Macleay Valley Coast Destination Management Plan, 2019-2029

KEMPSEY
Shire Council

This Destination Management Plan has been prepared by:

SC Lennon & Associates Pty Ltd
ACN 109 471 936
ABN 74 716 136 132

PO Box 45
The Gap Queensland 4061
p: (07) 3312 2375
e: sasha@sashalennon.com.au
w: www.sashalennon.com.au

Offices in Brisbane and Melbourne

It has been prepared on behalf of:

22 Tozer Street / PO Box 3078
West Kempsey NSW 2440
p: (02) 6566 3200
e: ksc@kempsey.nsw.gov.au
w: www.kempsey.nsw.gov.au

Acknowledgement of Country

We acknowledge the Dunghutti People as the Traditional Owners and custodians of the land within the Macleay Valley Coast and we pay respect to their Elders past, present and emerging.

Disclaimer

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The Macleay Valley Coast

The Macleay Valley Coast encompasses the main town of Kempsey, the popular tourist destinations of South West Rocks and Crescent Head, and numerous smaller villages in the hinterland and along the coast. The region is defined by its pristine coastline, its lush hinterland and the Macleay River, which features prominently in the local landscape as it flows through the valley from the hinterland to the coast.

The Macleay Valley's tourism sector has been identified as an important pillar of the region's future prosperity. Regional Australia's visitor economy is on an upward trajectory. In the Macleay Valley, where tourism accounts for around 6% of employment, the area's natural comparative and competitive advantages are yet to be fully capitalised upon. If opportunities for tourism product development, destination management, promotion and resourcing are addressed, the Macleay Valley is poised to develop its profile as a premier regional visitor destination.

The vision for a vibrant visitor economy in the Macleay Valley Coast is to establish itself as a premier regional visitor destination through the development of iconic natural visitor attractions, driving growth in high-yield and environmentally sustainable tourism.

Macleay Valley Coast Tourism

The 'Macleay Valley Coast' is the tourism brand adopted for the geographic area representing the Shire of Kempsey and is the term used for 'destination management' purposes. The Macleay Valley Coast aligns with the geographic area that includes townships and smaller settlements along the coast – from Grassy Head in the north to Stuarts Point, South West Rocks and Hat Head, through to Crescent Head in the south, the river towns of Kempsey, Gladstone, Smithtown and Frederickton and the valley extending up the Macleay River to Bellbrook and into the Great Dividing Range.

The Macleay Valley Coast is an environmentally pristine coastal and country destination that is popular among leisure-seekers and outdoor enthusiasts. Visitors are attracted to the natural beauty of the Macleay Valley coastline and the variety and quality of local beaches make them some of Australia's best, with surfers travelling from around the world to experience the breaks at Crescent Head Surfing Reserve.

Within minutes of leaving the beach, visitors can also experience the Australian bush, complete with crystal clear creeks, rocky outcrops, towering eucalypts and country hospitality. The Upper Macleay River offers some of Australia's best bass fishing, while lovers of the great outdoors visit the area to camp, bushwalk, explore the restored timber towns and soak up the natural beauty.

Mountain biking and bush walking trails are enjoyed by nature lovers, with no fewer than 34 State forests, National Parks and reserves to choose from, offering a variety of activities. Much of the Macleay Valley Coast lifestyle is focused on the water, with plenty of locations and opportunities for boating, kayaking, paddle boarding, diving and fishing. Diving is an international draw card, with the dives off South West Rocks considered to be some of the finest in the world. Known as 'the divers dive', the famous dive off Fish Rock features one of the only 'dive-through' caves in Australia and is home to an abundance of temperate and subtropical marine life, including turtles, rays, eels and fish, as well as being a breeding ground for the rare Grey Nurse Shark.

The towns and village centres of the Macleay Valley Coast offer unique experiences for visitors boasting a number of nationally-significant heritage icons, including historic Trial Bay Gaol and Smoky Cape Lighthouse, which is the most elevated lighthouse on the Australian east coast. Both sites are listed on the State Register and Commonwealth Heritage List. Kempsey is the home to the famous Akubra hat, the Slim Dusty Centre and Museum and a traditional high-street shopping experience. Further upriver, the original Slim Dusty Homestead typifies the region's country heritage experience.

Country-style hospitality, an active and genuine farming community, heritage locations with traditional architecture, historic attractions, and ancient stories to tell, make up this unique country experience on the coast. The initial phases of this destination management plan and the vision for the Macleay Valley Coast visitor economy is to articulate what makes this destination unique and to provide the support to develop tourism products that can deliver the experiences residents and visitors are seeking.

A Ten-Year Plan

The *Macleay Valley Coast Destination Management Plan, 2019-2029* has been prepared to complement Kempsey Shire Council's economic development efforts as articulated in *Horizon 2030*. By addressing the challenges and capitalising on the opportunities to grow the Macleay Valley Coast visitor economy, the Destination Management Plan provides the framework for action, to guide Kempsey Shire Council and its partner organisations in delivering actions to help fulfil the vision for the region's visitor economy.

A vibrant visitor economy can leverage other sectors of the local economy to establish and grow new and emerging markets for the products and services on offer. Equally, tourism needs to be managed to ensure that it leaves a positive legacy for current and future generations. Through the design and implementation of this Destination Management Plan, Council is committed to supporting a viable and vibrant tourism sector, to open up new opportunities for investment, income and job creation, as well as positive cultural, lifestyle and environmental outcomes by leveraging, protecting and enhancing the cultural and natural heritage assets of the Macleay Valley Coast.

The strategic approach to growing the Macleay Valley Coast visitor economy emphasises the planning and implementation of four key 'game-changer' projects that may take some years to fully realise, as well as selected high-priority supportive projects that can be developed in the first two years of the plan.

The Vision for a Vibrant Visitor Economy

The vision for a vibrant visitor economy in the Macleay Valley Coast is as follows:

> *The Macleay Valley Coast will establish itself as a premier regional visitor destination through the development of iconic natural visitor attractions, driving growth in high-yield and environmentally sustainable tourism.*

To realise the vision, the new strategic approach embodied in this Destination Management Plan focuses on higher-yield tourism. This will require higher standards of accommodation and hospitality services to match or better what is offered by overseas packages and other regions in Australia. The critical question is how to attract the investment that is required.

