding region. The retail and service sectors are particularly important sources of employment.

The tourism sector is a significant and growing contributor to the economy and local employment. The attractions of the region and the services available in the city make Mount Gambier an ideal overnight destination for tourists who drive the Adelaide to Melbourne touring route. The year ending June 2015 saw an increase of almost of almost 20% on visits to the region compared to the previous year.

### **Mount Gambier's Challenges**

The city also has its challenges.

The level of socio-economic disadvantage is relatively high in some parts of the city, particularly the eastern districts. Mount Gambier's overall unemployment rate is around 8%, but the youth unemployment rate is nearly 17%. Underemployment in youth is also a significant challenge.

Automation and other trends have changed the local industry structure. Unskilled jobs have been disappearing while the new jobs that have appeared are requiring new sets of skills and

qualifications. However, qualification levels in Mount Gambier are lower than in much of the rest of South Australia.

The aspirations of young people are affected by family and community attitudes. On the one hand, some families have placed less importance on education and qualifications for securing employment because of the work experiences of earlier generations. On the other hand, many young people aspire to progressing their education, careers and social lives in larger cities including Adelaide.

Mount Gambier is a considerable distance from Adelaide, Melbourne and other major cities and the limited access to affordable transport is a challenge. Air transport is relatively expensive, there is currently no rail service and the use of public coach services is low.

The important tourism and retail sectors are dominated by micro-businesses, but a number of business operators lack the strategic business capacities and skills for steering their businesses into a future that is being buffeted by rapid change.



## Digital Technology & Change

Over recent decades there have been dramatic developments in digital technologies related to speed, ubiquity and cost including:

- High speed, big data computing and analytics
- The miniaturisation of electronic equipment, low cost sensors and the emergence of the “internet of things”
- Mobile phones devices, including wearable technologies such as fitness and health bands
- The increasingly ubiquitous nature of the internet and connectivity
- The digitisation of information and audio-visual materials for use and re-use through many digital channels
- The advent of a multitude of digital channels for communication such as social media, apps, web and streaming services.

We now regularly use messaging, the web, social media (such as Facebook and Twitter), Smartphones and tablets. Importantly, these technologies have become affordable, prevalent and inter-connected.

Vast amounts of information and entertainment resources are in digital form and are easily accessed and shared. People across the world are instantly communicating through social media and other technologies.

The technology is becoming more pervasive. The internet not only connects people, it now connects our basic appliances and our national infrastructures such as our energy and transport systems.

The technology is helping to make us collectively smarter. The combinations of big data, analytics and artificial intelligence are giving us new insights and new tools.

However, the biggest changes are in how we use the technology to do things differently. We work differently, we play differently, we trade differently and we learn differently. These are the changes that cities such as Mount Gambier must adapt to.

Some changes are disruptive. The growth in online streaming services has swept away video rental shops. Other changes have created new opportunities. People can live in Mount Gambier and work with colleagues and clients who are thousands of kilometres away.

## Responding to Change

The relatively low cost and increasingly ubiquitous nature of digital technologies can allow communities to thrive through new opportunities. However, communities like Mount Gambier must also plan for the threats that digital technologies present:

Opportunities to Exploit	Corresponding Threats to Mitigate
New ways of creating wealth through new business models, access to remote markets and the disintermediation of supply chains.	Some of the old ways we created wealth are being disrupted, sent offshore or are no longer profitable.
Innovative new ways of having a conversation with our regional customers – whether they are residents, visitors, potential investors or “tree changers”.	The customer has raised expectations that services and information will be delivered in digital format through the channels that they wish to use.  For the first time in history the customer can actually “talk back”; and through digital channels like social media, can inflict negative impact on brand and reputation.
Unexpected new, low cost solutions are emerging to old business, community and public policy challenges.	Some of the ways we used to solve community and business challenges are becoming untenable in a relatively reduced rate base or lower cost business structures.

## There are Big Disruptions

It has been claimed that the retail and media sectors are the “canary in the coal mine” for other industry sectors yet to feel the full force of economic disruption arising from digital and online technologies. Prior to the Global Financial Crisis in 2008-09, Australians were only conducting 3% of their retail transactions online. Recent data shows that the transaction rates have risen to 27% - 30% in 2015. The disruption to traditional media forms such as newsprint and free-to-air television is equally powerful. Regionally based video production and provision facilities have many opportunities arising from high speed broadband and many threats that equally must be addressed. In Mount Gambier, regional media organisations such as *The Border Watch* are cognisant of both threats and opportunities

Deloitte’s 2014 revision of their original report *Big Bang, Short Fuse* provides evidence that one third of the Australian economy faces imminent and substantial disruption by digital technologies and business models. **This disruption will be felt hardest in industry sectors and enterprises that are under prepared and lack the digital capacity to respond to these rapid changes.**

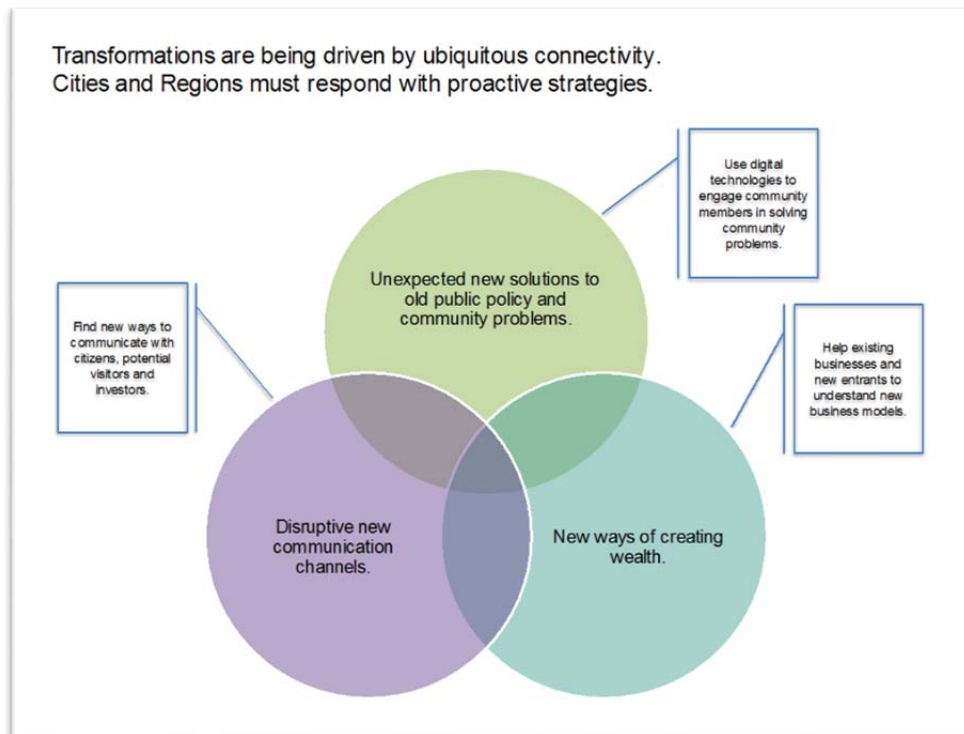
Areas of government service delivery and online engagement are not immune from these significant threats. Due to the prevalence of mobile consumer devices, citizens are increasingly expecting to interact with all levels of government via a sophisticated online channel. This expectation is rapidly growing and is particularly acute during times of community crisis. Increasingly, communities are self-organising using social media platforms during and after

McKinsey’s 2013 report *Disruptive Technologies: Advances That Will Transform Life, Business, And The Global Economy* identified the top 12 disruptive technologies - including the mobile Internet, autonomous vehicles, and advanced genomics - that have the greatest potential for economic impact and disruption by 2025. They estimated the potential economic impact that each technology would have by 2025 and concluded that these 12 technologies alone had “the potential to drive direct economic impact in the order of \$US 14 trillion to \$US 33 trillion per year in 2025”.

Assuming an Australian GDP growth is 3% and McKinsey’s estimates of the potential economic impact of these 12 digital technologies along with their distribution of the impact on developed economies is applied, it results in an annual economic impact on the Australian economy in 2025 of \$497b - from these 12 digital technologies alone.

natural and other crisis events. Government agencies and institutions that are unable to communicate effectively with citizens through these new digital channels will be severely impacted.

Demand for health and ageing services in Australia is growing at 18% pa, but the supply to meet this demand is constrained by government revenues growing at around 3% pa. It is the regions and communities like Mount Gambier that are best able to adopt digital and online solutions to augment health and ageing service delivery that will be best placed to bridge this increasing gap.



## The Landscape for Business is Changing

Businesses of all sizes face massive changes. Technological and digital innovation has facilitated an enormous new capacity to create, capture, analyse and disseminate information. There is great potential to create start-up businesses that have the capacity to revolutionise production and distribution of products and services on a national and global scale.

Outsourcing white-collar tasks to more efficient or productive economies is now the norm, but equally, regional Australia has the opportunity to build businesses that exploit online and digital technologies to sell products and services to urban and major city markets.

There is no doubt we are living through a pivotal period in regional economies. The question for regional Australia and cities such as Mount Gambier is whether **we can build the capacity to be creators of technological innovation, or just simply remain as consumers.**

“Place is supplanting the industrial corporation as the key economic and social organising unit of capitalism. Density, the clustering of creative people - in cities, regions and neighbourhoods – provides a key spur to innovation and competitiveness.”

– Richard Florida, *The Creative Class*

For Mount Gambier, developing pathways and support mechanisms that spawn, encourage, support and network entrepreneurs and ideas will be vital for success.

According to IBIS World's white-paper *A Snapshot of Australia's Digital Future to 2050*, 15 different industry sub-sectors face extinction due to factors such as size, international competitiveness, the potential for displacement, and technology.

Entrepreneurs need to understand how markets might be eroded or enhanced by emerging technologies a decade from now: how technologies might bring new customers or force them to fight for existing ones. Governments, community leaders and business networks will need to decide how to invest in new forms of education and infrastructure, and how to create an environment in which people with ideas can build prosperous futures.

### Planning for the Digital Future

Forward thinking and practical planning will help cities such as Mount Gambier to deal with the disruptions that new technologies are creating, and to build on the opportunities that are available.

The digital future is a key pillar in creating a vibrant community future.

Charles Landry is a global thinker and facilitator about the future of cities. In his publication *The Digitized City: Influence & Impact*, he stresses the important role of local government: "Cities, and their public entities, must be active players in this emergent city, both shaping it and being shaped by it". He also offers wisdom on how this should be approached: "The twin conditions to foster new solutions to problems and to harness opportunities are openness and collaboration".

### Digital Technology Offers Many Possibilities

There are many areas of community life that Mount Gambier should focus on when planning for a digital future:

<b>Connected Households</b>	Confident and capable people living in households with good broadband connections and digital services can have better access to services and are able to be more flexible in how, when and where they work.
<b>Local Information</b>	Rich local information, delivered through interactive digital services, allows people to be more informed, supports greater community participation and helps to bring communities together.
<b>Vibrant and Sustainable Living</b>	Technology enabled buildings and infrastructure can reduce environmental impacts through better management of energy consumption and through reductions in required travel.
<b>Community Health and Wellbeing</b>	Online services in homes and community facilities can improve access to health and community care professionals. Online services and digital technologies can also enable many people with special needs to live independently.
<b>Community Education and Skills</b>	Access to education and training can be improved for students and learners of all ages through access to digital resources and online services in their homes, workplaces and other locations.
<b>Community Safety and Security</b>	Online services can provide better community access and sharing of information about local safety, security risks and critical incidents.
<b>Engagement of the Socially Excluded</b>	Online services can help socially excluded people to connect to other people, to access support services and to develop basic skills.
<b>Democracy and Open Government</b>	Digital tools can be used by governments to extend the way they engage with their citizens, to support collaborative decision making and to improve transparency through access to rich sets of government information.
<b>Online Government Services</b>	Carefully designed online services are integrated, efficient, timely and citizen centric.
<b>Key Economic Business Sectors</b>	Digital tools and online services are critically important for larger businesses and are used to support customer interactions, supplier interactions and internal operations.
<b>Small Business Sector</b>	For smaller businesses, digital tools and online services support customer interactions and other operations.
<b>ICT Sector and Digital Workforce</b>	The presence of successful local ICT businesses provides employment opportunities for professional creative people and provides important technical support for other businesses and organisations.

## Strategic Areas for Action

The digital strategy and action plan that is set out in this document has been developed to support the aspirations that have been developed through the city's community plan. The strategy builds on the opportunities, responds to the challenges and addresses some key focus areas.

### Focusing on the Future

There are some important elements for Mount Gambier to focus on as it exploits the power of digital technology to help confront the opportunities and challenges. These are the key focus areas:

1. Equitable access to technology by everyone is important. Digital technology will become increasingly important for providing access to community, education, commercial services and government services.
2. Small business will be the key driver of economic and employment, particularly in the tourism sector. These businesses will need the capacity to ensure they are effectively connecting to their customers and their potential customers.
3. Some businesses will arise from local ideas, inventions and innovations. Digital technology creates new opportunities for these to be developed. Such businesses are more likely to flourish if there are better opportunities to create new innovations and there is some support for turning the ideas into practical businesses.

4. Tourism presents some of the best opportunities to grow the local economy. A 10% growth in annual visitor nights injects an extra \$20M pa into the local economy. A challenge for Mount Gambier is to make visitors more informed about the attractions and activities already on offer, and to create new attractions and activities.
5. An overriding focus for Mount Gambier must be to tell compelling stories about itself to residents, visitors, potential visitors, investors and others. Digital technology enables new channels and new creative techniques for reaching different audiences. It also raises the importance of image, branding and presentation.

### Five Strategic Areas

The plan sets out actions to be taken to meet requirements in 5 strategic areas:

**Connectivity:** Residents and visitors to the city need to be able to connect to online services, whatever their circumstances.

**Capacity:** Residents, businesses, the council and other organisations need the understandings and skills to effectively use digital technology.

**Content:** The services, information and stories that are made available through digital technology are all based on rich sets of data and digital content. Data and content about the city are the raw materials and need to be assembled.

**Creativity:** New innovative and creative business, based on technology-based ideas, can be supported.

**Channels:** The different audiences can access services, information and stories through different digital channels such as mobile apps, social media, video channels and websites.

Long-term effort is required in each of these strategic areas but the plan also sets out immediate actions to start building momentum.

The city council must take a leadership role for the overall strategy but other organisations in the city will have important roles.

The next sections explain the actions to be taken for developing each of the 5 strategic areas.



Focus on new conversations, new markets, new stories about Mount Gambier



Figure 1: Mount Gambier Digital Strategy High Level Conceptual Model

## Developing Connectivity

**Mount Gambier will be recognised as being amongst the most connected regional cities in Australia by investing in new infrastructure and planning to exploit existing assets to create economic and social growth opportunities. Mount Gambier will use its relative advantage in telecommunications to connect with potential investors, business migrants and “near-shoring” opportunities.**

Connectivity through broadband telecommunications is the foundation of a digital future.

