

Local Government – Tourism Health Check

Fact Sheet 17
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INTRODUCTION

Local government is a key agent in sustainable tourism management through a variety of direct and indirect roles (see Figure 1). Managing these diverse functions presents substantial challenges.

In Victoria, the capacity of local government to sustainably manage tourism may be limited by:

- isolation
- access to resources
- relationships with industry and other levels of government
- training and skills of key staff
- communication within council

Tourism Alliance Victoria undertook research to measure the capacity of local government to develop and manage tourism over time in light of the variety of functions and the limitations faced. In

essence, a Local Government – Tourism Health Check.

Tourism Alliance Victoria plan to utilise the results of the research to assist it in targeting its support to improve local governments' capacity to manage tourism.

RESEARCH DESIGN

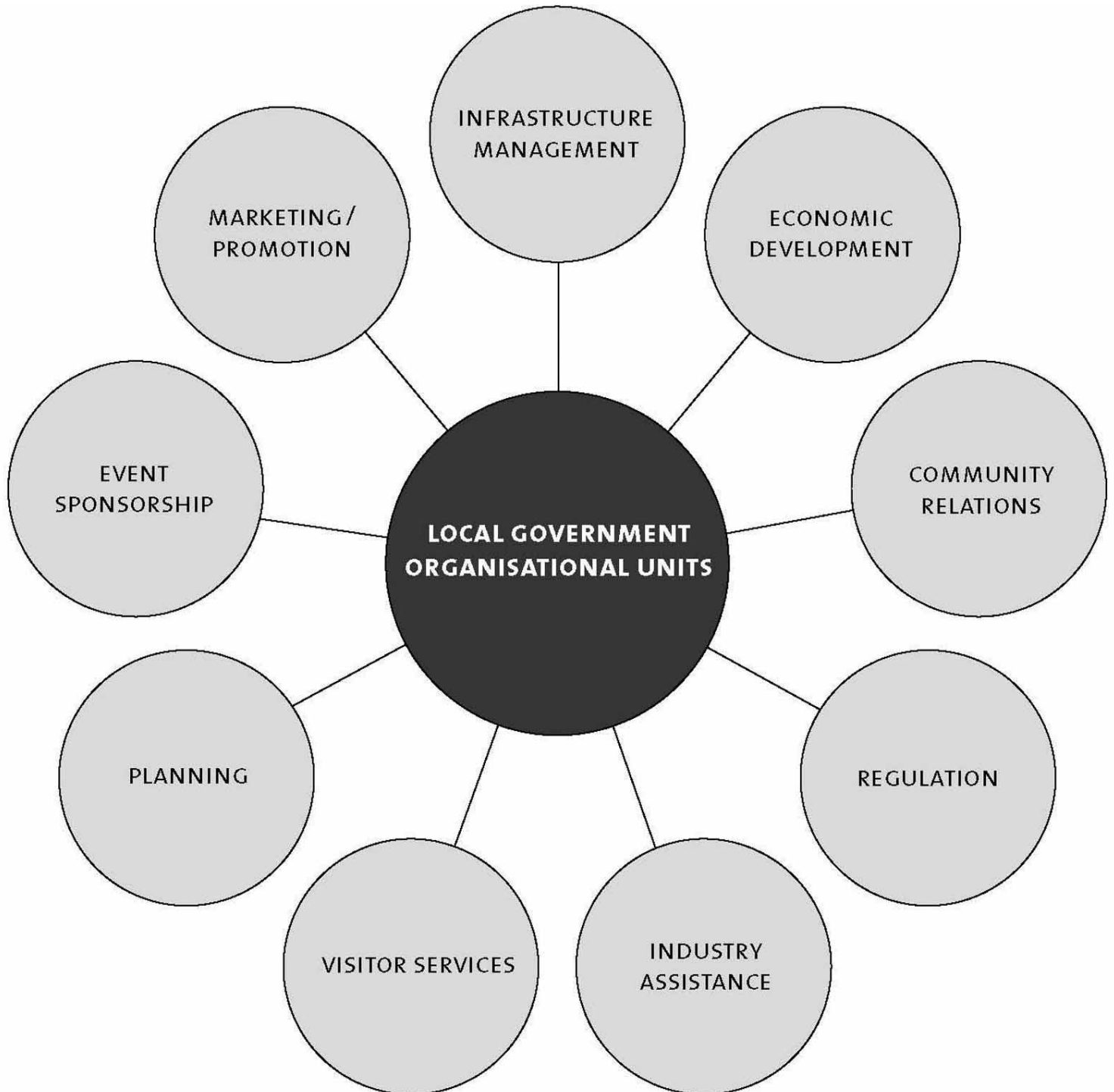
The research involved a state-wide survey of local government. The survey included a range of questions about issues such as:

- Strategic Planning: the characteristics of tourism policy in terms of existence of a policy document, maintenance of the policy and evaluation protocols
- Implementation: the characteristics of tourism objectives in terms of existence of objectives, nature of objectives, lifespan of objectives, and evaluation protocols

- Integration within council: structure and positioning of the tourism unit in terms of location within government structure, as well as the extent to which tourism is considered in other government policy/strategy documents, and the existence of committee/s within Government involving tourism unit staff
- Coordination with external stakeholders including other levels of government and collaboration with tourism interests outside the local government area
- Provision of adequate resources to enable these tasks to be performed

Over seventy councils responded to the survey. The survey results describe policies and plans, human resources, and elements of cooperation and collaboration within councils and external to them.

Figure 1: Some tourism related functions of local government.



Tourism Orientation Framework. Sustainable tourism management at a local government level requires support from all organisational units. Management decision making is best geared towards balancing the demands of the essential stakeholders in

tourism (tourism sector, visitors, community/ environment) rather than focusing on internal divisions. A Tourism Orientation Framework is suggested whereby local government needs to provide an environment of integration, communication,

facilitation and appreciation so that each area of the organisation is aware of the needs of the other areas and their respective demands from tourism stakeholders.

SUMMARY OF FINDINGS

Resources

Council's tourism budgets ranged widely, with median budget being \$325,000. Tourism budgets have increased since previous years. Opinion is divided over whether council allocates sufficient money to tourism. Levels of agreement have declined since 2005 by 9%.

In 2008, 43% of the tourism budget comprised of salaries, a similar level to 2005. The size of the paid workforce also remains similar since 2002, with an average of 7 paid employees (3 full-time, 2 part-time and 2 casual). Volunteers form an important part of local government's tourism workforce. The number of volunteers in 2008 has increased to 31, back to levels seen in 2002.

Integration

In 2008 the integration of tourism across council functions has slightly declined in some areas compared to 2005; however it has remained above levels achieved in 2002. In 2008 1 in 2 councils have a Tourism Portfolio Councillor, a decline of 13% since 2005. 64% of Tourism Managers in 2008 indicated tourism is included in the Municipal Strategic Statement, with the highest proportion of councils featuring tourism in the Economic Development Plan. Inclusion of tourism in the Municipal Strategic Statement is higher than 2002 (55%) but lower than 2005

(87%). Two thirds continue to agree that there is good coordination of tourism responsibilities. 40% agree that council and industry have a shared tourism development vision, whilst 51% agree council's objectives match those of the industry.

Strategic Planning

The results in 2008 for strategic planning for tourism by council continue to be positive and previous levels have been maintained. In 2008 tourism is located within an Economic Development Unit or within a combined Tourism and Economic Development Unit for the majority of councils. Regional councils continue to have a higher propensity to have stand alone units for tourism, whilst Metro councils have a higher propensity to have no identified tourism unit or Officer. Most councils have a strategic plan for tourism written in the last 4 years, continuing to highlight the importance placed on tourism planning within councils.

Agreement that council has clear tourism development objectives has been maintained in 2008 (56%). Agreement that council is most concerned with tourism's economic contribution has dropped by 6% since 2005, but is stable compared to 2002. Despite the considerable and increasing focus on achieving sustainable development generally, it appears that in 2008 there still exists a lack of understanding of the concept of tourism within some local governments (28% unsure).