The vision responds to the Macleay Valley's comparative and competitive advantages and the issues, challenges and opportunities that need to be addressed to grow a vibrant visitor economy. To realise the vision, a project-led approach is proposed, one which begins with the planning and implementation of selected 'game-changers'.

Game-Changer Projects

Four exciting potential 'game-changer' projects have been identified which individually and collectively, offer an opportunity to:

- Put the Macleay Valley Coast brand 'on the map', nationally and internationally. This will overcome obstacles to effective marketing, and it will target markets currently not being accessed.
- Increase 'higher yield' visitation from non-traditional markets.
- Support the viability of tourism businesses enabling a higher level of service to be offered - with a multiplier effect through the regional visitor economy.
- Overcome the competitive disadvantage associated with the region's location relative to major markets.

These game-changer projects are:

- **The Five Headlands Trail** - The opportunity exists to promote a multi-day walking trail along the Macleay Valley Coast coastline, to be known as the Five Headlands Trail. The trail offers multiple routes and length of walks, all linked to existing village communities. It would link five coastal headlands into a united walking trail creating an extraordinary coastal walking experience.

- **Activating the Macleay River** - While the Macleay River is well-utilised by locals for a wide range of activities, it has significant scope for increased visitor use. The proposal is to activate the river by exploring the potential for a diversity of activities, including: river tours; houseboats; eco-lodge accommodation; ferry services; pontoons at riverside eating and drinking precincts; events spaces; water sports and watercraft infrastructure; riverside activities; and a river 'Hub' consisting of public marina and tourist boat terminal.

- **Macleay Valley Adventure Sports Strategy** - The proposal is to leverage the NSW Government's support for adventure sports tourism through the development of a Macleay Valley Adventure Sports Strategy, with a Macleay Valley Skydiving Adventure Park, to be located at Kempsey Regional Airport, as a priority project. A key feature of the proposed Skydiving Adventure Park is that it includes facilities to host canopy piloting events. Other 'catalyst' adventure sport project opportunities including off-road motor sporting and other events such as mountain biking would also be explored as part of this strategy.

- **Upgrading the Kempsey to Armidale Road** - Advocate for the upgrading of the Kempsey to Armidale Road, in collaboration with Armidale City Council, for confirmation of re-classification of Kempsey to Armidale Road west of Bellbrook, including continuing to seek funding of major road upgrades to improve the road as an east-west through route. An upgraded road would bring significant benefits from a tourism perspective opening up the Macleay Valley Coast to visitors from the west and allowing visitors in Kempsey and on the coast to exit the region to the west. This would put the Valley 'on the map' and a considerable uplift in visitation could be expected.

Next Tier Tourism Initiatives

In addition to the 'game-changers', there are a number of high-priority opportunities to support these projects and to accelerate their multiplier effect in the regional economy. These have been identified by reference to the 'enablers of a vibrant visitor economy'. These enablers refer to the things that Kempsey Shire Council, in concert with tourism organisations and other key stakeholders, including regional development and arts organisations, may take strategic actions to influence key economic development outcomes.

The enablers of a vibrant visitor economy include:

- A conducive natural, built and social/cultural environment.
- Quality infrastructure and services (including, for example, transport and communications, hospitality services, accommodation, entertainment and cultural attractions);

- Effective information management (including research, marketing, visitor information and wayfinding); and
- Collaborative regional governance (stakeholder co-ordination, training, business support and investment attraction).

In addition to the four game-changer project initiatives, this Destination Management Plan contains 48 individual next-tier tourism initiatives and projects. Resource constraints mean it is not possible to act on all initiatives in the short-term.

Priority projects and activities for implementation as part of an initial two-year destination management work plan are identified based on the application of two broad sets of assessment criteria which consider: (a) potential project or initiative benefits; and (b) the capacity to implement the project or initiative concerned. The following are earmarked for action as part of an initial tourism development work plan in conjunction with the four game-changer projects:

- Preparing the Macleay Valley Coast Marketing and Media Plan.
- Upgrading the Macleay Valley Coast website.
- Reviewing the Macleay Valley's Visitor Information Centres.
- Developing the cruise ship market.
- Establishing and promoting arts and culture, key events, festivals, and entertainment precincts.
- Business support for untapped markets for indigenous cultural tourism and inclusive tourism.
- Developing collaborative partnerships to attract investment and capture funding opportunities.

These priority initiatives are earmarked for action as part of an initial economic development work plan. To this end, the four game-changer projects and the priority support initiatives form the basis of this action plan to support the development of the Macleay Valley as a premier regional visitor destination.

How the Enablers, Game-Changers and Support Projects Address the Vision

Macleay Valley Coast Destination Management Plan - Tourism Vision

The Macleay Valley will establish itself as a premier regional visitor destination through the development of iconic natural visitor attractions, driving growth in high-yield and environmentally sustainable tourism.

Enablers

A Conducive Environment

Quality Infrastructure and Services

Effective Information Management

Collaborative Governance

Game-Changers

Five Headlands Trail

Activating the Macleay River

Macleay Valley Adventure Sports Strategy

Upgrading the Kempsey to Armidale Road

Priority Projects

Prepare a marketing and media plan

Upgrade the Macleay Valley Coast website

Develop the cruise ship market

Establish and promote key events

Review Visitor Information services

Develop partnerships to attract investment and capture funding opportunities

Determining Priorities for Action Implementation

Projects and initiatives are included in this Destination Management Plan with a view to being included in Kempsey Shire Council's future four-year Delivery Plans. Key actions are focussed on two main types of activities:

1. Catalytic project planning and implementation (the game-changer projects), which require action combined with a well-planned course of project implementation for the desired outcomes to be realised; and

2. Strategic program implementation - initiatives which can be addressed as part of Kempsey Shire Council's day-to-day economic development and tourism planning and facilitation functions in a strategic and informed manner.

Guided by the tourism vision and the action plan presented in this Destination Management Plan, Kempsey Shire Council provides the enabling environment to help promote and facilitate key activities in support of a vibrant visitor economy. Priorities have been determined in the context of the role of economic development in Council's broader program of work and strategic objectives.

Kempsey Shire Council's Leadership Model

Leading:	*Leading the direction for destination management and economic development.*
Delivering:	*Providing the outcome directly.*
Supporting:	*Collaborating with stakeholders through direct assistance.*
Facilitating:	*Connecting stakeholders to achieve an outcome.*
Advocating:	*Recommending a course of action to other levels of government.*

Kempsey Shire Council will lead, deliver, support, facilitate and advocate on behalf of the community to foster a vibrant visitor economy.