### Mount Gambier Should Build Digital Connectivity

In order to future proof the city and provide a platform for innovation, economic and social growth, Mount Gambier should foster the development of a rich environment of broadband networks that support digital applications, ensuring that these networks are available throughout the city and to all citizens.

Regional cities that plan for and attract the provision of easy access to broadband should include an infrastructure that combines cable, optical fibre, and wireless networks. This will offer maximum

connectivity and bandwidth to citizens and organisations located in the city.

Regional cities are most effective when they work with a mix of service and infrastructure providers that accelerate connectivity in critical areas around the city such as universities, business centres, technical and research institutes, government offices and emergency response units.

The long-term goal of enabling and attracting broadband infrastructure of all types is to facilitate an open broadband network that the entire city - its organisations, companies, local government and individuals - can use. This widespread availability of fast Internet speeds has been shown to lead to the development of innovative approaches to particular social challenges and to the establishment of new businesses and business models.

In addition to the wired broadband networks that are necessary for regional cities, wireless broadband is becoming ever more in demand, especially with the explosive popularity of mobile applications, smartphones, the increased connectivity of smart devices, the Internet of Things (IoT) and the drop in costs of sensors and radio frequency identification (RFID) technology. These networks are fundamental to ensuring high-speed access to the Internet and to any e-services that the city plans to offer its resident and visitors.

Telecommunications will be a major factor in transforming, rather than reforming, the way region communities do business and live their lives.

### ***Geraldton – Using Connectivity to Attract New Industry***

A new type of mining is making its mark in Western Australia: data mining. The arrival of the National Broadband Network in towns like Geraldton is set to attract IT entrepreneurs.

With the supercomputing abilities of the Pawsey Centre in Perth and the big data services offered by the Geraldton Data Centre some 400 kilometres up the coast, the rollout of the National Broadband Network is changing how many businesses work, and it is attracting new IT entrepreneurs to the region.

The point of connection for the northwest of Australia is the port town of Geraldton, one of the first in regional Australia to get on the network.

Geraldton is a town with a lot going for it. Known for its beaches, tomatoes and shipwrecks, it has a busy port, servicing agriculture and fishing industries worth \$1 billion and \$300 million respectively, and it is the point of connection for the multi-billion-dollar mining industry. But with the resources downturn and retail businesses struggling, the town is keen to make the most of fast internet speeds available over the NBN.

Solutions provider Market Creations signed a deal with IBM to build the Geraldton Data Centre, the first commercial data centre in regional WA, offering high speed internet business services, cloud computing, data management and disaster recovery solutions to businesses throughout WA.

The centre's operations manager Colin Smith has said: "There's a big demand for what we do. It's pretty common to have power outages, even in the city, so companies naturally want to protect their data."

With that in mind, the first Digital and IT Professionals networking event was held in March 2105 at the CityHive to hear leading IT entrepreneurs talk about technology trends and discuss future possibilities.

It is hoped the event, which is backed by AMCOM Upstart, Pollinators Inc, Regional Development Australia Midwest Gascoyne, Mid West Development Commission and the Australian Government's Digital Enterprise program, will become a regular fixture in the city.

Meanwhile, Geraldton Data Centre is planning a second operation at the new technology park being built next to the city's airport, and the Durack Institute of Technology is building an annex there.

## Regional Cities Should Provide Free Wi-Fi

The arguments are now strongly in favour of regional cities providing free broadband Wi-Fi services for residents and visitors. Whether it be driven by genuine economic and social outcomes, the growth in free Wi-Fi services in Australia has been rapid and widespread. This alone makes **free Wi-Fi necessary to boost regional competitiveness in the visitor economy.**

However, there is now evidence that deployed strategically and used as an engagement and communications channel, free Wi-Fi can make a contribution to equity and digital inclusion, to service and infrastructure efficiencies, to civic engagement, to community building, to economic development, to local innovation and to safety and security.

There are three key lessons to be learned from other regional cities' investment in free Wi-Fi services. Cities must:

1. Clearly understand resident and visitor user-needs
2. Clarify rationales and reasons for the investment
3. Identify robust and sustainable technical and business models.

## Connectivity Advantages Unique to Mount Gambier

With great foresight, the Mount Gambier Council previously participated in a joint bid with UniSA to create a Point of Interconnect (PoI) of high speed optic fibre that links campuses of universities across Australia. The bid was successful and the

resulting optic fibre asset connects the relatively new UniSA Mount Gambier campus via very high-speed optic fibre to Adelaide and the rest of the Australia's Academic and Research Network (AARNet).

AARNet is a national resource – a National Research and Education Network (NREN). AARNet provides unique information communications technology capabilities to enable Australian education and research institutions to collaborate with each other and their international peer communities. The UniSA fibre connection located at the Mount Gambier campus is now owned and operated by AARNet. UniSA buy connectivity services off AARNet but the remaining capacity of the fibre link is massive and largely unused.

Typically, AARNet also has arrangements with commercial providers so that untapped bandwidth on AARNet owned assets can be wholesaled to create commercial connectivity opportunities.

Further to this connectivity that is external to the city, Mount Gambier is fortunate to have optic fibre assets that run through sections of the city's central business district and beyond. These assets were originally built and owned by the Electricity Trust of South Australia (ETSA). Those assets were transferred to ETSA's successor, South Australia Power Networks, which in turn has executed commercial arrangements with one or more commercial wholesale providers.

These two optic fibre assets in a city the size of Mount Gambier is largely unique – perhaps only equalled in Australia by Geraldton in Western Australia. The opportunity to work with commercial

partners to build out, enhance and exploit these assets is very real but also quite complex. It is clear that these assets are currently largely untapped. However, if potential opportunities are strategically addressed, the assets could be used to:

- Build commercial opportunities to attract investment in broadband intensive call centres and data centres in Mount Gambier
- Augment the lifestyle attraction of Mount Gambier with high speed, low cost broadband for families, small business and home office businesses.
- Drive broadband costs down and speeds up so that Mount Gambier could approach business, government and residential costs equivalent with those in large Australian cities.

Therefore, the city and Mount Gambier's commercial sector should pursue this opportunity strategically. UniSA would strongly support such an approach and would be a key player in developing understanding the appropriate strategic approach.

## Proposed Actions

To progress this strategic priority action area, the city and its stakeholders should consider the following actions:

Action	Description
<b>1.1 Develop Free Wi-Fi Hotspot Network</b>	The city should identify and map high potential Wi-Fi hotspots throughout the city and surrounding region. It should publish locations through appropriate online channels. The city should extend the number of Wi-Fi hotspots. Priority should be given to places that are most valuable for residents using online services to learn, to tele-work and to access key services. Wi-Fi hot spots should also be provided in areas of value to visitors.
<b>1.2 Extend Free Wi-Fi Hotspots to Socially Disadvantaged Areas</b>	The city should extend free Wi-Fi to less advantaged areas of the city. The city should identify and secure key partners and attract them to trial innovative data plan sharing programs, enabling data plan remainders to be gifted to less advantaged community groups or residents.
<b>1.3 Extend and Invest in Community Assets to Enable Digital Access Programs</b>	The city should extend the digital infrastructure available to residents in community facilities including the public library. In addition to Wi-Fi and public access computers, consideration should be given to the provision of mobile tablet devices for loan.
<b>1.4 Engage with NBN Co and Encourage Take Up</b>	The city should work with NBN Co for joint promotion of the take up of new links as the NBN roll out occurs through Mount Gambier. NBN Co are running regional forums for communities and businesses in regional Australia and the city should use this opportunity to brand, promote and enhance its messages to the community about the importance of digital technology.

Action	Description
<b>1.5 Plan to Exploit Mount Gambier's Relative Connectivity Advantages</b>	<p>The city should form and lead a co-operative group of up to ten businesses and community organisations that would benefit from higher bandwidth and lower costs, called <i>Connect Mount Gambier</i>. <i>Connect Mount Gambier</i> should develop a plan to identify demand for high speed broadband in Mount Gambier, and approach AARNet to partner with the city to engage with appropriate commercial wholesalers. <i>Connect Mount Gambier</i> should build strong relationships with the City of Greater Geraldton to inform the strategy.</p>
<b>1.6 Strategically Plan to Create a Data Intensive Research Hub in Agribusiness</b>	<p>Following the formation of <i>Connect Mount Gambier</i>, the city should build on the initial broadband demand identification by strategically building more broadband demand. The city should work with UniSA and other research and education partners, together with the agricultural industry sector, to create a plan for an agriculture/agribusiness research hub to be located in Mount Gambier.</p>
<b>1.7 Strategically Plan to Attract Data Intensive Investment to the City</b>	<p>Following the formation of <i>Connect Mount Gambier</i>, the city should build on the initial broadband demand identification by strategically building more broadband demand. The city should work with the SA Government's economic development arm to create a plan to attract data intensive industry, and to attract investments in facilities such as data centres and call centres.</p>

## Developing Capacity

**Mount Gambier's residents, businesses and community organisations will have the confidence and capabilities to use digital technologies to support their current needs and their future opportunities. The city council will lead the use of digital technology across the community and be an exemplar.**

The capacity to use digital technology is now a necessity. People, businesses and organisations that lack the capacity will be left behind.

### Residents' Digital Ability

Many of Mount Gambier's residents currently lack the ability to use technology effectively. The Australian Digital Inclusion Index provides quantitative measures of access, affordability and digital ability for regions across Australia. The 2016 index measured the digital ability score for the South East Region of South Australia as being 38.3, against a score of 43.2 for the state and 46.0 for Australia as a whole. Older people and people with a disability are more likely to have lower digital abilities.

The city is already addressing digital inclusion issues through programs offered by the public library. These programs include practical sessions on using technology products. There are opportunities for local community organisations to deliver digital literacy programs to specific groups in the community such as older people. The library is well placed to help co-ordinate such activities.

### Digital Capacity of Small Business

There are strong opportunities for economic and employment growth from sectors such as tourism and retail services, which are dominated by small businesses. Their future prospects will depend on the way they adopt technology to reach their customers, to connect with their suppliers and to manage their operations efficiently. Many of Mount Gambier's small business operators currently have limited strategic and practical understandings about the application of digital technology in their businesses. A number of business operators lack an understanding of how their potential customers, including customers who live overseas, interact with social media. They often lack the capacity to use social media and other online channels effectively.

Such businesses need practical, well targeted advice and information, that reflects their local circumstances. The Chamber of Commerce is connected to a range of local businesses. Although it currently does not facilitate coaching and training about digital technology for small business, it is well placed to take on a lead role.



### Digital Capacity of the City Council

This strategy has short term actions but a long term focus. It will need regular updating as circumstances change. Importantly, the strategy will need ongoing leadership and co-ordination.

The city council leads the social, economic and environmental development of Mount Gambier through initiatives such as the *Economic Development Blueprint*. The council should lead the digital strategy and co-ordinate the actions that are undertaken through it.

The city has strong foundations to build on. It is strengthening its economic development capacity and already has effective internal information technology operations. It should also lead by example and embrace digital technology for engaging with its community and with the audiences beyond the city. The city should also facilitate actions and resources where a common, citywide approach is most effective. Branding, and the development of contemporary designs for use in digital media channels, is an area where a citywide approach that is facilitated by the council will be beneficial.

### Geelong Chamber of Commerce

The Geelong Chamber of Commerce is an active supporter of businesses in its local area. The chamber operates the “Small Business Smart Business” program that brings “quality low cost resources to small businesses to help them start, grow, consolidate and reinvent”. In addition to foundational topics such as “Management capabilities” and “Building your business”, the program includes “Digital engagement and implementation”. The program is delivered through methods including individual mentoring and group tutorials, and there is a program website that offers articles on topics including the use of technology.

The main website of the Geelong Chamber of Commerce also contains a rich set of resources for local businesses. These include “SME TV”, a set of locally produced 15-minute videos that provide practical and accessible advice for small businesses, with a strong emphasis on the use of social media.

## Proposed Actions

To progress this strategic priority action area, the city and its stakeholders should consider the following actions:

Action	Description
<b>2.1 Extend Community Digital Literacy Programs</b>	Community organisations in Mount Gambier should provide digital literacy programs, including mentoring programs using volunteers, targeted at specific groups such as older people. The public library should extend its facilitation role with community organisations, drawing on initiatives such as the national “Go Digi” program. An initial step should be to establish and train a group of local digital mentors.
<b>2.2 Provide Training for Digital History</b>	The public library should extend its computer training courses and offer support for using technology for telling stories about local history. The library should work with its local partners including the Mount Gambier Local History Group and education institutions. Training should be provided on digitising, preserving and managing images, oral history recordings and other historic resources. Training should also be provided on storytelling using digital platforms. A “best digital story” competition about the history of the city and its people should be considered.
<b>2.3 Facilitate Advice and Resources for Small Business</b>	The Chamber of Commerce should arrange for “digital business” advice to be made available to local small businesses, particularly micro-businesses. In addition to generic business advice about using and managing technology, specific information related to local business should be offered including insights on how customers are interacting with social media. An initial step should be to adapt or develop a short series of videos and include these on the chamber’s website.

Action	Description
<b>2.4 Provide Digital Leadership from Council</b>	<p>The city council should establish a digital leadership role in the organisation, allocated to a senior officer. The role should have overall responsibility for managing and co-ordinating this strategy and action plan. The role should also have responsibility for driving digital transformation within the council itself. An initial priority should be to extend the online council services available to residents.</p>
<b>2.5 Build Digital Communication and Branding</b>	<p>The city council should build its capacity to use digital media for communications about the council and the city as a whole. It should extend its use of social media and video resources. It should also build capacity for multi-lingual publishing of local online resources, so as to reach overseas audience including potential visitors in Asian countries. An initial step should be to review the city's branding in ways that present a strong identity and take advantage of digital channels. New graphic assets should be developed for use by the council and for the city as a whole.</p>

## Developing Content

**There will be rich and growing sets of data and digital content about Mount Gambier which will be available to help plan and build new services, provide valuable information, tell engaging stories and support new visitor experiences.**

Data and content are the raw materials for digital technology.

### Council Managed Data

The city council's computer systems already hold a rich array of data sets about the city's infrastructure, properties and other subjects. These data sets are recorded within the systems that support specific functions undertaken by the council such as planning, development approvals, infrastructure maintenance and rates collection. Such data has wider value and can be used by local innovators to develop apps and other online services, for many different business and community purposes. The potential of council data can be expanded when it is combined with data sets from other sources including data that is managed by agencies of the state government and the Australian Government.