Implementation

The number of councils with tourism strategies (75%) and annual reviews has remained high and similar to previous years. The number of councils with an established process for evaluating whether tourism strategies are being met has improved, with almost all councils having a system in place (89%). KPIs and internal assessment continue to be the most popular method of evaluation. In 2008, 12% indicated they use an evaluation committee to evaluate performance, whilst fewer councils indicated external reviews. Three quarters of Tourism Managers continue to indicate council could do more to encourage tourism.

Coordination with external stakeholders

Relationships with external tourism agencies are one of the strengths of local government's involvement with tourism management and encouragingly agreement that council works well with external agencies has improved and is now at more typical levels (77%). One in two councils contribute to Regional Tourism Organisations, Local Tourism Associations and Campaign Committees. Agreement that tourism is a priority industry has been sustained with 62% in 2008, compared to 60% in 2005 and 68% in 2002. The 2008 research also revealed that 46% agreed that Tourism Operators are familiar with council's role in tourism.

RESEARCH CONCLUSIONS

Strengths

- Tourism is a priority industry within local councils. About three quarters have a Tourism Strategic Plan and a set of Tourism Objectives, with the majority also having a system in place for evaluating their strategies and objectives to ensure these are being met.
- Councils have a positive relationship with external Stakeholders, but there is scope to improve relationships, in particular with tourism operators becoming more familiar with council's role in tourism.
- In 2008 there was an increase in the tourism budget, with councils recognising the importance of tourism to the local economy. Tourism budgets continue to be significantly higher in Regional councils. Although, 45% felt the tourism budget was not sufficient.

Needs attention

- Since 2005, there has been a slight decline in the integration of tourism with other council functions. The presence of a Tourism Portfolio Councillor and the inclusion of tourism in council's Strategic Statement have declined since 2005, but remain above 2002. This may be due to the integration of tourism with the Economic Development Plans given that most tourism units are housed within a broader economic unit or within a combined Tourism and Economic Development Unit.
- Whilst the majority indicates there is good coordination of tourism

responsibilities within council, there is capacity to improve council and industry's shared vision and objectives for tourism. Three quarters also agree that council could do more to encourage tourism development.

- Acceptance of the concept of 'sustainable tourism' management by council has been stable since 2005, despite the considerable and increasing focus on achieving sustainable development generally. It appears that there still exists a lack of understanding of the concept of tourism within some local councils.
- TAV could run more programs to educate councils on the values and opportunities of sustainable tourism.
- Tourism policies and strategies, resources continue to be significantly higher in Regional councils. Attention to these councils needs to continue to ensure tourism remains strong.

Project Brief

OVERALL TOURISM CAPACITY INDICATORS

A council's overall tourism capacity has been determined by their response to the indicator questions. Some councils did not respond to all twenty one indicator questions, therefore the tourism capacity

scores for each council has been based on the number of responses given.

Overall, twelve councils could be considered to have relatively lower capacity for tourism management. These include four Regional councils for Hindmarsh, Benalla, Wellington and Mitchell, and eight Metro councils for Knox, Casey, Greater Dandenong, Whitehorse, Monash, Cardinia, Yarra, and Moonee Valley.

Relatively higher capacity councils include four Regional councils for Baw Baw, Greater Bendigo, Wangaratta and Mildura, and one Metro council for Frankston.

Results from two councils cannot be considered as complete as fourteen responses for Boroondara and seventeen responses for Kingston were not available.