Some implementation actions will be Council-led, in that they involve specific tasks for Kempsey Shire Council and an allocation of human, physical and financial resources. Other actions will be Council-supported activities and these will include, for example, advocacy or support initiatives where implementation of the action is to be led by agencies / organisations other than Council. This means the Macleay Valley Coast's tourism industry stakeholders, including Council, will need to continue to collaborate to progress effective implementation of the Destination Management Plan's priority actions.

Realising a Vibrant Visitor Economy - What Our Future Will Look Like

Through implementation of the actions presented in the *Macleay Valley Coast Destination Management Plan, 2019-2029*, Kempsey Shire Council and its partners will collaborate to help realise the Macleay Valley's potential as a premier regional visitor destination, as reflected in the following desired economic outcomes:

- Our reputation is based on offering authentic country hospitality and celebrating our culture and heritage.
- Heritage precincts in Kempsey, Gladstone and South West Rocks will showcase unique experiences and vibrant public spaces.
- Awareness of the Macleay Valley Coast is well-known for its nature-based experiences and pristine environment.
- Experiences and attractions in the Macleay Valley Coast are on the 'must visit' lists of national and state tourism websites.
- New experiences attract high-yield visitors from interstate and overseas who tend to visit out of high season, stimulating the visitor economy all year round.
- Investment in high-quality accommodation such as eco-lodges, hotel villas or resorts has been realised.
- Trial Bay is an internationally-recognised cruise destination.
- Experiences and events are enjoyed by residents, day visitors, travellers and holiday-makers throughout the year.
- The Slim Dusty Music Festival and the Sculptures in the Gaol are major draw card events.
- A vibrant arts and culture sector will enrich the lives of local residents and visitors.

Continuing Collaborative Regional Partnerships for Effective Implementation

The *Macleay Valley Coast Destination Management Plan, 2019-2029* represents a new approach that is 'project focused'. This will require project-specific multidisciplinary teams from within Council, supported by contracted expertise where needed to be put in place for the duration of project implementation. This is especially relevant to the 'game-changer' projects, but it is also relevant to many of the actions contained in this Destination Management Plan.

Collaborating to cultivate destination management partnerships will also be key to successful project and planning implementation. To this end, Kempsey Shire Council will continue to collaborate with Destination North Coast NSW, Arts Mid North Coast, the Federal and NSW Governments, Kempsey Local Aboriginal Land Council, local tourism networks, the region's tourism industry stakeholders and private investors to gain support for and to help deliver the *Macleay Valley Coast Destination Management Plan, 2019-2029.*

1. Introduction

The Macleay Valley Coast

Regional Australia's visitor economy is on an upward trajectory. In the Macleay Valley Coast, where tourism accounts for around 6% of employment, local natural comparative and competitive advantages are yet to be fully capitalised upon.

If opportunities for tourism product development, destination management, promotion and resourcing are addressed, the Macleay Valley Coast's visitor economy is poised to develop its profile and contribution as a pillar of the region's future prosperity.

The 'Macleay Valley Coast' is an alternative brand adopted for the geographic area representing the Shire of Kempsey and is the term used for 'destination management' purposes.

The Macleay Valley Coast aligns with the geographic area that includes townships and smaller settlements along the coast – from Grassy Head in the north to Stuarts Point, South West Rocks and Hat Head, through to Crescent Head in the south, the town of Kempsey and the valley extending up the Macleay River to Bellbrook and into the Great Dividing Range.

Figure 1. The Macleay Valley Coast

Source: Kempsey Shire Council

The Destination Management Plan

The role of a Destination Management Plan (DMP) is to foster a viable and vibrant tourism sector, which will open up new opportunities for investment, income and job creation, as well as positive cultural, lifestyle and environmental outcomes by leveraging, protecting and enhancing the cultural and natural heritage assets of the destination.

A vibrant visitor economy can leverage other sectors of the economy to establish and grow new and emerging markets for the products and services on offer. But equally, tourism needs to be managed to ensure that it leaves a positive and resilient legacy for current and future generations.

A Framework for Action

In early 2019, Kempsey Shire Council embarked on a process to prepare a ten-year Economic Development and Tourism Strategy for the Macleay Valley Coast. The broad strategy objectives are to help deliver: opportunities for employment; new industry development; the growth and retention of the Macleay Valley Coast's existing businesses; the attraction of new residents; and increased tourism activity.

Addressing challenges and capitalising on current and emerging opportunities to grow the Macleay Valley Coast's visitor economy forms a central theme of the Strategy. Kempsey Shire Council's desire to support the growth of a vibrant visitor economy is reflected in this theme and the requirement that a stand-alone Macleay Valley Coast Destination Management Plan be prepared to complement and reinforce the Economic Development and Tourism Strategy objectives and recommended actions.

To this end, the *Macleay Valley Coast Destination Management Plan, 2019-2029* provides Kempsey Shire Council - working in partnership with the region's key stakeholders in industry, government and the community - with the framework to enable positive change through the implementation of workable, practical actions which will help to establish and maintain the Macleay Valley Coast as an attractive and sustainable visitor destination.
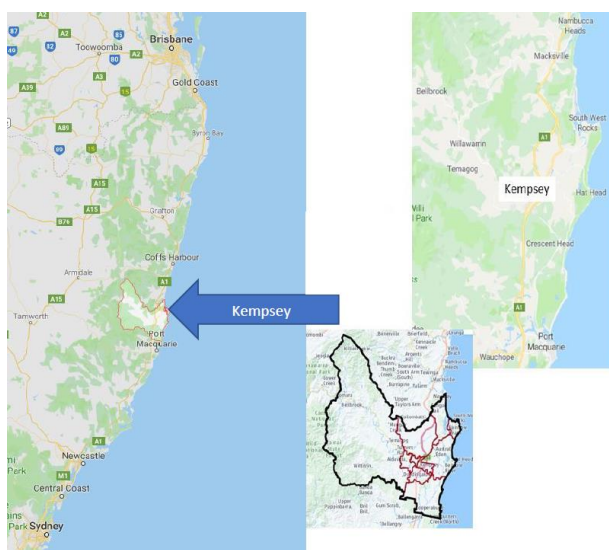
2.   The Macleay Valley Coast: Locational Context

Location, Access and Connections

The Macleay Valley Coast's main town is Kempsey, which is approximately 4.5 hours' drive from Sydney, travelling north on the Pacific Highway and around 500km (approximately 6 hours' drive) south on the Pacific Highway from Brisbane.