The council's data sets are currently not available for use by innovators and external parties. This is largely because the council

does not yet have an "open data portal" – a website through which data sets are made available. The council is also yet to develop the information management practices for identifying, assembling and publishing open data. These are important to ensure the privacy, confidentiality, security and quality of data.

### Data for Business

Businesses of all sizes that are actively planning to grow need access to a range of data. There are already many important sets of data about Mount Gambier that are valuable for businesses. These include data sets managed by the council, managed by the state government and managed by Australian Government agencies including the Australian Bureau of Statistics. There are also gaps.

Currently, Mount Gambier lacks access to a comprehensive register of local businesses. Some partial directories are available including lists managed by the Chamber of Commerce and the council. Our understanding that the City is currently developing a City Growth Strategy. That Strategy will include a business audit to support a comprehensive register that will be a valuable resource for existing businesses that were seeking to invest or establish partnerships in Mount Gambier. It would also be valuable for providers of business support services.

Many local businesses and business promotion organisations would also benefit from access to detailed information about customer behaviour. For example, the tourism sector would benefit from

detailed data about the background, preferences, behaviours and even the minute-by-minute movements through the city of visitors.

### **Cultural & Historic Content**

Documents, images, audio recordings and video recordings are resources for researching the history and telling the cultural and historic stories of a place. The digitisation of such resources is vitally important because it helps to capture memories, to preserve the resources and to allow better access to the resources by a wider audience.

The public library is actively involved in the digitisation of such resources and offers access to specific collections about Mount Gambier including the *Les Hill Photographic Collection* and the *ForestrySA Mounted Photographic Collection*. The library uses a number of online platforms including services managed by the State Library of South Australia and the National Library of Australia. There are opportunities to digitise more resources about Mount Gambier and the surrounding districts. These include privately owned historic photographs and oral history recordings.

### **Digital Mapping**

Visitors and others are increasingly using Google Maps, mobile apps and similar online channels to find services and attractions, and to learn about the places where they are. Special apps are being developed for these purposes. These channels depend on

### ***Sensing Tourist Travel in Tasmania***

The University of Tasmania's *Sense-T* program is exploring the use of data and real-time sensing technology for solving practical challenges in a number of industry sectors. In early 2016, a project was undertaken to gain insights into tourist visits to Tasmania. Using smartphones and an app, information was gathered about where visitors go, how they move around, and what influences their decisions. Data was produced about how travel patterns differ according to age, home country, length of stay and reason for travel. This included detailed information on how long someone stands at a lookout, walks through a national park or browses an art gallery.

The project tracked the precise movements of almost 500 visitors. They were handed smart phones that recorded accurate, real-time data of their travel patterns through a purpose built app replaying GPS location information. The app also generated pop-up surveys to capture the personal insights of participants at different locations.

The project has created a highly valuable set of data that is being used for planning to improve visitor experiences, with a view to increasing visitor number and extending their stays.

suitable data and content being available that is tagged or “geo-coded” with the location co-ordinates.

There are many opportunities to geo-code content and data about places, attractions and services in Mount Gambier. For example, geo-coding can help tourists find public toilets, picnic grounds and parking places for recreational vehicles. The geo-coding of historic photographs and other cultural resources can help support apps which provide interpretative advice on walks through the city.

### **Tourism Information**

In the past, visitors have used physical visitor centres to find practical information and interpretative information about the places that they are visiting. There is a rapid change underway with a decline in the use of physical centres and an increase in the use of online channels. There will be less demand for printed brochures and more demand for content in digital forms.

Mount Gambier will need to increase visitor publication information in digital forms.

## Proposed Actions

To progress this strategic priority action area, the city and its stakeholders should consider the following actions:

Action	Description
<b>3.1 Provide Council Open Data</b>	The city council should establish an open data portal to allow access to comprehensive sets of data from its own databases. It should introduce information management practices for identifying data sets for release, and for maintaining privacy, confidentiality, security and quality. The council should also facilitate the release of open data about Mount Gambier that is managed by other organisations.
<b>3.2 Develop Register of Businesses</b>	The Chamber of Commerce should lead the development and maintenance of a database providing a comprehensive register of all businesses in the city. The database should be made accessible through a number of online channels.
<b>3.3 Assemble Tourist Behaviour Data</b>	The city council should facilitate a project to collect a detailed data set about the behaviour of visitors to the city. The project could draw on experiences of similar projects including that of the Sense-T Program in Tasmania (see side box). The data should be analysed to inform future economic development planning and the implementation of the city's tourism industry plan.
<b>3.4 Assemble Foot Traffic Data</b>	The city should use Wi-Fi tracking software to build data sets around foot traffic and movement through the city. The resulting data sets should be shared with business and community and enhance planning for city amenity.

Action	Description
<b>3.5 Extend Digitisation of History Resources</b>	<p>The public library’s services for digitising historic photographs and similar resources should be extended. Additional equipment should be acquired and appropriate marketing undertaken to encourage local people and organisations to bring forward their photos and recordings. The library should work with local groups, including the Mount Gambier Local History Group and aged care providers, to create and capture oral histories from older residents. The library should ensure that rich sets of contextual information are recorded with the digitised resources.</p>
<b>3.6 Assemble Content for Tourists</b>	<p>A digital publishing program should be established to assemble a comprehensive collection of digital content about the city for visitors. The content should be created in discrete “chunks”, suitable for easy adaptation and presentation through different channels such as mobile apps, websites and large screen projections. It should support the increased use of such digital channels, reducing the use of paper based brochures. The content should cover practical information and interpretative information about local history, culture and natural heritage. The content should draw on resources including data managed by the city council and the Chamber of Commerce, and historical resources that have been digitised. It should also include the work of local artists. Key texts should be made available in multiple languages. Geo-coding should be applied to relevant content.</p>



## Developing Creativity

**Mount Gambier will develop a culture, approach and programs that encourage and support new business, innovation and start-up investment. Mount Gambier will be recognised around the nation as a regional city that invests in and attracts innovation and technology-based or technology-enabled businesses.**

Cities and regions that have a clear innovation eco-system succeed.

### Business Growth

To ensure that Mount Gambier mitigates the threats of digital disruption, and that Mount Gambier retains its per-capita share of potential growth, an estimated 300 new businesses should be created over the coming decade. Without this, significant potential economic growth will be lost to national and international competitors.

### Mount Gambier Has Some Early Building Blocks

The recent success of programs like *Unleashed* and *STEM Summit 2016* point the way to a more comprehensive approach to an

Absolute Domestics was established in 2004 and moved to Mount Gambier soon after. The advent of dial-up internet mean that the proprietors could move back to their home city still provide services across Australia.

Absolute Domestics provides domestic cleaning services in 5 states of Australia. The business is run entirely online by Leonie Fartch from Mount Gambier and employs or contracts over 100 people Australia-wide.

Leonie says “If anyone is considering operating a national business from Mount Gambier, I would highly recommend it, with the way technology has improved over the years, and computer services available to us today, anything is possible.

innovation eco-system for Mount Gambier. The city is fortunate to host a UniSA campus, a TAFE campus, the James Morrison Music Academy and a highly innovative library service. These are all potential building blocks of an innovation eco-system and support network.

While the potential for technology-based start-ups may be somewhat limited, the potential for technology-enabled start-ups and high growth companies located in Mount Gambier is an opportunity.

### Regional Innovation Eco-Systems Have Some Common Elements

By studying international models such as Silicon Valley, Boulder and Israel, together with those closer to home like Wollongong, the Sunshine Coast and Geraldton, we can start to understand the common elements that cities and regions must put in place to build an innovation support network. Mount Gambier must consider the following key ingredients of a start-up and innovation eco-system, which are largely missing, underdeveloped, or disconnected in the city:

1. An eco-system needs champions to provide a driving force. A champion is a catalyst that accelerates interest and activity, which is particularly important in the very beginning or when entering a new growth phase. But champions also play important roles in keeping stakeholders focused and moving forward on an ongoing basis. Beyond passion, a champion must

inherently understand the necessity for an eco-system. Ideally, they seek to benefit from the eco-system but also wish to see it developed for the benefit of the broader community.

2. It is essential to develop an entrepreneurial culture within a region, not only among the entrepreneurs themselves but also among all stakeholders. The irony of the regional mindset is often that despite its familiarity with small businesses, it struggles to understand how a “start-up” is something different that requires different support for growth.
3. Today’s regional start-ups represent a completely new way of doing business, and despite their regional location, they often aim to operate on a global scale from the very beginning. The entrepreneurial culture must reflect this paradigm shift.
4. Working in isolation, an entrepreneur is doomed to fail. A strong and diverse network of other entrepreneurs, mentors, service providers, investors, etc helps entrepreneurs share ideas, access resources, receive encouragement and advice, overcome barriers, and learn about new opportunities. Although individuals have their own set of relationships, an eco-system can help formalize, expand, and activate an entrepreneur’s network.
5. In a regional context, the eco-system must ensure ongoing engagement among key stakeholders, including entrepreneurs; local, state, and federal governments; service providers (eg accountants, lawyers, and consultants), educational and

research institutions; mentors; investors; media; and, most importantly, entrepreneurs.

6. To build capacity in a region, there must be a clear process, or runway, that will lead entrepreneurs from idea to commercialization to growth (or sometimes exit and re-investment). All other stakeholders must understand and “buy in” to this process, and every aspect of the eco-system should be designed to support and further develop it.
7. Entrepreneurs need a place to work and benefit from the availability of co-working space. Having a suitable place to run

events and programs also helps to bring the people and the ideas together and to stimulate an environment of strategic risk taking and entrepreneurship. Thus, the physical space becomes a means of sharing information and knowledge, building a community, and fostering the necessary culture.

These elements are integrated:



Figure 2: Elements of Regional Innovation Ecosystem

## Proposed Actions

To progress this strategic priority action area, the city and its stakeholders should consider the following actions:

Action	Description
<b>4.1 Establish an Innovation Eco-system</b>	The city should work with its partners in business and education to establish a clear innovation eco-system. The eco-system should focus on encouraging many business ideas that are technology enabled, and some that are technology based, to start and grow in Mount Gambier.
<b>4.2 Establish a Digital Innovation Hub</b>	The city should establish a start-up hub as a physical, multi-tenant space that is a digitally-enabled business incubator supporting local entrepreneurs and small business start-ups. It should be equipped with high-speed Internet, video-conferencing rooms, hot-desks and space for “pop-up stores”. This hub would be a convening space for mentoring and sharing ideas to incubate new business ventures.
<b>4.3 Establish a Digital Youth Hub</b>	The city should establish an age-appropriate physical space for young people that is safe and multi-purpose with free and fast wireless connections, with the physical spaces designed in consultation with youth as a place to congregate, collaborate and create. It should include high-performance networks for gaming. It should promote education on the appropriate uses of social media, such as privacy, security and civility. The space should be run by youth under adult supervision and have the support of local schools to help young people build global connections, develop global perspectives, and, importantly, nurture ideas for creating new enterprises into the future. The space could be a part of the overall digital hub but have a particular focus on young people

Action	Description
<b>4.4 Create and Foster a “Start-up Mount Gambier” Network</b>	<p>Together with the Chamber of Commerce, the city should create and foster a network of individuals and businesses focused on technology-enabled growth. The network should meet regularly and draw in UniSA people together with business mentors. The network should act as a clearing house for access and knowledge about relevant state and federal government support programs and should help guide the development and evolution of a start-up community and innovation eco-system.</p>
<b>4.5 Build Events to Create Deal Flow</b>	<p>The city, together with its partners in the business community, “Start-up Mount Gambier” and UniSA, should attract and develop programs and events that build a culture of entrepreneurship into the eco-system. These events should build capacity and capability on how to build start-ups and how to create and grow technology enabled businesses. They should connect members of the community to each other, creating synergy and opportunity. Events could be in the form of networking, hackathons, pitch clubs, entrepreneurial learning programs, guest speakers and mentoring clubs.</p>

### ***Geraldton's Start-up and Innovation Hub***

CityHive, run by Pollinators, is regional Australia's largest and longest-established co-working space operating from an inspiring heritage listed building on Geraldton's main street. CreativeHub has also been established in the main street of Geraldton, spread across two heritage buildings, as a new co-working space for creative industries.

All three buildings had been vacant for more than a decade before their regeneration as hubs for collaboration and the new economy. Around the buildings the city collaborated with artists, volunteers and retailers to fill spaces with urban art, pop-up shops and community gardens.

Pollinators is regional Australia's leading member-based organisation focused on growing innovations and entrepreneurship.

Members connect, collaborate and benefit from member perks while growing stronger communities. Members get access to regular events, online forums, newsletters and collaborative projects ranging from pop-up restaurants to festival

Pollinators offers a diverse mix of learning events and programs to members and the wider community. There's something for everyone: accelerators for high-growth commercial ventures, coding clubs for kids, and support for community organisations to be financially self-sustaining.

Pollinator programs respond to member and community needs, feature world-class experts and address topics ranging from strategy, marketing, peer mentoring, sustainability, leadership, technology and more.

## Developing Channels

**Mount Gambier will consistently engage the community, residents, visitors, potential visitors and audiences across the nation and beyond through exciting new digital channels. The city and its partners will explore innovative ways of creating dynamic online conversations with customers through digital channels.**

Ubiquitous connectivity has opened multiple new channels.

The fact that nearly everyone is now connected via a digital device, be that a smart phone, GPS or wearable – has driven transformations in many areas of work and recreation. Foremost is the transformation that this connectivity has driven in the variety and velocity of channels to have a conversation with our customers. Mount Gambier has many different audiences such as:

1. Citizens transacting with the council or engaging with the cultural and economic life of the city
2. Visitors arriving in the city to engage in the cultural, retail or tourism economy
3. Potential visitors to the city who are planning a trip from Melbourne to Adelaide or return

### *Encouraging the Community to Engage*

Online competitions that provide incentives in the way of prestige and recognition can be as effective as monetary rewards. One bushfire-affected region in Victoria engaged the community in bushfire recovery by establishing low cost smart-phone photo stations in accessible bushland recovery areas. The signage encouraged citizens and visitors to engage in active community recovery by taking a photo of the ever-changing bush vista and posting it on Twitter. The result after three years was thousands of photos taken from the same spot that could be transformed into compelling, digital content to share around the world.

4. Potential “tree or sea changer” migrants to the city from other states or countries
5. Potential investors in the city who are looking for investment opportunities in property or business establishment.

Prior to the digital disruption that we are now experiencing, Mount Gambier would have had narrow and few channels through which to engage each of these audiences. Further, the supply chain or value chain between Mount Gambier and each of these audience groups would have been complex, expensive and populated by intermediaries.

For example, attracting visitors to the city previously may have included travel agencies and high cost advertising on free to air television in target markets. Now, free content created by the community can be shared through multiple digital channels including apps, websites, social media and others.