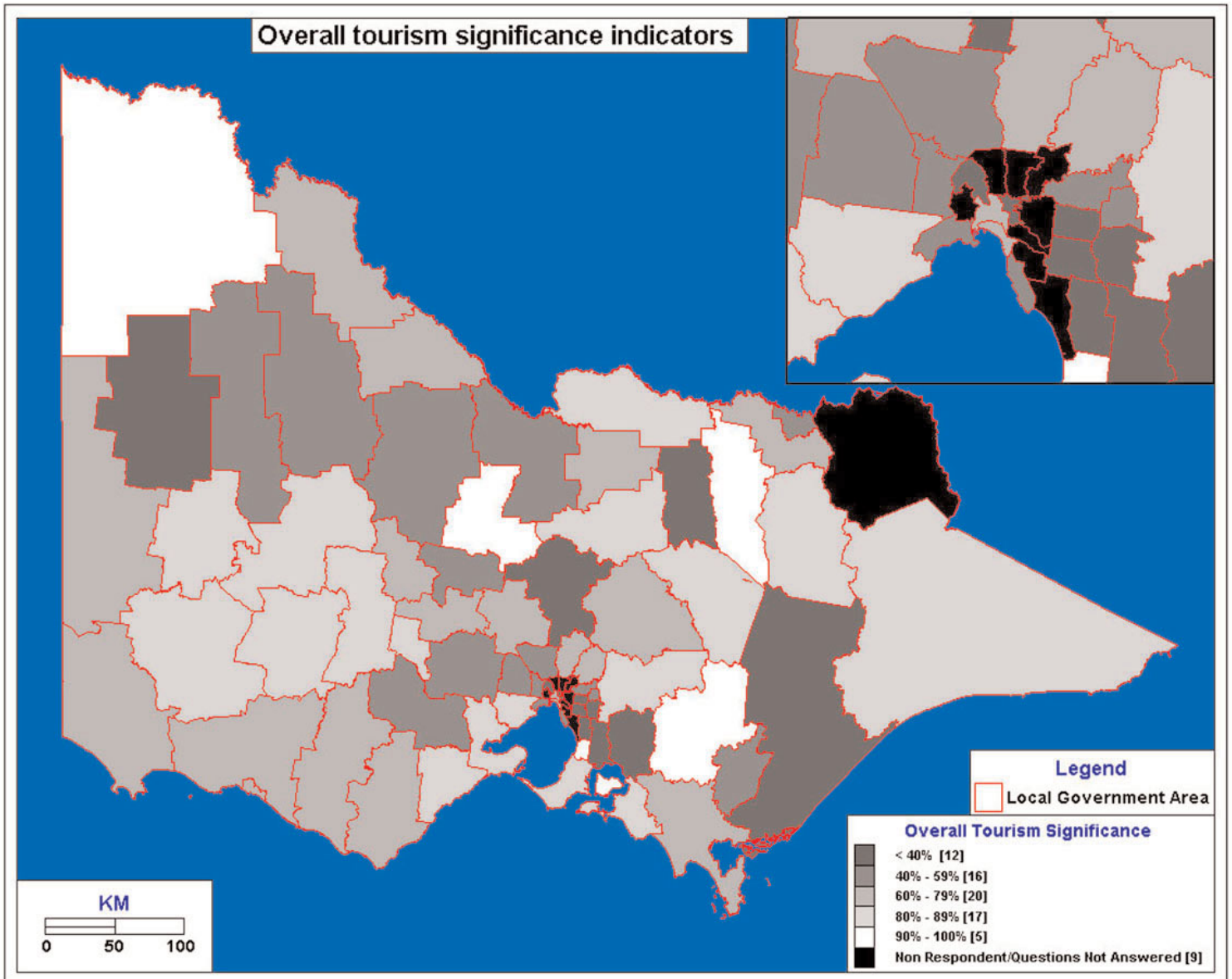
BENCHMARKING

In 2002 Tourism Alliance Victoria commissioned research to identify the current tourism capacity of local governments in Victoria. Generally local councils in Victoria has increased its support for tourism since 2002. Its overall management of tourism has also improved since 2002 in terms of its inclusion of tourism in Municipal Strategic Statements, presence of tourism plans and objectives. The following demonstrates movement from 2002-2008:

Local government Tourism Management Changes from 2002-2008

	2002	2005	2008
Inclusion of tourism in Municipal Strategic Statements	55%	87%	64%
Presence of tourism plans	53%	63%	71%
Presence of tourism objectives	69%	NA	79%

Figure 2: Provides an indication of council's tourism health relative to other areas. Black indicates non-response and two councils which cannot be considered as complete. The lighter the shade, the stronger the council's Tourism Health.



THE NEXT STEP

Tourism Alliance Victoria works with individual councils to assist them with the development of their "Tourism Health" or

their ability to maximise their community's tourism potential. For more information on how your council can benefit from this research please contact Tourism Alliance

Victoria's Industry Development Coordinator on (03) 9650 8399.

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