Figure 2.   Macleay Valley Coast Locational Context

Source: Kempsey Shire Council

From Tamworth in the west, it is 308km (under 4 hours) to Kempsey via the Oxley Highway. From Armidale, Kempsey can be accessed via Waterfall Way (via Dorrigo and Bellingen), with the trip being approximately 254km on sealed roads and around 3.25 hours driving time.

Kempsey can also be accessed via Armidale Road, which is only 179km, approximately 3 hours driving time. However, Armidale Road west of Bellbrook is not suitable for caravans or large vehicles as the road is unsealed north west of Bellbrook to Jeogla and is single lane. Motorists are advised to give way to vehicles travelling along Armidale Road.

As recently as June 2018 the Pacific Highway between Port Macquarie and Coffs Harbour has been upgraded to a dual carriageway. As at May 2019, there is only one section of highway duplication to be completed between Sydney and the Queensland border.

The main town of Kempsey, located on the Macleay river, is now by-passed with benefits from reduced congestion in the town and enhanced safety. Access to coastal destinations is enhanced and there have been reduced travel times between Port Macquarie and Coffs Harbour, estimated to be saving more than 30 minutes. The greatest benefit has been the significant reduction in serious and fatal road crashes.

Kempsey can be reached by air via Port Macquarie Airport, which is approximately 45 minutes' drive to the south or Coffs Harbour Airport, approximately one hour's drive north.

Kempsey is a station on the Sydney to Brisbane rail line, albeit a slow and infrequent service. Kempsey is also the 'gateway' to the Macleay Valley Coast extending into the Great Dividing Range. At this point in time, the single road to Armidale in the west is a hazardous unsealed road (beyond Bellbrook - about 50km west of Kempsey) that is not recommended for two-wheel drive vehicles or for caravans. Hence, the Macleay Valley is perceived to be somewhat isolated from tourism flows from the western parts of NSW.

Key Features

The Macleay Valley Coast is best described in terms of the following locations:

- **Kempsey** - the main population centre located on the Macleay River, which flows from the west through rugged landscapes and gorges creating spectacular waterfalls in the World Heritage listed Cunnawarra National Park, to the extensive flood plains around Kempsey and on to the coast at South West Rocks.
- **Coastal settlements** - including South West Rocks, Crescent Head, Hat Head, Grassy Head and Stuarts Point - popular holiday parks and towns.
- **River towns** - including Gladstone, Smithtown, and Frederickton - traditional towns servicing the river trade.
- **Hinterland towns** - including Willawarrin and Bellbrook - located in the upper reaches of the Macleay River.
- **The valley** - high quality rural land, wilderness landscapes, word heritage rainforest, national parks and state forests.

The Wider North Coast Region

The Macleay Valley Coast sits within the Destination North Coast region as defined by Destination NSW.

Figure 3. Destination North Coast Region

Source: Destination North Coast NSW

The Destination North Coast NSW region stretches from the Queensland border in the north to Tea Gardens / Hawks Nest in the south and encompasses fourteen local government areas.

Destination North Coast NSW has prepared a Destination Management Plan to guide industry on priority strategies and required actions designed to facilitate the growth of the visitor economy at a regional level.

The DNC Destination Management Plan provides the foundations on which future local plans can be built and updated to provide a common vision. This document is an adaptable plan that will be reviewed annually by Destination North Coast NSW in consultation with Destination NSW and industry stakeholders.

NSW Arts and Cultural Policy Framework *Create in NSW* promotes opportunities for cultural tourism through Destination Management Planning. Arts Mid North Coast recognises the value of cultural tourism to the regional visitor economy.

3. The Visitor Economy

Visitor Numbers

Visitation and visitor nights data for the Macleay Valley Coast region is summarised in Table 1, which shows that the region received over half a million visitors in 2017/18. Over half (56%) of these were domestic overnighters, while 42% were day trippers and only 2% were international visitors.

Collectively, visitors spent $147 million on hospitality and related services in the Macleay Valley Coast in 2017/18.

Visitation Trends

The trend over the past four years for the three categories of visitors has been 'no growth' or 'slight decline'. This has been reflected in reduced output and sales in the regional economy and a commensurate drop in job numbers. This is against a background of 4.0% per annum growth in visitor nights in regional NSW for the past four years.

These data indicate that the Macleay Valley Coast region is losing its market share of the growth occurring throughout New South Wales.

Visitor Profile

Based on Tourism Research Australia's local government area profile for Kempsey Shire, the following visitor characteristics are identified:

- International visitors are almost exclusively on holiday and are predominantly camping or staying in holiday parks.

- Domestic overnight visitors are predominantly on holiday (70%) with the balance visiting friends or relatives. Business travel did not register due to sample size issues. Most are travelling in a group or family and are staying in the following accommodation types: Commercial Camping / Caravan Park (30%); Other - Airbnb, Holiday Letting, etc. (42%); Home of Friend or Relative (21%); and Hotel or Similar (7%).

The origins of domestic visitors to the Macleay Valley Coast are:

- Regional NSW (38%);
- Queensland (30%);

- Sydney (24%); and
- Other Interstate (8%).

Domestic overnight visitors are strongly motivated by nature, with caravan and camping also significant. Events are a key driver of visitation to the Macleay Valley Coast. Food and wine and Indigenous cultural tourism were not identified as significant segments but have the potential to develop.

Families represent a large proportion of visitors to the region, with a coastal holiday being the most popular. Families also make up a large proportion of repeat visitors, returning for the annual ritual holiday. The main purpose of travel is for holiday and/or leisure closely followed by visiting friends and family.

Grey nomads or 'wanderers' are adult couples or 'empty nesters' who have either retired or are semi-retired from the workforce.

Grey nomads tend to stay longer at destinations and travel during off-peak periods. They like the freedom to explore at their own pace and prefer to shop for local crafts and foods, as opposed to souvenirs.

International visitors (small in number) tend to be from the United Kingdom, Germany and the United States with their primary motivation being to experience natural attractions.