### **New Channels Mean New Styles of Conversation**

Previously, cities like Mount Gambier would have had a top down approach to developing marketing collateral and endeavoured to maximise the value and reach by working through intermediaries (eg advertising agencies, newspapers, tourism agencies or television stations) to inform target market customers.

Due to the ubiquitous nature of connectivity and new digital channels, the customer can now talk back— via platforms like *AirBNB*, *TripAdvisor* and *SnapSendSolve*. In the new digital channel

### **New channels are replacing physical visitor assets**

- 63% of US travellers use Apps to discover new cities and what’s on
- 57% of people commence researching a trip using their smart phone
- 90% of people use their smart phone to search for local information when travelling
- 86% of mobile time is spent in Apps
- 16 million Australians owned a smart phone in 2015

*Source: Google Mobile Planet Australia 2015, ACMA and Flurry.*



dominated world, they should be encouraged and incentivised to do so. New thinking about non-monetary “currencies of change” can drive more and more customers to interact with the city and in doing so create more compelling content at low cost.

### **New Channels Drive Expectations of Two Way Transparency**

The emergence of customers able to engage in new channels and new conversations through smart devices has also driven the growth and expectation of two way transparency. Initially, through platforms like eBay in the early 2000s, where buyers could rate their seller and sellers could rate their buyer, digital consumers now expect to be able rate experiences and transactions in micro-survey form. Cities, retailers, tourism businesses and other organisations should encourage this and provide the necessary options on websites, platforms, apps and social media to do so. This two-way transparency will not only drive more shareable content creation but also improvement in service and experience quality.

Businesses and local government can employ simple strategies to encourage this behaviour. For example, a hotel operating in a remote mining town of Western Australia offered free beer to customers who wrote and returned with a TripAdvisor review of their premises. In doing so that hotel is now rated more often than any other regional hotel in the whole state.

With two-way transparency comes the need to act authentically when having a conversation with a customer through new digital

channels. Businesses and government seeking to exploit new channels to drive new customer engagement must develop a bias for two way conversation and migrate from old one way habits of delivering information.

### **New Markets Use Different Digital Channels**

Mount Gambier’s emerging visitor markets, such as China, may not be directly accessible via digital channels such as social media platforms that are popular in Australia. Specific content in languages other than English deployed via digital channels that are widely popular in China. *Sina Weibo* and *WeChat* are the most popular platforms in China but there is much more to it than that. Chinese social media is much more complex and fragmented than Australian business has come to terms with.

TASMANIA'S dated visitor information centres are set for a digital revamp in an overhaul of how the state deals with booming tourist numbers.

Visitors will be able to book, buy, download, recharge and talk with “local ambassadors” at new Visitor Experience Centres to replace the pre-digital information centres.

The new Visitor Experience Centres aim to become tourist attractions in their own right.

The strategy, a first for Australia, calls for an integrated digital platform and booking system which is “consistent and visitor-centric, not company or booking specific and not competing or conflicting with other platforms”.

It says “a consistent brand and narrative should be available throughout the visitor journey.”

Developed by the Department of State Growth and tourism bodies across Tasmania, the new approach has personal interactions at its heart.

“The personal interaction that the visitor has with Tasmania will be the story they tell when they return home. It will be the way they engage and experience the island, the first and the last memory they gather. It will be our core strength,” the strategy says.

## Proposed Actions

To progress this strategic priority action area, the city and its stakeholders should consider the following actions:

Action	Description
<b>5.1 Refine Key Mount Gambier Websites</b>	The city's key websites should be refined and re-branded overtime with the brand values that Mount Gambier wants to promote to the world. The websites to be re-developed should include the council's main website, the Chamber of Commerce's website and an enhanced visitor information website. When redeveloping all websites – whether they are citizen focused or visitor focused – particular attention should be given to making them actively mobile device friendly.
<b>5.2 Implement Search Engine Optimisation &amp; Re-Marketing</b>	The city should engage a high quality commercial partner to develop a Search Engine Optimisation (SEO) approach and an ongoing Adwords and Re-Marketing campaign. The city should use SEO, Adwords and Re-Marketing techniques to directly target potential visitors, migrants and investors in key areas.
<b>5.3 Develop Visitor App</b>	The city should work with its stakeholders in the tourism sector and engage a commercial partner to develop a visitor app for free download, marketed to potential visitors through SEO and re-marketing techniques. The app should encourage visitors to use the Mount Gambier Free Wi-Fi network in order to enable data collection and other re-marketing opportunities. The app should provide access to rich sets of content about the city and its attractions.

Action	Description
<b>5.4 Establish Innovative Engagement Projects</b>	<p>The city and its stakeholders should deploy an ongoing series of innovative digital engagement projects. An early project could include a smart-phone photo co-creation competition around the iconic Blue Lake. This project would encourage to create and share photos and/or videos of the changing colours of the Blue Lake, leaving a legacy of low cost but high value shareable digital content.</p>
<b>5.5 Extend Online Council Services</b>	<p>The city should focus on developing applications for council services. While citizens are likely to have a high usage of smartphones and notepads, services also must be available through a website for users without mobile technology. This would reduce the number of incoming calls and workload at the city's customer service and front desk. Prioritising the online-booking module of the city's core management system and deploying it to citizens in a mobile friendly way would be relatively low cost and low risk.</p>
<b>5.6 Implement a Citizens Engagement Platform</b>	<p>The city should invest in an innovative platform for direct citizen engagement and consultation. Rather than running one off consultations on specific issues – with the associated participant acquisition costs each time – the city should see online citizen engagement as a new “always on” utility channel. Geo-located data collected should be built on and used longitudinally to make better decisions about the city and its assets. Platforms such as <i>BangTheDrum</i>, <i>PlaceSpeak</i> and <i>SocialPinPoint</i> should be investigated against these criteria.</p>
<b>5.7 Facilitate Engagement with New Market Social Media</b>	<p>The city should work with the tourism sector to develop and disseminate an understanding of the online behaviours and the preferred online platforms of the key overseas target markets, including China. This understanding should draw on an analysis of tourist behaviour data.</p>
<b>5.8 Select and Implement a “Whats On” Platform and App</b>	<p>The city should investigate the selection and implementation of a platform and corresponding app that can be used by citizens, businesses, community groups, arts and cultural organisations and the council to promote and engage residents and visitors in events. Platforms and apps like <i>WhatsOnIn</i> and others which provide comprehensive data insights into who is doing what in the city should be considered so that the data can be used to inform event and promotions planning.</p>

Action	Description
<b>5.9 Re-imagine and redevelop Visitor Centres as ‘digital first’ channels to market</b>	<p>The City should review its visitor centre assets and re-cast budgets to fund a growing digital channel to market. The re-imagined centres should establish a “digital first” approach that means every interaction with visitors and potential visitors prioritises digital channels before traditional channels.</p>

## *Singleton in NSW has developed an App to Engage Visitors*

For an investment of under \$10,000, the small regional town of Singleton in the Hunter Valley now engages visitors and residents alike through a downloadable free App. Visit Singleton provides instant access to the best of this historic town, which is only 2 hours from Sydney and home to some of the best wine and food producers in Australia.

Designed for locals and visitors alike, find out where to eat, sleep and play.



### ***How to Make Use of Chinese Social Media***

While marketing through social media tends to have a lower profile than other channels in Australia, in China, engaging through social media is essential for connecting with customers and marketing your product.

Suggestions for using social media in China include:

- Use social networks to do your own consumer research by checking what customers are saying about products and brands.
- Always post content that is highly user-oriented and entirely authentic.
- Be willing to listen and learn from feedback. By doing so, you can modify your content and adapt it more towards your audience.
- Put your users centre stage and involve them through offering competitions, asking for views, input and ideas.

For more in-depth assistance and advice on marketing through Chinese social media there are a number of specialist Australian social media firms that can tailor content to the Chinese audience.

## Making it Happen

**Over the next 3 years the city will invest strategically in initiatives within budget capacity and will encourage the Mount Gambier community to co-invest appropriately.**

### Indicative Costings

Strategic investment in proposed actions and projects will incur both internal staff costs and external costs in suppliers and advisory in most cases. Some projects will have an ongoing recurrent cost in order to maintain or continue effort.

There is potential to reduce these costs to the City by engagement with external stakeholders, external grants and business community involvement.

All costs outlined in this table are estimates only. Final costing will be greatly affected by scope and scale of projects – further work will be required. These costing are designed largely to indicate relativity between projects and between internal and external effort required.

Proposed Action	Internal Staff Start-up Costs (‘000)	External Start- up Costs (‘000)	Estimated Recurrent Costs (‘000)
1.1 Develop Free Wi-Fi Hotspot Network	\$10-25	\$25-50	<\$10
1.2 Extend Free Wi-Fi Hotspots to Socially Disadvantaged Areas	\$10-25	\$25-50	<\$10
1.3 Extend and Invest in Community Assets to Enable Digital Access Programs	\$10-25	\$25-50	<\$10
1.4 Engage with NBN Co and Encourage Take Up	<\$10	<\$10	<\$10



<b>Proposed Action</b>	<b>Internal Staff Start-up Costs ('000)</b>	<b>External Start- up Costs ('000)</b>	<b>Estimated Recurrent Costs ('000)</b>
1.5 Plan to exploit Mount Gambier's relative connectivity advantages	\$25-50	\$25-50	<\$10
1.6 Strategically Plan to Create a Data Intensive Research Hub in Agribusiness	\$25-50	\$25-50	<\$10
1.7 Strategically Plan to Attract Data Intensive Investment to the City	\$25-50	\$25-50	<\$10
2.1 Extend Community Digital Literacy Programs	<\$10	<\$10	\$50-100
2.2 Provide Training for Digital History	\$25-50	<\$10	\$25-50
2.3 Facilitate Advice and Resources for Small Business	\$25-50	\$25-50	\$25-50
2.4 Provide Digital Leadership from Council	<\$10	<\$10	\$100-150
2.5 Build Digital Communication and Branding	\$25-50	\$25-50	\$10-25
3.1 Provide Council Open Data	\$10-25	<\$10	<\$10
3.2 Develop Register of Businesses	\$10-25	\$10-25	<\$10
3.3 Assemble Tourist Behaviour Data	\$25-50	\$25-50	<\$10

Proposed Action	Internal Staff Start-up Costs ('000)	External Start- up Costs ('000)	Estimated Recurrent Costs ('000)
3.4 Assemble Foot Traffic Data	\$25-50	\$25-50	<\$10
3.5 Extend Digitisation of History Resources	\$25-50	\$25-50	<\$10
3.6 Assemble Content for Tourists	\$25-50	\$25-50	<\$10
4.1 Establish an Innovation Eco-system	\$25-50	\$25-50	\$10-20
4.2 Establish a Digital Innovation Hub	\$10-20	\$25-50	\$10-20
4.3 Establish a Digital Youth Hub	\$10-20	\$10-20	\$10-20
4.4 Create and Foster a “Start-up Mount Gambier” Network	\$25-50	\$10-20	\$10-20
4.5 Build Events to Create Deal Flow	\$25-50	\$25-50	\$25-50
5.1 Redevelop Key Mount Gambier Websites	\$25-50	\$50-75	\$25-50
5.2 Implement Search Engine Optimisation & Re-Marketing	\$25-50	\$25-50	\$25-50
5.3 Develop Visitor App	\$25-50	\$25-50	<\$10

Proposed Action	Internal Staff Start-up Costs ('000)	External Start- up Costs ('000)	Estimated Recurrent Costs ('000)
5.4 Establish Innovative Engagement Projects	\$25-50	\$25-50	<\$10
5.5 Extend Online Council Services	\$25-50	\$25-50	\$25-50
5.6 Implement a Citizens Engagement Platform	\$25-50	\$25-50	\$25-50
5.7 Facilitate Engagement with New Market Social Media	\$25-50	\$25-50	\$25-50
5.8 Select and Implement a “Whats On” Platform and App	\$25-50	\$25-50	<\$10
5.9 Re-imagine and redevelop Visitor Centres as ‘digital first’ channels to market	\$50-100	\$100	\$100 (re-cast existing visitor centre budgets)

### Prioritising the Proposed Actions

Over the next three years, the city and the Mount Gambier community should implement projects and initiatives strategically, commencing with the “no brainers” and “low hanging fruit” in order to create high profile demonstration to the wider community.

**The first step for the City to take should be to attract a digital specialist leader to work in Council. This person will be a leader in digital but also understand how to co-ordinate, facilitate and collaborate with others in Council and in the broader community to get things done. Recruitment of this position should begin immediately and responsibility for the overall implementation of actions resulting from this report should be given to this position.**

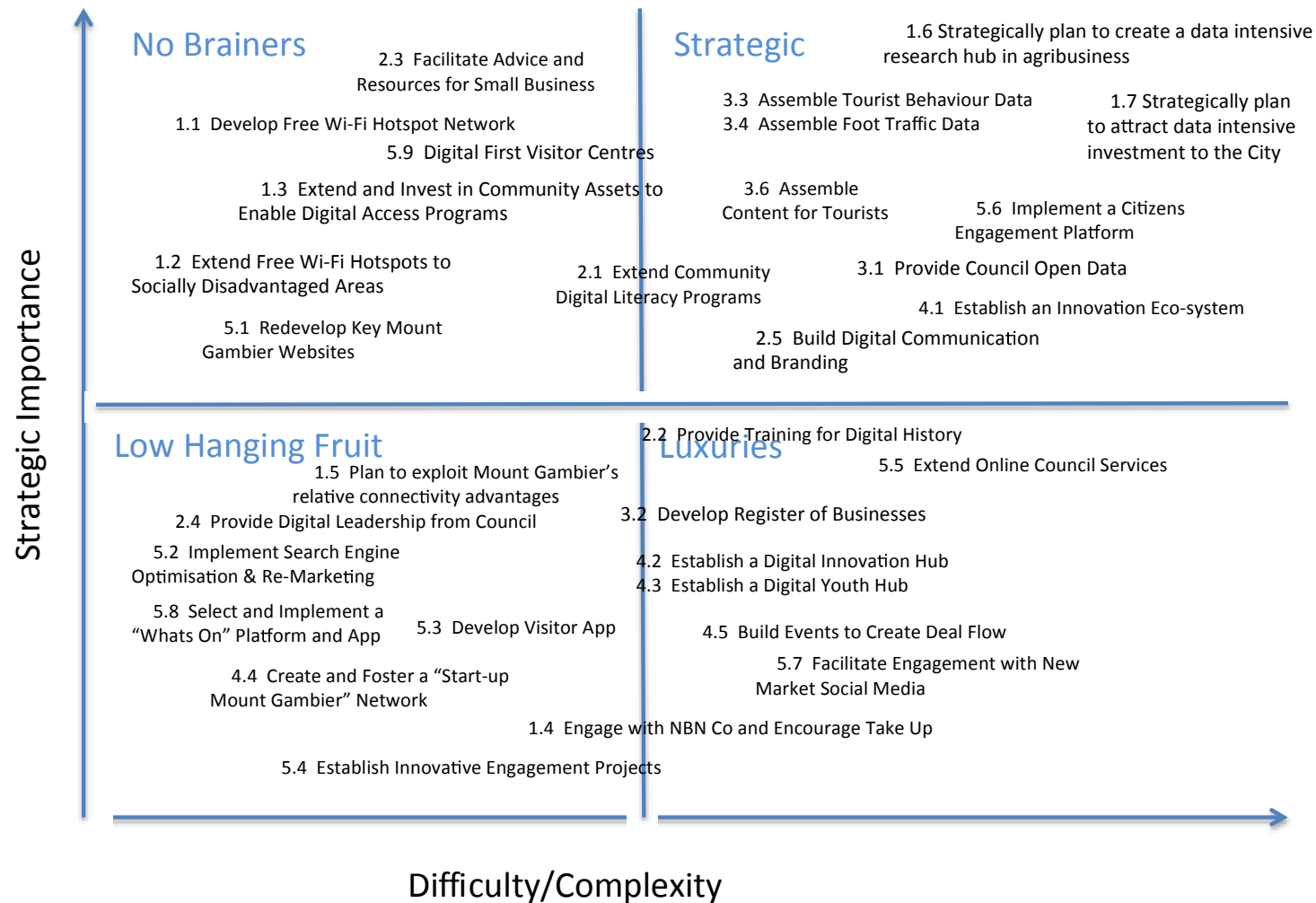


Figure 3: Strategic Project Prioritisation Matrix

## Appendix A: List of Parties Consulted

Explor Consulting undertook an extensive set of conversations with community leaders and business representatives including the following:

Elected Members of the City of Mount Gambier

Tourism Industry Development Manager (Limestone Coast LGA) - Tourism

UNISA - Education

SX Asset Management - Retail Sector

Colliers - Retail Sector

The Border Watch - Media

Boandik Lodge - Aged Care

Mount Gambier Hospital

Tennison Woods College (Education)

Mount Gambier Chamber of Commerce

SA Education (South East) - Education

Education Department (Education)

Tourism Mount Gambier Board Member - Hospitality/ Tourism

Representatives from: UniSA IT Department, AARNet and the South Australian Government.

Youth included: Cameron, Evan, Drew, Rayden, Callum, Alex and Brendon.

Council Staff included:

CEO

Director-Operational Services

Director-Corporate Services

Records and IT Team Leader

Manager Community Services and Development

Library Manager

Economic Development Coordinator

Economic Development Manager/Consultant

## **CORPORATE AND COMMUNITY SERVICES REPORT NO. 78/2016**

**SUBJECT: ELECTION OF CORPORATE AND COMMUNITY SERVICES STANDING COMMITTEE PRESIDING MEMBER**

**REF: AF11/858**

At its meeting on 17<sup>th</sup> November, 2015 Council confirmed the 1 year appointment of Cr Meziniec as Corporate and Community Services Committee Presiding Member from 20<sup>th</sup> January 2016.

In preparation for the expiry of the 1 year appointment term the Corporate and Community Services Committee, Council may now consider the appointment of a Presiding Member for the period from 20<sup>th</sup> January 2017.

The election of Presiding Member is by the Standing Committee from amongst its own number.

The following election process is summarised from Council's C410 Conduct of Meetings Policy:

- *A nominee need not be present, but must accept nomination prior to consideration.*
- *If only one nomination is received then that Member is to be declared Corporate and Community Services Presiding Member.*
- *Where more than one nomination is received a secret ballot shall be conducted forthwith without debate. Resolutions will be passed to endorse the voting process and appoint the Chief Executive Officer (or any other Senior Officer present at the meeting) as Returning Officer to declare the result and draw lots (if/as necessary).*
- *The Mayor may vote but a Member not in their seat at the meeting does not vote.*
- *The candidate with the highest number of votes (or where two or more candidates receive the equal highest number of votes the first name drawn in the lot) shall be declared as being nominated/appointed to the vacant position.*
- *A division cannot be called on the question of appointing a person to fill a vacant position.*
- *A motion to endorse the filling of the vacant position may be accepted (but is not required) however any failure or variation of the motion shall be of no effect on the result of the secret ballot.*

The Corporate and Community Services Committee may now accept nominations (and conduct a ballot - if necessary) to determine the Presiding Member from 20<sup>th</sup> January 2017, or otherwise seek nominations for presentation to a subsequent meeting.

Corporate and Community Services Committee meetings from February 2017 will continue to be scheduled monthly on the same days/times as in 2016 unless determined otherwise by the Corporate and Community Services Committee/Council.

### **RECOMMENDATION**

- (a) Corporate and Community Services Report No. 78/2016 be received;
- (b) Cr \_\_\_\_\_ be Presiding Member of the Corporate and Community Services Committee on and from 20<sup>th</sup> January 2017.

Sighted



**Michael McCarthy**  
MANAGER GOVERNANCE & PROPERTY  
23<sup>rd</sup> November, 2016



**Mark McShane**  
CHIEF EXECUTIVE OFFICER

## **CORPORATE AND COMMUNITY SERVICES REPORT NO. 79/2016**

**SUBJECT: CHINA ENGAGEMENT - STATUS UPDATE AND PLANNING**

**REF: AF13/306**

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### Background

Councillors are well informed of Council's China Engagement program with discussion and information during and after 2014 leading to our and the Region's participation in the State Government's delegation to Shandong in May 2015.

During this delegation, the City of Mount Gambier took the opportunity to arrange meetings in a number of other locations including Lu'an in Anhui Province. Since the initial delegation, the Regional approach has uplifted via involvement of four Limestone Coast Councils and Regional Development Australia (RDA) in developing a Regional prospectus and presenting more standardised material during trade expos and meeting with Chinese businesses.

Council's China Engagement has extended less than two years and during that time Council has:

- developed numerous marketing and promotional videos and dual language written material;
- participated in the State Government 2015 Shandong delegation with additional meetings in three other Chinese cities, Lu'an, Shenzhen and Fuzhou;
- received a business delegation from Shenzhen to Mount Gambier August 2015, plus a second visit to further investigate trade and exports;
- received a delegation of 18 Shandong Mayors to Mount Gambier in September 2015 during Shandong's visit to South Australia;
- participated in a number of Limestone Coast RDA and State Government arranged visits for Chinese business people;
- participated with the Limestone Coast Councils in the 2015 and 2016 inbound Shandong delegation expos in Adelaide;
- participated in the 2016 State Government Shandong delegation (5 Limestone Coast Councils attended along with the RDA);
- hosted inbound Lu'an delegation of 5 senior government officials in June 2016;
- hosted inbound Baotou delegation of 6 government officials and 9 business people in November 2016.

Council has established a Friendship Agreement with Lu'an (June 2016) and more recently a Letter of Intent between Council and Baotou who also signed agreements with the Mount Gambier Chamber of Commerce, Mini Jumbuk and Tenison Woods College.

The importance of building strong Government to Government relationships is crucial to establish the platform from which business to business activities can occur. No different to any business and government partnering process this takes time to establish and build, noting the short duration of Council's China Engagement program efforts must continue to build on our achievements to date as one component of our economic development strategy.

To advance partnering with Lu'an an analysis/investigation report was commissioned by the Council to identify and narrow the range of potential business opportunities between Mount Gambier, our region and Lu'an. This report is attached and clearly identifies business opportunities and next steps to advance these and the relationships between Lu'an and Mount Gambier.

Council now has the opportunity to further capitalise on the relationships with Lu'an and Baotou, and advance this to actively pursue business, trade, tourism and investment. This report recommends a return Council and business delegation to Lu'an and Baotou in March 2017 instead of replicating participation in the two previous Shandong delegations. By doing so Council narrows the scope of our visit to two cities and maximises potential outcomes and understanding at government and business levels.



Corporate and Community Services Report No. 79/2016 cont'd...

There is significant value in broadening Councillor exposure to China Engagement as at the present time only the Mayor and Chief Executive Officer have attended outbound delegations and have been mostly responsible for arranging and managing inbound delegations. It is suggested that several other Councillors and one additional senior staff member attend along with the Mayor, Chief Executive Officer and business on the proposed outbound delegation to Lu'an and Baotou. This will broaden the knowledge and experience base, strengthen the 'presence' of the delegation in Lu'an and Baotou and assist the future progress of Council's China Engagement.

It has been previously stressed that Council's China Engagement is not a short term action, rather one that takes time to build and form productive partnerships with identified Chinese government and businesses. Building Council's knowledge and understanding will support the long term nature of China Engagement.

As noted above the suggested delegation replaces the Mayor and Chief Executive Officer's participation in the annual Shandong delegation. Provision has been made in the 2016/17 Budget (Economic Development 6320.0762) to adequately cover expenses that, in the main, are limited to travel and associated costs.

Summary

The suggested outbound delegation to Lu'an and Baotou further progresses Council's China Engagement program, capitalising on the relationships between Mount Gambier and two Chinese cities. Broadening Council's participation, along with local business builds knowledge and understanding of the China market.

RECOMMENDATION

- (a) Corporate and Community Services Report No. 79/2016 be received;
- (b) the City of Mount Gambier commences the planning for an outbound delegation of Council and business leaders in March 2017;
- (c) That Council attendees include:
  - The Mayor
  - The Chief Executive Officer plus another senior staff member;
  - A number of Councillors to be determined by Council.



**Mark McSHANE**  
CHIEF EXECUTIVE OFFICER

24<sup>th</sup> November, 2016  
FM



AAC  
Asian Agribusiness Consulting

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# Report for the City of Mount Gambier on the Luan Market



City of  
Mount Gambier

# Background

# City of Mount Gambier Visit to Lu'an

- Lu'an is a city and prefecture in Anhui province with a city population of approximately one million and a total prefecture population of over 6 million.
- The city and prefecture is rapidly developing with rising living standards, increased disposable income and advances in industry and agricultural production. Lu'an city is 45 minutes from the province capital city Hefei (population of approximately 4 million) and is served by efficient transport routes and the international airport in Hefei.
- Our understanding of the relationship between Mount Gambier and Lu'an is that a delegation from the City of Mount Gambier Council & businesses visited Lu'an in May 2015 meeting senior Government officers including the Mayor and inspecting a range of businesses and industries. Of note were timber and timber processing industries, agricultural production, manufacturing and tourism locations.



**Lu'an prefecture government and business following presentation by Council and Bio Gro. Business represented included timber, tourism, dairy, logistics, biotechnology, forestry, meat processing.**

# Lu'an Return Visit to Mount Gambier

- In June 2016 a Senior Government return delegation from Lu'an spent 3 days in Mount Gambier visiting key industry sites including timber, soil conditioning, agriculture, manufacturing and tourism.
- Presentations of their respective regions were provided by both parties matching potential for future business. A Friendship Agreement between the two Cities was signed paving the way for continued constructive discussion on business trade, export, tourism, education and cultural exchange.

**六安市代表团人员名单**  
Name-list of the Delegation of Lu'an Municipality

唐云洲 六安市政府副秘书长、市政府办（外办）主任  
Mr. Tang Yunzhou  
Deputy Secretary-General of Lu'an Municipal People's Government;  
Director of Lu'an Municipal Government Office (Foreign Affairs Office)  
Tel: 0086-564-3379333 Mobile: 0086-17705649966

徐其进 六安市美丽乡村建设办公室主任  
Mr. Xu Qijin  
Director of Lu'an Beautiful Countryside Construction Office  
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梁国金 霍山县人民政府高级顾问  
Mr. Liang Guojin  
Senior Advisor of Huoshan County People's Government  
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汪宏军 叶集区政府筹备组组长  
Mr. Wang Hongjun  
Chief of Preparatory Team of Yeji District People's Government  
Tel: 0086-564-2770002 Mobile: 0086-13966267978

汪晓艺 六安市外事侨务服务中心主任、翻译  
Ms. Wang Xiaoyi  
Director of Lu'an Foreign and Overseas Chinese Affairs Service Center;  
Interpreter  
Tel: 0086-564-3379611 Mobile: 0086-18919799001  
Email: luansh@tqq.com

NEWS TIPS newsroom@tbw.com.au **NEWS** 7



**OFFICIAL SIGNING:** Party Secretary Tang Yunzhou and Mount Gambier Mayor Andrew Lee sign the official partnership document yesterday during a ceremony at the council offices.  
Picture: CAITLIN KENNEDY

## All signed up

Chinese partnership to promote region



**CAITLIN KENNEDY**  
caitlin@tbw.com.au

MOUNT Gambier City Council and Chinese prefecture Lu'an signed an official partnership yesterday aiming to promote trade and investment between the two regions.

A delegation of six Lu'an representatives - including the high-ranking Party Secretary - arrived in the Blue Lake City on Tuesday to meet with council and business leaders.

Council had authorised Mayor Andrew Lee and chief executive Mark McShane to negotiate a partnership agreement with Lu'an during the visit, which built on existing relationships from last year's State Government trade mission to Shandong.

During the council-planned venture, delegates visited the livestock exchange, Van Schaik's BioGro, Coonawarra wineries, Coala Station and NF McDonnell & Sons.

Discussions centred on furthering opportunities in trade, investment, tourism, education and culture.

Mount Gambier Mayor Andrew Lee welcomed the partnership, explaining it would deliver opportunities.

"There is investment potential and the opportunity for economic growth," Mr Lee said.

"We welcome the partnership and look forward to a great relationship between our two communities."

The agreement will not exclude council from similar arrangements with other Chinese districts in the future, but is expected to aid in building connections between the two cities.

# Objectives

Visits to and from Mount Gambier and Lu'an has established positive Government to Government relationships essential for business to business relationships.

The objectives of this report are to further investigate and analyse opportunities between the two cities. The City of Mount Gambier commissioned Asian Agribusiness Consulting (AAC) to carry out a study.



# Asia Agribusiness Consulting (AAC)

- AAC is a boutique consulting firm, based in Beijing that focuses 100% on agribusiness. AAC was founded by Michael Boddington, a passionate native of South Australia and graduate of Roseworthy Agricultural College. Michael has lived and worked in China since 1998 and prior to founding AAC he held senior positions at PIC (Australia, Philippines and China) and Alltech (China and Taiwan).
- AAC was established in 2007 and has produced over 300 industry reports covering a range of agribusiness opportunities. Since 2013 AAC has been PIRSA's In-Market Representative organising and co-ordinating PIRSA's in China activities including in bound trade missions, market access assistance and providing timely market intelligence.
- Over the past 9 years AAC has developed working relationships with key Chinese Government and Non-Government Associations and worked closely with the Australian Embassy and Austrade staff to facilitate market access and open doors for South Australian businesses
- AAC has a trained team of Chinese Nationals that are skilled in market research, business matching, incubation and organising/co-ordinating in-market visits to China. Our networks and understanding of China allows us to optimise commercial outcomes as a result of thorough preparation and having the right people in the room.

# Methodology

The AAC China Team used a combination of secondary data and first hand information collected during a site visit to Lu'an. During the site visit interviews were held with government officials, Lu'an businesses and other relevant sources to prepare this report. An example of some of the people we interviewed is listed below:

- Mr. Tang Yunzhou, Deputy Secretary General of Lu'an
- Mr. He Xianzhong, Deputy Director of Luan Municipal Foreign Affairs Office
- Mr. Chen Helai, General Manager of Keppel
- Mr. Huang Dongbao, Leasing Manager of Keppel
- Government Officials from Lu'an Commerce Bureau and Forestry Bureau
- Government Officials from Luan Agriculture Bureau
- Executives of fruit and vegetable companies
- Executives of Yeji and Huoshan timber companies

The key findings of the most relevant industries are presented in the body of this report and the supporting data and statistics are presented in the appendix.



# Key Findings -Timber Industry

## Key Insights

- Well established industry, highly concentrated in the Yiji region (80% of Lu'an demand).
- 40% of demand is supplied from imported timber.
- Logs and cut timber are mainly imported from New Zealand(80%) and North America
- Road transportation from the importing port is used to transport the timber
- Key industry to co-operate

## Suggested next steps

- Develop close relationship with Yiji and Huoshan companies and deep commercial exchange and involve City of Mount Gambier and Lu'an Government officials in MOU on return visit to Lu'an
- Undertake research to understand price and quality requirements
- Immediate opportunity



# Key Findings -Red Meat Industry

## Key Insights

- The local breed of cattle is a “traditional” breed that has been raised in small holdings
- Lu’an imports most of its meat from other provinces. But little of its demands are satisfied by internationally imported red meat
- As Lu’an’s GDP increases from the current level of USD 3,000 per capita we expect red meat consumption to increase, creating greater demand

## Suggested next steps

- Start dialogue with entrepreneur's that have an interest in food and focus on ‘entry level’ cuts of meat to start.
- Investigate current cuts sold and price points and develop understanding of cold chain
- Continue to promote Mount Gambier’s premium green, clean safe meat industry.
- Immediate opportunity



# Key Findings -Dairy Industry

## Key Insights

- Small fragmented local industry that relies on imported milk from other provinces
- Farmers receive a high milk price and thus the processor has a high cost of goods
- Moon Lake Investment is based in Nanjing and is reported to be chartering 3 flights per week to Nanjing to supply fresh milk from their Tasmanian production base (Van Diemen's Company)

## Suggested next steps

- Network with dairy distribution companies, educate market, develop brand locally
- Leverage Limestone Coast region milk supplies to deliver products (such as organic infant formula, fresh milk) from a known and respected agricultural area with high quality and food safety credentials directly into Lu'an.
- Immediate opportunity



# Key Findings -Land Management Industry

## Key Insights

- Heavy reliance on intensive agriculture and thus soil quality and conditioning has been compromised and needs attention to maintain and/or increase productivity.
- It was reported to us that 70% of the soil needs improvement
- Soil nutrient levels are low and opportunities for new varieties that improve soil structure and nutrient levels would be valued
- Government has several soil improvement programs ongoing



## Suggested next steps

- Bring experts from City of Mount Gambier on next visit and organise a field trip to develop an understanding and consequences of issue
- Organise out bound mission for key Lu'an technical people and show case opportunities
- Develop joint technical exchange program on either fee for service or friendship basis
- Immediate opportunity

# Key Findings -Wine Industry

## Key Insights

- We were only able to locate 1 distributor that sold imported wine in Luan.
- We know that Blue Sun in Hefei purchased AUD 450K (9 containers) of wine from Spain in 2015 for their clients, average price AUD 4.50 per bottle
- Markets need to be developed as wine sales are increasing, corporate bulk purchases at a price point present opportunities
- An importer based in Lu'an could access the growing markets of Shanghai, Nanjing and Hangzhou

## Suggested next steps

- The Keppel Logistics facility will increase the awareness and access of wine imports to Lu'an (and beyond ) and offers an opportunity to increase the profile of the region's wines
- Need to stimulate interest and suggest to have wine companies along at next delegation to start the process at an entry level price point
- Medium term opportunity





# Key Findings -Education Industry

## Key Insights

- Education is viewed as critical by all parents and those that can will spend what they are able to get the best education for their children
- Opportunities would exist for short and long term educational exchanges and potential exists for Lu'an senior secondary students to complete high school in a Mount Gambier school.
- Mount Gambier's lower cost of living, good schools and accessibility to Melbourne and Adelaide would appeal to families in Lu'an.



## Suggested next steps

- Promotion of Mount Gambier's education, high standard of living and moderate cost
- Identify potential schools in Lu'an to be feeder schools for Mount Gambier schools interested in Chinese students
- Encourage interested schools to have Chinese language on their curriculum
- Immediate opportunity

# Key Findings - Water Management

## Key Insights

- Lu'an has 6 large reservoirs with 7 billion cubic meters of water storage
- Lu'an supplies large volumes of drinking water
- When a certain water volume is reached excess water is allocated by the government for irrigation
- Irrigation is via canal and drip irrigation

## Suggested next steps

- Opportunities to share knowledge and experience of strategic irrigation practices
- Suggest experienced irrigation personnel on next delegation to Lu'an and also to organise return visit to inspect irrigation practices in the Mount Gambier region and its impact/benefits
- Medium term opportunity



# Key Findings -Keppel Wangjiang Distribution Centre

## Key Insights

- Significant opportunities are possible when the logistics centre opens in early 2017 for premium products from the region
- Lu'an Government is a partner in this logistics centre and is important to be involved.
- It offers a central 'go to' location to access international produce

## Suggested next steps

- The time is right to take a leadership position as 'first mover' in the distribution centre
- Develop a strong working relationship with Keppel management and Lu'an Government to leverage those relationships to brand the City of Mount Gambier produce, companies and accessibility via the distribution centre
- Immediate opportunity





# Key Findings - Logistics

## Key Insights

- Lu'an is close to Nanjing International airport and is well connected to international cities
- Road transport carries 85% of Lu'an's freight and Lu'an is crossed by several important freeways
- Railway connections are excellent giving Lu'an access to Beijing in the north, Shanghai, Hangzhou and Nanjing in the East and Guangzhou in the South

## Suggested next steps

- Understand that these logistic opportunities increase opportunities for movement into Lu'an but also movement out of Lu'an to other provinces for Lu'an importers
- Logistics plays a critical role as e commerce increases in importance in China
- Immediate consideration



# Recommendations and Actions

## **1. Timber**

Lu'an has a significant timber industry reliant on imported log and cut timber from New Zealand and North America. This industry requires future investigation and matching regarding raw log export and saw timber into Yiji Zone that specialises in timber and timber industry products. Price competitiveness (as well as product quality) will be determining factors.

## **2. Keppel Wanjiang Cold Chain Logistics Centre**

Significant opportunities are possible when the logistics centre opens in early 2017 for premium products from the region, this may include red meat, bottled water, wool products, wine and dairy products. The time is right given the pending opening to conduct further work and to present to key decision makers at Keppel and the Lu'an Government, especially as the Government are a partner in this logistics centre. Mount Gambier should work to leverage first mover status to strong brand products in this distribution centre.

## **3. Soil Improvement**

With heavy reliance on intensive agriculture soil quality and conditioning is critical to maintain and/or increase productivity. We understand that the Lu'an delegation visited a soil improvement operator and business in Mount Gambier and this should be further investigated regarding the possibility of technical transfer or plant replication in Lu'an.

## **4. Wine**

Apart from the Keppel Logistics facility wine export potential into Lu'an (and beyond into Hefei City, Nanjing, Hangzhou and Shanghai) should be researched for market potential and effective distribution networks.

# Recommendations and Actions (cont.)

## 5. Red Meat

Lu'an does not currently import red meat (beef and lamb) from international markets but it imports significant volumes of red meat domestically which is transported through the Chinese cold chain. Further discussions with Lu'an and a necessary investigation into the potential must be carried out to understand cuts of meat, prices points and market development opportunities

## 6. Milk Products

Apart from Keppel Logistics, opportunities for milk products (milk powder in particular) into Lu'an (and Hefei) may be viable. The establishment of the two milk powder plants in the South East region could be leveraged to deliver products (such as organic baby formula) from a known and respected agricultural area with high quality and food safety credentials directly into Lu'an.

## 7. Education and Culture

While not a component of AAC's brief, opportunities would exist for short and long term educational exchanges and/or potential for Lu'an senior secondary students to complete high school in a Mount Gambier.

Cultural exchange programs may also provide opportunities for mutual gain and this needs to be discussed between respective Governments.

# Recommendations and Actions (cont.)

## 8. In Bound Delegation

Leveraging off the Friendship Agreement, previous visits, positive relationships between the two Cities and the outcome of this report, a further return delegation from Mount Gambier to Lu'an should be arranged. Protocols dictate that the delegation should comprise senior officials from the City of Mount Gambier, business representatives and if possible others with comprehensive knowledge of key regional industries such as timber, agricultural products and the like.

The delegation should be tightly scheduled to ensure investigation and discussion are focused on the AAC report actions. ACC is able to provide further assistance in this regards including on ground support in Lu'an, organisation of the delegation agenda and promotion of the delegation to targeted companies.

From our on-site visit and various communications with the Lu'an Government and Industry considerable good will exists between the two governments. We have learnt over time that good will of this quality takes time to develop and it is our suggestion that the City of Mount Gambier leverages this good will to facilitate commercial outcomes for the region's businesses.



AAC  
Asian Agribusiness Consulting

# Appendix

# Research findings

# Timber Industry

## Market size

- There are 2,000 timber and bamboo processing industries in Lu'an and Yiji' s accounts for 80% of Lu'an total production. The industry is thus very concentrated.
- Timber demand is USD 2.3 billion, the average price of timber is USD 120/cubic meter
- 40% of Yiji' s timber demand is satisfied by imported product

## Imported timber

- New Zealand supplies (80%), followed by U.S., Canada and Australia
- New Zealand price is USD 12-15/Cubic meter reportedly cheaper than timber from Australia
- New Zealand mainly supplies logs
- 90% of timber import from Canada is square timber
- Imported timber mainly used to produce:
  - 50-60% sawn timber
  - 40-50% after rotary-cut and made into decorative sheet and film faced plywood

## Supply chain logistics

- Heavily rely on road transportation
- Mostly common used ports are Taicang(Jiangsu province) and Changshu(Jiangsu province)
- Other available ports are Shanghai, Rizhao, Jiujiang and Dalian
- The transportation cost from Taicang and Changshu port is approximately USD 19.5/cubic meter
- Zhenjiang port will be an emerging hot port for timber company Yeji, because the transport cost will be approximately USD 9/ cubic meter cheaper than Taicang and Changshu port

# Timber Industry

## Import price

- New Zealand offers different imported timber classes:
  - Small A : USD 123-125/cubic meter (80% of imported timber from NZ belong to this class)
  - Medium A: USD 146-155/cubic meter
  - Large A: USD 168-185/cubic meter

## Import model

- Mainly use an indirect import ie an agent
- NZ timber companies sell to Chinese timber companies based in New Zealand and then sell to timber processing company from Yeji at New Zealand company FOB New Zealand port

## Trends

- Timber demand growth rate in the next 5 years will be 20%
- Imported timber demand growth rate in the next 5 years will be 3-5%
- Direct import will be an increasing trend: timber companies in Yeji are trying to direct import as a group and want to deal with log producers directly

## Requirements before cooperation

- Understand needs of timber companies for product quality and volume
- Develop working business relationships through site visits to Lu'an companies and return visits to Australian suppliers to evaluate producing area and port facilities
- Sign MOU between key exporting companies, importing companies/end users and involve both Lu'an and City of Mount Gambier Governments
- Develop business to business relationship



# Beef Industry

- All local breeds mainly buffalo and yellow cattle and industry is fragmented
- Only 2 farms produce more than 500 head annually, there are 182 farms that produce less than 500 head
- Short supply of local beef, and purchase from other provinces
- No imported beef (based on import statistic data)
- 2015 beef cattle inventory : 191,500
  - Beef cattle slaughtered: 118,100 head
  - Beef production: 17,400 tonne

## **Observations:**

- Local beef production is low, Luan purchases large volumes of beef from other provinces that are often transported in poor conditions
- Has potential possibility import from the City of Mount Gambier if the price is reasonably compared to domestic price
- Suggest further investigation into price points, popular cuts and cold chain

# Sheep Industry

- Small fragmented industry using all local breeds
- 2015 sheep/goat inventory : 511,200 head
  - Sheep/goat slaughter: 901,700 head
  - Mutton production: 16,300 tonne
- 41 farms can produce more than 1,000 head annually
- Short supply of local mutton and purchase from other provinces
- No internationally imported mutton

## **Observations:**

- Relatively large volumes of domestically imported lamb
- Low consumption of internationally imported lamb
- Self-sufficient rate is low, Luan needs to purchase lamb from other provinces that are transported in poor conditions
- Has potential possibility import from the City of Mount Gambier if the price is reasonably compared to domestic price
- Need to investigate further to understand cuts, price points and cold chain

# Dairy Industry

- Small and fragmented local industry
- 2015 dairy inventory of 4,509 head and milk production of 20,900 tonne
  - 8 dairy farms located in Jinan, Yuan and Huoqiu
  - 1 dairy farm with more than 500 head
  - 1 dairy product processing company, and mainly sell in Luan
- Mainly use corn and wheat silage
- Largest dairy farm relies on technology and genetics from Shanghai Bright.
- Purchase U.S. alfalfa and Australia oat hay from Shanghai Bright ie the agent and not direct from the exporter
- Industry has a high raw milk selling price of USD 0.7/Kg with an estimated cost of production of USD 0.40 per kg

## **Observations:**

- Domestic dairy industry is small, and largest supplier receives a high price compared to domestic and international prices
- Local milk processor has high cost of raw materials compared to Northern China
- Opportunities for imported milk and infant products

# Vegetable Industry

- According to “2015 Luan Statistical Bulletin”, the total vegetable planting area was 64,114 hectares and produced 1.42 MMT of vegetables.
- Total value of industry was USD 0.6 billion
- In China, vegetables and fruit are often clustered into ‘production bases’. Bases are usually used to centralize technology, equipment and education resources.
  - Luan has 14 national standard vegetable production bases, 20 provincial standard vegetable production bases and 10 municipal standard vegetable production bases
  - Luan has 10 vegetable nursery bases
  - Luan has 142 vegetable cooperatives
- Main vegetable varieties are: pepper, cucumber, eggplant, tomato, Chinese cabbage, cauliflowers
- Vegetable mainly supply Luan and Hefei