Cultural heritage and Indigenous cultural tourism are also important attractors, although international visitors may not necessarily engage in these activities on the NSW North Coast.

The importance of the youth segment is growing, including backpackers and working holiday-makers.

Accommodation

The Macleay Valley Coast has twelve hotel / motel establishments (with 15 or more rooms), ten holiday parks, around 500 holiday lettings and numerous Airbnb listings. Occupancy rates for commercial accommodation generally are around 62% although motel operators in Kempsey report a fall-off in the past two years. Holiday lettings tend to be concentrated in the region's coastal towns, with a small number available in the hinterland.

By far the predominant form of accommodation in the Macleay Valley Coast region is the camping and caravan facilities in the headland holiday parks. This aligns with the region's visitor profile which is very

much made up of camping and caravanning holiday makers.

The motels in Kempsey cater in large part for business travellers and road construction workers. Operators report that since completion of the Pacific Highway upgrade, occupancy rates have fallen, and business travellers tend to stay in Port Macquarie.

Missing from the Macleay Valley Coast accommodation offer is:

- 4+ star accommodation that would attract visitors to meetings, conferences and events;
- Eco-lodge style accommodation that would be attractive to the higher end 'comfort in nature' market; and
- Wellness / spa facilities to attract high-end visitors seeking a pamper experience.

It would appear that the nature of the available accommodation in the Macleay Valley Coast region is heavily influencing the lack of diversity in the visitor profile and the lack of growth in visitor numbers.

Activities Sought

According to data from Tourism Research Australia, visitors to the Macleay Valley Coast seek out the following activities:

- Coastal and Water-based Activities - including visiting the beach, whale/dolphin watching, recreational fishing, surfing and diving (84%).
- Food and Wine - including farm gate, visiting a restaurant, visiting a brewery or winery, or other food manufacturing attractions (66%).
- Nature - including visiting a national park/state forest, outdoor activities and adventure (46%).
- Shopping (31%).
- Cultural, Arts, Heritage - including festivals and events, museums, markets, performance, arts workshop and aboriginal (29%).
- Sports (15%).
- Health and Wellbeing - including health retreats, spas (0.34%).

The question is - which of these activities is adequately catered for in the Macleay Valley Coast?

Visitor Information Centres

The Macleay Valley Coast's Visitor Information Centres (VICs) are located between the new Pacific Highway and Kempsey town and in South West Rocks. Surveys carried out by the VICs indicate that:

- There were around 18,000 visits to the centres in 2018 however this has fallen from 20,000 four years ago. This represents 3.4% of total visits;
- 15% of visitors to the VICs are from the local area;
- 47% of visitors are from 'other NSW';
- 15% are from Queensland;
- 10% are from Victoria; and
- 10% are from overseas.

This picture of the origin of visitors to the Macleay Valley Coast's VICs does not reflect the origin of all visitors as different groups have different needs for information. Some groups are familiar with the area and others, such as overseas visitors, are first timers. The low percentage of total visitors to the VICs reflects the fact that a very high proportion of visitors are returnees.

There are also questions as to the relevance of VICs in today's visitor economy given the move to sourcing information on-line. The location and visibility of the VICs has also been questioned.

Climate and Seasonality

The Macleay Valley Coast region enjoys a sub-tropical climate with two distinct 'seasons':

- From November to April the weather is warm to hot (over 20 degrees mean daily maximum), with high humidity and high rainfall.
- From May to October the weather is cooler (down to 17 degrees mean daily maximum) with low humidity and low rainfall. This season is in fact sunnier than the summer which is more often partly cloudy.

While it is reported that visitation is seasonal, falling off in the winter period, this is not reflected in Visitor Information Centre data, which shows an even distribution of visits over the year.

This is most likely due to the fact that the bulk of visitors, who are campers and caravaners, are not VIC users.

While campers and caravaners may seek warmer climes in the cooler months, winter in the Macleay Valley Coast is relatively mild and highly suitable to attract many visitor types such as mountain bike riders, four-wheel drivers and sport competitors.

Tourism Industry Products and Services

The tourism industry includes firms both directly and indirectly involved in tourism.[1] The sectors that are most involved are:

- Transport - Transport is the tourism industry's largest service segment. Transport services include flights to and from Australia, trains, buses, ferries, boat cruises, taxis and car hire.
- Retailing - Retailing includes sales of gifts and souvenirs, and food and beverages. This segment also includes purchases of non-tourism goods by tourists while travelling, such as clothing, shoes, art and other crafts.
- Takeaway and Restaurant Meals - This sector includes food and beverages sold by cafes, restaurants, pubs and bars. This segment varies greatly according to cuisine types, prices, reputation, facilities, alcohol licensing and service level. The growing popularity of food tourism has boosted visitor expenditure on meals.
- Accommodation - This sector includes accommodation services provided by hotels, resorts, serviced apartments, motels, guesthouses, holiday parks, bed and breakfasts, and hostels. The accommodation segment is highly fragmented, with many sole proprietors and small businesses, particularly among holiday parks, and bed and breakfasts.
- Recreation - This sector includes venues for recreational, cultural or sporting purposes, such as museums, heritage sites and sports grounds. Gambling activities are also included in this segment.
- Other - Other industry segments include firms that provide education and training to visitors, and travel agency and tour arrangement services.

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[1] IBISWorld, *Tourism in Australia*, November 2018

Tourism Industry Business Dynamics

Australia's tourism industry exhibits a high level of competition due to the large number of industry operators in many areas of the industry competing for a share of the tourism market. Industry operators compete across a large range of factors such as price, service and product quality. The Australian tourism industry also competes against attractive foreign locations.

Price is one of the main areas of competition for industry operators, especially to attract the cost-conscious consumer who wants to receive value for money.

However, given the large number of operators in some segments of the industry (e.g. accommodation, cafes and restaurants), operators also compete on the quality of services offered to guests. Hotels compete on the range of amenities on offer such as gyms or pool facilities, the number of restaurants and bars, and room-service hours.

According to IBISWorld [2] profits on average in the tourism sector are 4.8% of turnover, which is relatively low and is highly sensitive to fluctuations in demand and costs. The most significant costs are purchases and wages.

Prospects for Tourism Industry Growth

Future visitor numbers to any given region are a function of the market share of international and domestic travellers that can be achieved.