## **Observations :**

- Vegetable industry is self sufficient
- Currently there is a low market demand for imported vegetable
- The breeding technology mainly provided by Academy of Agricultural Sciences
- Technical transfer in relation to irrigation technology could also be considered

# Fruit Industry

- According to “2015 Luan Statistical Bulletin”, the total fruit production was 118,009 tonnes
- Key fruit varieties are peach, grape and kiwi fruit
- The breeding technology is mainly provided by Pomology Research Institute
- Technology transfer cooperation with Japan, transfer related to new variety breeding and planting
- Technicians travel to Japan for training
- The industry is open for technical exchanges

## **Observations:**

- Current low demand for imported fruit but will increase as GDP increases
- Opportunities for technology transfer and training
  - Currently Japan is supplying new variety breeding and planting in peach and kiwi fruit
  - Production/irrigation technology could also be supplied as services

# Education and Culture

## Education

- 5 universities with 43,496 students in total
- 41 secondary vocational schools with 85,039 students in total
- There has been little interactions with international universities so far

## Observations:

- Opportunities to start exchange and co-operation as there have been few exchanges to date
- Need to understand needs and progress with models that have worked else where which requires investigation

## Culture

- 8 culture centers in Luan
- 11 museums and 7 public libraries
- International cultural exchange activities:
  - Folk cultural exchange activities between Luan and South Korea
  - Cultural exchange activities between Luan and Russia
  - Hold international tea culture forum in Luan with delegates from Mongolia and Russia attending

## Observations:

- Lu'an is interested in cultural exchanges and has a track record of success in this area

# Keppel Wanjiang Cold Chain Logistic Center

- First stage (red circle) is under construction and plans to finish safety inspection at the end of 2016 and plan to put into operation early 2017
- Total area of the logistic center is 47 hectares, including 27 hectares of first stage
- The total investment of first stage is USD 30 million
- The logistic center includes 1,700 wholesale shops, a multi thermo warehouse with a capacity of 20,000 pallets space, an exhibition center, an E-business center, a food processing & packaging center, a transportation center and 2 office blocks
- The logistic center will cover, vegetable, fruit, meat, seafood, tea, condiments and local products etc.
- Plan to have an specific area for imported product
- Has both cold storage and room temperature storage
- Aim to have no cash transactions
- Approximately 350 wholesalers have signed MOU with Keppel, mainly vegetable, fruit and frozen product
- Convenient transportation: 2 kilometers from highway entrance



# Logistics of Lu'an

## **Air transportation:**

- 0.5 hour drive from Hefei airport to Luan
- Hefei airport has 13 direct international flights to U.S., Japan, South Korea, Singapore and Taiwan

## **Railway transportation:**

- Lu'an is well connected by trains
- Several fast train lines cross Luan, such as: Jinghu, Jingguang and Jingfu
- 3 hours to Nanjing, Shanghai and Hangzhou
- 1.5 hours to Wuhan on the west
- 5 hours to Beijing on the North
- 6 hours to Guangzhou and Shenzhen on the South

## **Road transportation:**

- More than 85% of Lu'an freight is carried by road transportation and it is well connected
- 4 key national highways cross Luan and 1 is under construction
- Other highways that cross Luan: G 312, G 206 and G 105



# Overview of Luan

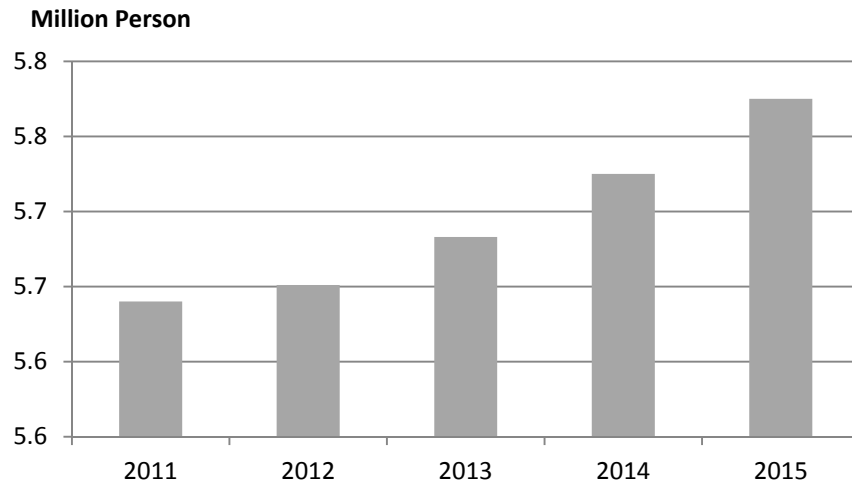


Figure: Luan population in the past few years

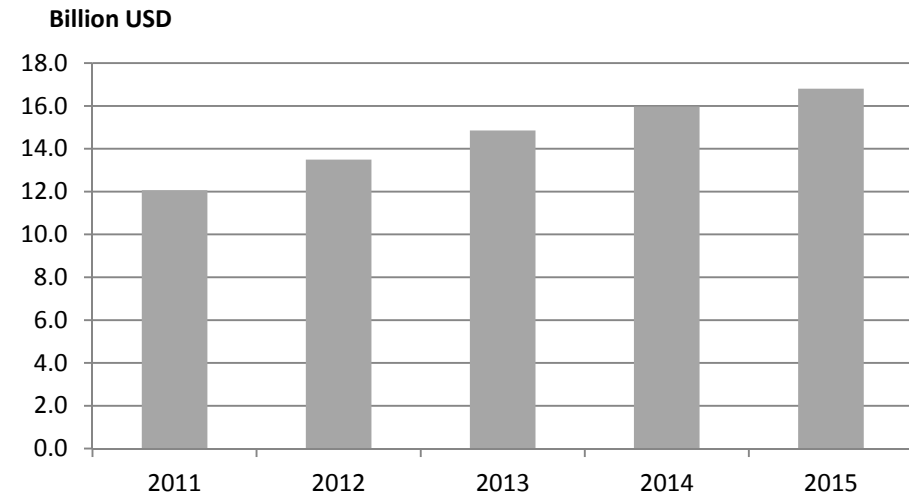


Figure: Luan GDP in the past few years

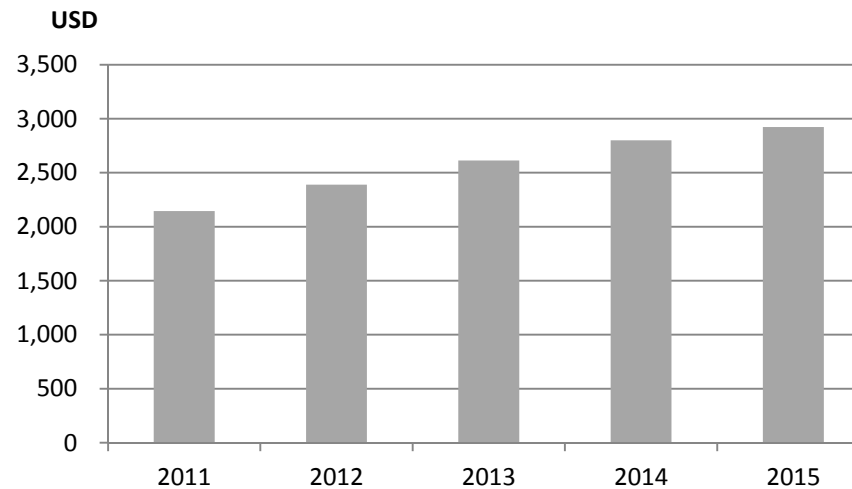


Figure: Luan per capita GDP

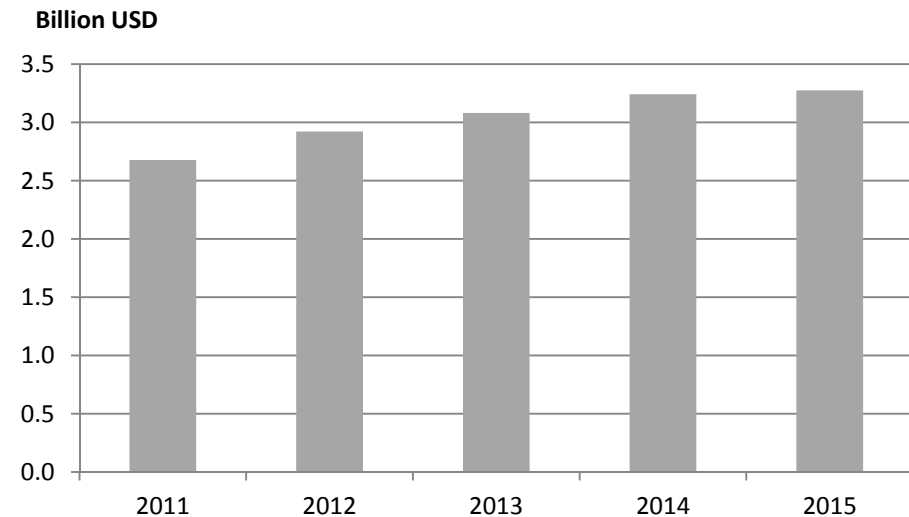


Figure: Luan primary industry production value

# Vegetable industry

- According to “2015 Luan Statistical Bulletin”, the total vegetable planting area was 64,114 hectares and produced 1.42 MMT of vegetables.
- According to face to face interviews with related local government officials, the total vegetable planting area was 80,000 hectare and produced 2.3 MMT of vegetables, with a total value of USD 0.6 billion

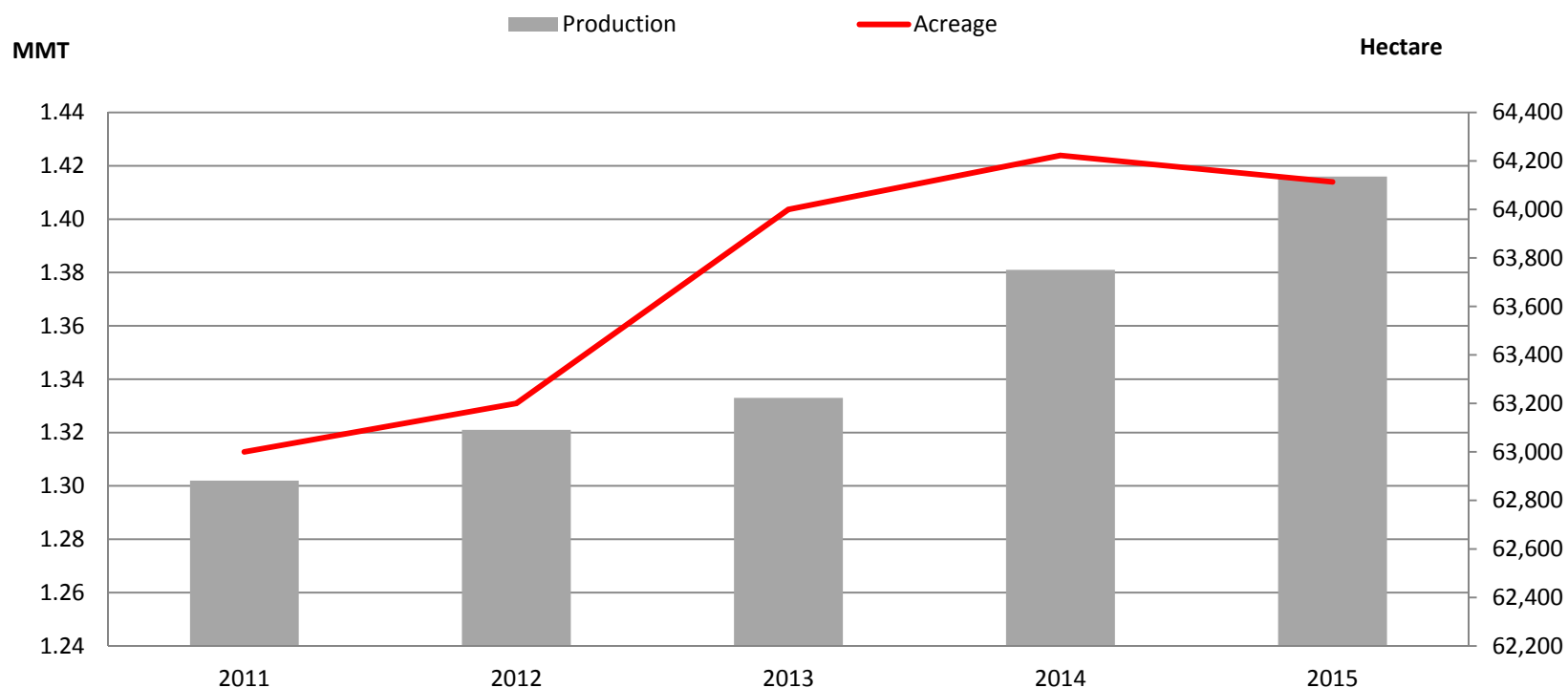


Figure: Luan vegetable planting area and production

# Fruit industry

- According to “2015 Luan Statistical Bulletin”, the total fruit production was 118,009 tonnes
- According to face to face interviews with related local government officials, the total fruit planting area was 22,433 hectare and produced 0.3 MMT fruit

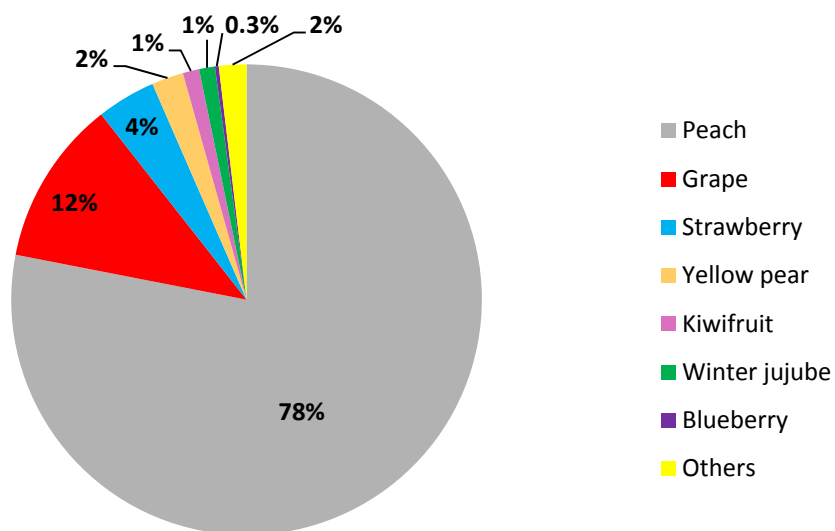


Figure: Luan fruit production breakdown in 2015

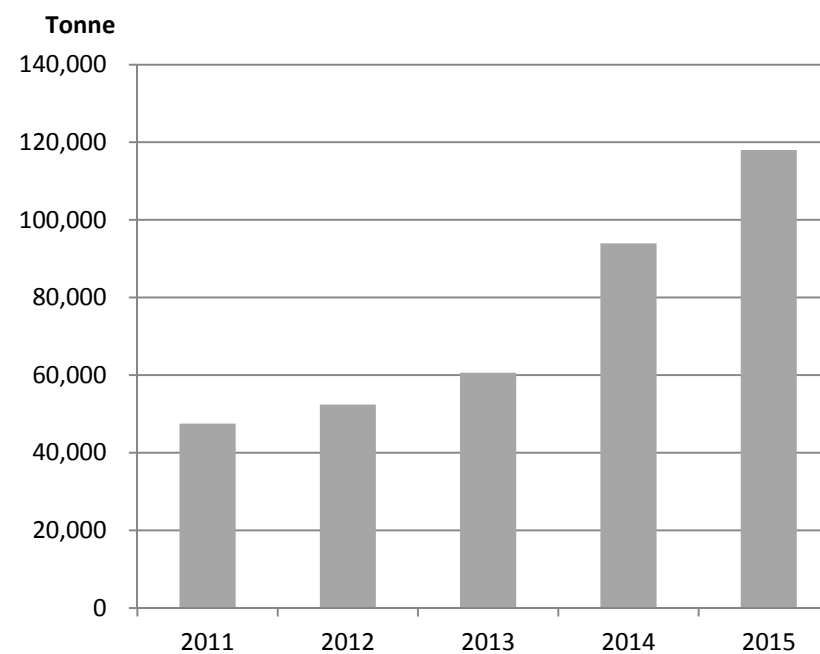
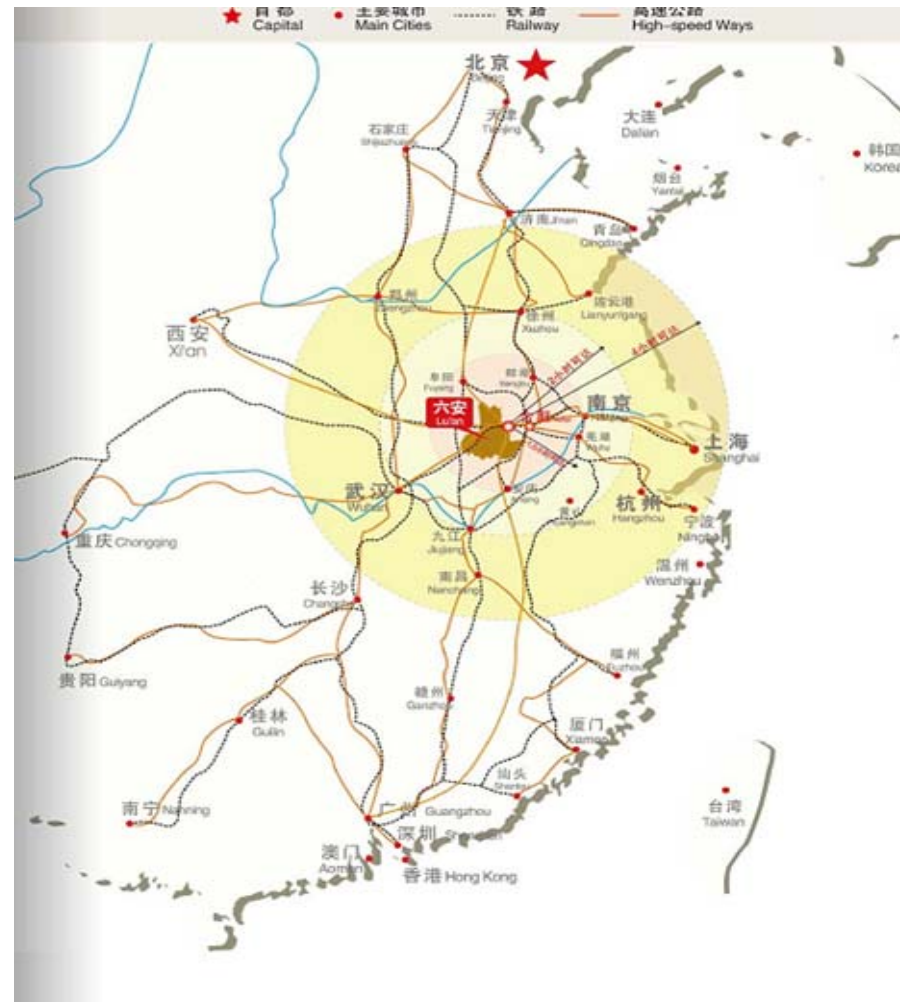


Figure: Luan fruit production in the past few years

# Logistics of Luan



**More than 85% of Luan's transportation rely on road transportation**

# Main import timber type and primary products



**Mainly import log(New Zealand)**



**90% of timber import from Canada is square timber**



**2 types of primary products of imported timber**



# Potential investment in Australia

## Longhua Group

During the course of our investigations we discovered a business that expressed interest in investing in Australia and we have included their high level information for reference

Business overview:

- 2015 sales revenue: USD 74 million
- 2015 export value: USD 40 million
- Products : 90% floor(bamboo floor and bamboo-wood floor) and 10% furniture
- Offices in U.S. and Australia
- U.S. subsidiary company plan to IPO in Australia
- 80% of their product is exported to North America(60%), Australia(20%) and EU(20%)
- 2015 import value of wood was USD 5-6 million and expanding to USD 10 million in 2016
- Mainly import wood from North America

### Investment plan

- Plan to purchase forestry plantations in Australia

### Information needed

- Government policy related to foreign company purchase of forest in Australia
- Current allowable annual cut and future forecast

## **CORPORATE AND COMMUNITY SERVICES REPORT NO. 80/2016**

**SUBJECT: TAXI LICENCE TRANSFER**

**REF: AF16/103**

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Council has for many years operated a taxi licensing scheme comprised of By-Law No. 6 - Taxi Regulation, Council Policy T110 - Taxi Regulation and Taxi Licences that are renewed annually.

Council Policy T110 currently provides a limit on the number of taxis (11) that can ply for business within the area of the City of Mount Gambier.

One of the existing Taxi Licence holders has sought Council approval of a proposed sale/transfer (in full) of their Taxi Licence to another operator.

Council's taxi licensing scheme is silent with respect to a sale/purchase or full transfer of a Licence, but otherwise provides for the following:

- leasing (or sub-licensing) by the Head Licence holder (whereby the Head Licensee remains the same person but the vehicle can be operated by an agreed 3<sup>rd</sup> party)
- partial transfer of a Licence for up to 2 years (being something less than a sale or full transfer)
- issuing of any new Licence to be by public tender ('new' interpreted to mean any additional or replacement Licence)

Historically the Taxi Licences issued by Council attracted some value and interest. The current proposed sale/transfer is understood to be for the market value of the taxi vehicle associated with the Licence with no particular value attributed to the Licence itself.

Other taxi operators/Licence holders may have an expectation that a Licence issued to a new operator/licensee be by public tender process as anticipated by the taxi licensing documentation.

The above options and considerations do not provide clear guidance with respect to processing the request for Council approval of a full sale/transfer of a Licence to a new operator/licensee.

Accordingly, this matter is presented to Council to consider whether it:

- (a) agrees with a Licensee's full sale/transfer to another operator/new licensee.
- OR
- (b) will accept the "surrender" (by non-renewal) of the current Licence and either:
    - (i) offer the Licence by public tender;
    - (ii) issue the Licence directly to the interested operator/new licensee;
    - (iii) not reissue the Licence, or;
    - (iv) such other option as determined by Council.

This report recommends that Council first seek the views of the local taxi industry (current taxi licence holders) to ascertain interest in participating in a tender process before affirming a position.

### **RECOMMENDATION**

- (a) the report be received;

Corporate and Community Services Report No. 80/2016 cont'd

- (b) Council write to all current Taxi Licence holders seeking their views and interest in participating in a tender process for the re-issue of the subject licence;
- (c) a further report be presented to consider any responses received;
- (d) in the event that no responses or objections are received the Chief Executive Officer be authorised to issue a new Licence to the proposed new operator/licensee.



**Michael McCARTHY**  
MANAGER GOVERNANCE & PROPERTY

Sighted:



**Mark McSHANE**  
CHIEF EXECUTIVE OFFICER

28<sup>th</sup> November 2016  
MMcC/AL



## **CORPORATE AND COMMUNITY SERVICES REPORT NO. 81/2016**

**SUBJECT: APPOINTMENT OF REPRESENTATIVE – TOURISM MOUNT GAMBIER**

**REF: AF11/854**

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At its meeting on 16<sup>th</sup> August 2016 Council endorsed the 'Changing the Tourism Culture' Tourism Industry Plan and support of a partnership between Council and Tourism Mount Gambier to deliver the tourism plan. In doing so Council also resolved to:

- *Request Tourism Mount Gambier establish Key Performance Indicators as agreed between Tourism Mount Gambier and the City of Mount Gambier to provide quarterly reports to Council on tourism plan performance and financial reporting.*
- *Provide Councillor representation on the Tourism Mount Gambier Board.*

Council has now received Tourism Mount Gambier's Key Performance Indicators and an invitation for Council to nominate a representative for attendance at its Board meetings.

Tourism Mount Gambier's Key Performance Indicators are presented as follows:

- Increase in occupancy over 2015/2016 figures
- Increase in Tourism Economy over 2016/2017 figures
- New Tourism Mount Gambier website operational by June 30 2017
- Manage expenditure within budget
- Membership revenue of \$10,000 or 80 members by June 30 2017
- 2,000 followers of Tourism Mount Gambier facebook page by June 30 2017

Tourism Mount Gambier have indicated a preference for a Councillor to be appointed as a Board representative, and view the role as a means of communication between Council and Tourism Mount Gambier rather than a member with voting rights, thus avoiding a material conflict of interest in any participation in Council decision making relating to Tourism Mount Gambier.

In light of the abovementioned Council resolution and Tourism Mount Gambier's preference for a Councillor appointment, nominations were sought from Elected Members for the position.

At the close of business on Tuesday 6<sup>th</sup> December 2016 nominations with additional supporting information had been received from:

- Cr Sonya Mezinac
- Cr Josh Lynagh

Where more than one nomination is received Council's C410 Conduct of Meetings Policy provides that a secret ballot be conducted to determine the successful candidate. It is proposed that a secret ballot to be conducted at the December Council meeting for this purpose.

### **RECOMMENDATION**

- (a) Corporate and Community Services Report No. 81/2016 be received;
- (b) The Tourism Mount Gambier Key Performance Indicators be agreed as:

Corporate and Community Services Report No. 81/2016 cont'd...

- Increase in occupancy over 2015/2016 figures
  - Increase in Tourism Economy over 2016/2017 figures
  - New Tourism Mount Gambier website operational by June 30 2017
  - Manage expenditure within budget
  - Membership revenue of \$10,000 or 80 members by June 30 2017
  - 2,000 followers of Tourism Mount Gambier facebook page by June 30 2017
- (c) A secret ballot be conducted to determine the successful candidate for the position as Tourism Mount Gambier Board meeting observer.



**Michael McCARTHY**  
MANAGER GOVERNANCE & PROPERTY

Sighted:



**Mark McSHANE**  
CHIEF EXECUTIVE OFFICER

6<sup>th</sup> December, 2016  
MMcC

**CORPORATE AND COMMUNITY SERVICES REPORT NO. 82/2016**

**SUBJECT: CULTURAL FUND PROGRAM SELECTION PANEL**

**REF: AF15/416**

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Members met on Monday, 14<sup>th</sup> November 2016 to discuss the assessment of eligible Cultural Fund Program applications and the establishment of a Cultural Fund Program Selection Panel.

Based upon the comments made by Members this report recommends that a selection panel comprise:

- An informal gathering of two (2) Elected Members and selected Community invitees to discuss Cultural Fund Program applications

Such a forum would enable input from others and discussion of applications without the procedural meeting requirements (and restrictions on discussion) of a formal Council or Committee meeting.

The session would be a '*designated informal gathering or discussion*' being organised and conducted by or on behalf of the Council and to which members of the Council have been invited and that involves discussion of a matter that is, or is intended to be, part of the agenda for a formally constituted meeting of the Council or a Committee.

Accordingly, such a gathering and discussion would need to be held in a place open to the public and notice of the place, date and time published on Council's website.

Whilst the selection panel would be unable to determine any matter it would guide the preparation of informed recommendations to a subsequent Council or Committee whilst complying with the Local Government Act 1999 and not creating additional unnecessary administration and formality.

Should this proposal be supported then Council may wish to consider the Elected Member and Community invitees for attendance at such a gathering and discussion for this purpose.

**RECOMMENDATION**

- (a) Corporate & Community Services Committee Report No. 82/2016 be received;
- (b) A designated informal gathering be scheduled following receipt of Cultural Fund Program applications, to accommodate the following Elected Members and Community invitees:
  - Cr
  - Cr
  - Community Invitees to be determined at the meeting



**Barbara CERNOVSKIS**  
MANAGER - COMMUNITY SERVICES AND DEVELOPMENT

Sighted:



**Mark McSHANE**  
CHIEF EXECUTIVE OFFICER

**CORPORATE AND COMMUNITY SERVICES REPORT NO. 83/2016**

**SUBJECT: CORPORATE & COMMUNITY SERVICES SUB-COMMITTEE**

**REF: MEMBERSHIPS AF11/858**

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The Lifelong Learning and Community Engagement & Social Inclusion Sub-Committee Terms of Reference provide that Community Member appointments are for a four (4) year term commencing mid way through the Council term.

In accordance with the terms of reference all community member appointments expired in November 2016 (noting that we have received a number of resignations) and have a right to re-nominate.

This presents an opportunity for Corporate & Community Services Standing Committee to review the purpose, objectives and alignment with the new Community Plan prior to committing to a further term of membership, noting the positive contribution of both Sub-Committees over an extended period of time. The reviewed organisational structure also presents an opportunity for review of Council's decision making structure.

Should the Lifelong Learning and Community Engagement & Social Inclusion Sub Committee community member vacancies be filled, then it may be determined to follow one of the following policy options:

- a public notice (in The Border Watch) seeking nominations from interested persons, or
- through a targeted process to identify suitable nominees

Consideration might also be given to the preparation of a role/person specifications, against which any nominee might be assessed to ensure that appointees are appropriately qualified, experienced, skilled or otherwise, suited to the positions.

**RECOMMENDATION**

(a) Corporate & Community Services Committee Report No. 83/2016 be received;

(b) To be determined at meeting.



**Barbara CERNOVSKIS**  
MANAGER - COMMUNITY SERVICES AND DEVELOPMENT

Sighted:



**Mark McSHANE**  
CHIEF EXECUTIVE OFFICER

5<sup>th</sup> December, 2016  
BJC.AL