The number of international arrivals to Australia can be affected by changes in global or regional economic growth, relative exchange rates and fears relating to terrorism or diseases.

The pool of domestic visitors is affected by the exchange rate as more Australians visit overseas when the dollar is strong. Consumer confidence, influenced by the domestic economy, is another factor.

The Australian dollar is forecast to remain relatively weak over the next five years [3], which is likely to encourage international visitors to travel to Australia. The weak dollar is also expected to limit outbound tourism and support growth in domestic tourist visitor nights over the period.

In the Macleay Valley Coast, local factors come into play such as the recent upgrading of the Pacific Highway which reduces the travel time from the major markets to the north and to the south.

Tourism Research Australia is forecasting growth in visitor numbers in regional NSW of 3.7% per annum. Whether or not the Macleay Valley Coast can match or exceed this growth rate depends on its relative attractiveness to the intervening opportunities between the region and competing regions located more proximate to the two major markets that are Brisbane / Gold Coast and Sydney / Wollongong / Newcastle.

The World Tourism Organisation indicates more than 50% of global tourism is motivated by a desire to experience culture and heritage. This is confirmed by Destination NSW in its 2017 Snapshot of Cultural and Heritage Tourism as a driver of high yield tourism.

The Enablers of a Vibrant Visitor Economy

While visitation from regional NSW is strong, this is tempered by the lack of direct road access from the west. Hence, there is a critical need to focus on the 'enablers' of a vibrant visitor economy.

These enablers, which are discussed in detail in Section 9 of this report, refer to the things that Kempsey Shire Council, in concert with tourism organisations and other key stakeholders, including regional development organisations, may take strategic actions to influence key economic development outcomes. They include:

- A conducive natural, built and social/cultural environment.
- Quality infrastructure and services (including, for example, transport and communications, hospitality services, accommodation, entertainment and cultural attractions);
- Effective information management (including research, marketing, visitor information and wayfinding); and
- Collaborative regional governance (stakeholder co-ordination, training, business support and investment attraction).

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[2] ibid

[3] IBISWorld, *Tourism in Australia*, November 2018.

4.   Tourism Policy Framework

Federal Government Tourism Policy

Tourism Australia[4] is responsible for 'Tourism 2020', the Federal Government's tourism policy. This policy is somewhat out of date and due for renewal. Tourism ministers from the Australian Government and state and territory governments identified four policy priorities under Tourism 2020. These are to:

- Encourage high-quality tourism experiences, including Indigenous tourism;
- Limit the tax, red tape and other regulatory burdens that the industry faces;
- Undertake coordinated and effective marketing campaigns to drive demand; and
- Work with industry to support the development of tourism infrastructure that can drive demand.

Tourism ministers approved a *Tourism 2020 Implementation Plan (2015-2020)*, which was developed in consultation with industry, outlining actions needed to help the tourism industry reach its potential. The six key areas of the strategy include:

- Grow demand from Asia;
- Build competitive digital capability;
- Encourage investment and implement the regulatory reform agenda;
- Ensure the tourism transport environment supports growth;
- Increase supply of labour, skills and Indigenous participation; and
- Build industry resilience, productivity and quality.

Tourism Research Australia [5] makes an invaluable contribution to tourism planning through:

- Results from the International Visitor Survey and National Visitor Survey;
- The State of the Industry report, which assesses the current performance of the tourism industry and the emerging trends that will affect tourism in Australia;
- Key information about travellers, including demographics, expenditure, places visited, activities, accommodation and transportation;

- Bi-annual forecasts of tourism activity for the next ten years;
- Tourism business and employment data;
- Economic impact data;
- Regional expenditure data; and
- Customised research at a regional level (the Destination Research program).

State Government Tourism Policy

Visitor Economy Industry Action Plan

The NSW Government's *Visitor Economy Industry Action Plan*[6] states:

Marketing of Sydney will continue to play an essential part of future campaigns, but there will be a greater emphasis on bringing visitors into NSW's regional areas by marketing regional events, attractions and unique selling points.

Promoting the diversity our state's regional towns, attractions and landscapes as well as encouraging visitors to explore NSW will promote the growth of the regional visitor economy. The increased visitor expenditure entering regional communities has a direct positive impact on other sectors across the community as profits and wages are reinvested or spent.

The Action Plan adopts a number of 'focus areas':

- *Listen, Understand and Act* - formation of a taskforce to (inter alia):
  - Advise the minister on actions to reduce planning and assessment timeframes for major tourism developments.
  - Prepare state-wide visitor economy plans such as the Tourism Infrastructure Plan and the Nature Based Tourism Plan.
  - Provide clear directions for Destination NSW.
- *Back Regional NSW* - support 'Destination Networks' with grants and funding, including for Destination Management Plans.
- *Put the Visitor First* - improve access to information for visitors, improve transport

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[4] Source: Tourism Australia (2011), *Tourism 2020*

[5] https://www.tra.gov.au/About-us/about-us

[6] NSW Government, August 2018

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services and tour operator services; focus on 'interest based' tourism services.

- *Support Businesses* - Through access to data, skills and training and support for Indigenous based tourism (including mentoring programs).
- *Invest in Infrastructure* - including stadia, events, airports and regional services, signposting and approvals processes.
- *Support Growth* - including a nature-based tourism strategy, and a tourist drive strategy.

It is expected that the Action Plan will update a number of other policies such as:

- The Aboriginal Tourism Action Plan (and the 'Toolkit');
- The China Tourism Strategy; and
- Destination Networks - Driving Growth of the Visitor Economy in Regional NSW.

NSW Statewide Destination Management Plan

Destination NSW, in consultation with the Chairs and General Managers of the six Destination Networks, has developed a NSW Statewide Destination Management Plan that is designed to:

- Provide a high-level framework to encourage alignment across NSW and assist coordinated delivery of the vision and goals for the NSW visitor economy.
- Be the delivery mechanism for the Visitor Economy Industry Action Plan and encompass local insights and priorities from the Destination Network DMPs and other existing strategic documents, such as the *NSW Aboriginal Tourism Action Plan 2017-2020* and the *NSW Food & Wine Strategy & Action Plan 2018-2022*.
- Set a strong strategic foundation on which industry can develop customer-centric destination marketing.
- Identify local and state strengths and unique points of difference, as well as areas of commonality across the regions.
- Encourage local industry 'self-reflection' to harness the most productive markets for their product/service/destination.
- Focus resources on the best visitor segments and sectors.
- Provide opportunity for greater collaboration.

- Provide a more compelling case for government and private sector investors via clearly defined strategic priorities.
- Equip the Destination Networks with a plan to share with stakeholders that clearly identifies where their product/service/destination fits.

The NSW DNP identifies a number of 'hero' destinations, defined as:

Hero Destinations

'Hero' destinations are world-class, iconic and unique. They have high brand awareness themselves, and also define the essence of the country they are located in. 'Heroes' are accessible, have appropriate infrastructure and developed world-class products and experiences that are available all year round. The role of the 'hero' destination is to attract visitors and provide them with outstanding unforgettable experiences that keep them coming back, and encourage them to travel further and explore less well-known destinations.

Source: NSW Statewide Destination Management Plan, p20.

Included on the list of hero destinations is the North Coast. South West Rocks is designated as a 'potential future hero destination'.

Destination NSW will continue to develop and gain Ministerial approval for annual funding agreements with each of the Destination Networks. These will set out accountabilities, key performance indicators, milestones and performance reporting from the Destination Networks. As part of these agreements, the Destination Networks will be required to actively engage with local councils and will play a bigger role in grant processes. Destination NSW will support the Destination Networks by continuing to provide them with access to skilled staff to assist them in the delivery of their DMPs.

The Statewide Destination Management Plan identifies nine areas of 'strategic focus' and lists an extensive number of initiatives. A destination network has been created for the NSW North Coast region and Destination North Coast NSW has prepared the North Coast Destination Management Plan.[7]

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[7] Destination North Coast NSW, March 2018

5. Visitor Experience Product Profile

The Macleay Valley Coast Tourism Offer

The Macleay Valley Coast is an environmentally pristine coast and country destination that is popular among leisure-seekers and outdoor enthusiasts. Visitors are attracted to the natural beauty of the Macleay Valley coastline and its spectacular hinterland.

The North Coast Destination Management Plan identifies the following 'key products' in the Macleay Valley Coast:

- The Slim Dusty Centre and Museum in Kempsey;
- The coastal towns of Grassy Head, South West Rocks, Hat Head and Crescent Head provide some of the best surfing beaches on the east coast of Australia;
- The 'Crescent Head Classic' attracts surfers coming from far and wide to compete in an annual competition that celebrates surfing's history;
- Historic Trial Bay Gaol, Smoky Cape Lighthouse and the 90 metre underwater cave Fish Dive Rock; and
- Dunghutti-Ngaku Aboriginal Art Gallery.

Infrastructure Assets

The Mid North Coast's main infrastructure assets include:

- Extensive commercial accommodation (albeit with a low occupancy rate of 57.6%) and holiday-let homes and apartments.
- Good access to airports including Port Macquarie and Coffs Harbour.
- The Pacific Highway dual carriage Motorway.
- The rail line from Sydney to Brisbane - stopping at Kempsey.
- A number of tourism associations and visitor information centres throughout the wider region.
- Tourism training (see below).

Events

The Macleay Valley Coast also hosts an extensive calendar of events around:

- Surfing;
- Surf lifesaving;
- Music, including the Slim Dusty Music Festival;
- Marathons;
- The Kempsey Akubra Cup Horse Race;
- Sculptures in the Gaol;
- Cruise ship visits; and
- Motoring, rally and motorcycle events.

Figure 4. Crescent Head Classic

Source: Flickr

Figure 5. Sculptures in the Gaol

Source: https://www.macleayvalleycoastholidayparks.com.au/discover-macleay/art-by-the-sea/

6. Tourism Service Delivery

Council Services

Kempsey Shire Council's Economic Development and Tourism Unit enhances local business development and promotes employment and investment opportunities in the Macleay Valley.

Council is particularly focused on building returns from the agribusiness sector, promoting business growth and marketing the Macleay Valley Coast tourism offer through the 'Discover Something New' destination marketing campaign. Key components of the campaign are the 'Macleay Valley Food Bowl' and 'Macleay Valley Coast'. Kempsey Shire Council also supports the region's extensive events calendar.

Kempsey Shire Council's Economic Development and Tourism Unit provides economic information and the latest data, offers businesses and investors a first point of contact regarding economic development activities and it links business operators with other government agencies and regional organisations to assist with business development and funding opportunities.

Assistance is provided with regulatory requirements as part of Kempsey Shire Council's commitment as a Small Business Friendly Council.

Tourism Training in the North Coast Region

The wider North Coast region is rich in training services. It includes Southern Cross University's School of Business and Tourism with campuses in Lismore, the Gold Coast and Coffs Harbour, providing industry-relevant business management, hospitality and tourism degrees.

TAFE NSW has courses in tourism, events and aviation with campuses in most major centres throughout the region, including the Kempsey TAFE.

Coffs Harbour has been selected as the location for the TAFE NSW Tourism and Experience Services 'SkillsPoint', which will leverage TAFE NSW's state-wide educational expertise. It will work in close partnership with industry, business and employers to design training that responds to emerging trends. Courses vary from Certificate to Diploma level.

The new Charles Sturt University campus in Port Macquarie offers a Bachelor of Applied Science (Outdoor Recreation and Ecotourism). There are also a number of other private and not-for-profit training providers in the region including NORTEC, a community-owned training and recruitment services organisation, which provides important customer service, food service and event management courses.

Web-based Visitor Information

Web-based visitor information services focussed on the Macleay Valley Coast and wider North Coast region are provided via the 'Macleay Valley Coast' and 'Visit NSW' web sites.

Macleay Valley Coast

The Macleay Valley Coast website http://macleayvalleycoast.com.au/ administered by Kempsey Shire Council, is comprehensive and is well maintained to provide advice under the headings:

- Visitor Information - e.g. How to get there, destinations and events;
- Accommodation - search by type;
- Business directory - covering a wide range of activities; and
- Live and Invest - covering lifestyle and investment, business support and the 'Meet Our Local Legends' program.

The 'choose your experience' section offers information on:

- Sport and adventure;
- Legendary (4x4) drives;
- Shopping;
- Surfing and beaches;
- Top ten attractions; and
- Bird watching.

The Macleay Valley Coast website is a good resource that is produced to a high standard. If there is an issue, it is its 'availability' to potential users, given that the label 'Macleay Valley Coast' is not yet widely recognised. If a web search for one of the better-known locations (e.g. South West Rocks) is performed the link may not appear at the top of the list and the link from Council's own website is somewhat obscure.

Visit NSW

The Visit NSW website highlights a number of regions to visit including the North Coast (see https://www.visitnsw.com/destinations/north-coast/kempsey-area). While Crescent Head, Kempsey and South West Rocks are mentioned, the Macleay Valley Coast as a location is not featured.

Visit NSW does maintain a Macleay Valley Coast web page that covers similar territory to the Council-supported site http://macleayvalleycoast.com.au/. It includes some attractions in the hinterland such as the Misty Mountain Wilderness Health Retreat located in Nulla Nulla Creek Road, Bellbrook.

Again, this is a valuable resource that is perhaps underused due to sub-optimal accessibility to users.

Visitor Information Centres (VICs)

Kempsey Shire Council operates two visitor information centres (VICs), one in Kempsey and the other in South West Rocks.

The Kempsey VIC, which is located in an Indigenous landscape setting on Lachlan Street, now known as Macleay Valley Way, south of the Kempsey township.

Figure 6.   Kempsey Visitor Information Centre

Source: Kempsey Shire Council

The building (labelled the Val Melville Centre) was designed by award-winning architect Glenn Murcutt, and houses the Visitor Information Centre, the Macleay River Historical Society Museum and the Dunghutti-Ngaku Aboriginal Art Gallery, which offers a range of souvenirs for sale, including local Indigenous art. Plenty of parking is available for caravans and motor homes whilst visiting the centre.

The Kempsey VIC has a level 1 accreditation with Visit NSW and is open Monday to Friday from 9:00am to 4:00pm Saturday, and on Sunday and public holidays except for Christmas Day, it is open from 10:00am to 4:00pm.

The South West Rocks VIC is located in one of the Boatmans Cottages, being part of a heritage listed Pilot Station Complex, which also houses a free maritime museum. Open 7 days from 9am to 4pm, the South West Rocks VIC provides a range of information for visitors, including maps of the town and region, information on local attractions, assistance with accommodation and other services as required.

Figure 7.   South West Rocks Visitor Information Centre

Source: Kempsey Shire Council

Surveys carried out by the VICs indicate that:

- There were around 18,000 visits to the centres in 2018, however this has fallen from 20,000 four years ago. This represents 3.4% of total visits;
- 15% of visitors are from the local area;
- 47% of visitors are from 'other NSW';
- 15% are from Queensland;
- 10% are from Victoria;
- 10% of visitors are from overseas; and
- 3% other.

This picture of the origin of visitors to the VICs does not reflect the origin of all visitors to the Macleay Valley Coast, as different groups have different needs for information. Some groups are familiar with the area and others, such as overseas visitors, are first timers. The low percentage of total visitors reflects the fact that a high proportion of visitors are returnees.

Kempsey Shire Council funds one full-time position at the Kempsey VIC and there are 38 volunteers. Council also pays the Macleay River Historical Society to staff the Kempsey VIC on weekends and pays for building / facility maintenance and upkeep. The current budget does not include all costs, for example, for 'tourism collateral' including website maintenance and published material.
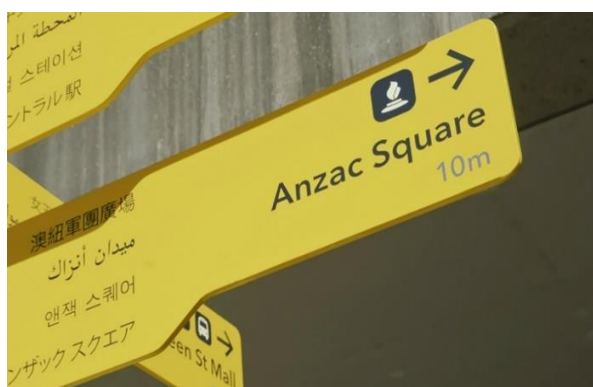
There are moves nationally to reflect on the effectiveness of VICs[8] and while it is recognised that they have a potentially important role as trusted sources of information, their performance varies. Many VICs are considered to be under-resourced and/or not keeping up with trends in information management and delivery. Given the resources being devoted to Kempsey Shire Council's VICs, a review would be timely.

Wayfinding

Wayfinding refers to the systems that are employed to help tourists and visitors orient their position and get to their desired location. Signage, large maps and even touch-screens can be used to help people orient where they are in relation to where they wish to travel. Innovations in smart phone technology are providing cost-effective means of providing people with wayfinding services.

Wayfinding systems should provide a graphic representation that clearly identifies where the visitors are positioned. They should also provide operational and regulatory information, such as the site's hours of operation and any safety precautions that may be necessary. Wayfinding systems should help visitors visualise their path and make a route decision.

Figure 8. Modern Multi-lingual Wayfinding Signage

Source: https://segd.org/brisbane-multilingual-pedestrian-wayfinding

Modern wayfinding systems include the following features:

- Pathways, fencing, and bollards can all be used to designate a route that establishes a clear beginning, middle and end for the user.
- Lights can be used as wayfinding devices that illuminate the necessary path or they can be incorporated into the existing wayfinding markers as is the case with solar lighting bollards.
- Safety is a primary consideration, for example, foot traffic should be separated from vehicular traffic but in certain situations, walkers may need to share pathways with cyclists, joggers and roller skaters.
- Provide destination recognition. To guarantee that a site will be successfully recognised, it should be set apart from its surroundings.
- Incorporate consistent themes and branding.
- Where possible, accommodate visitors of different cultures and languages, including Indigenous place names or messaging.

Wayfinding infrastructure in the Macleay Valley Coast can be improved. New sculptures at the north and south exits from the Pacific Highway are beneficial and there are some good examples such as the heritage interpretation signs in Riverside Park. Signing of tourist routes can be improved, including pedestrian signage.

Figure 9. Visitor Information Signage, Kempsey

Source: http://www.waymarking.com/waymarks/

Destination NSW has installed a high-quality information board at the new rest stop north of the northern turnoff from the new highway, however while it provides excellent guidance to the coastal destinations, the hinterland is omitted.

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[8] For example https://www.destinationnsw.com.au/wp-content/uploads/2019/03/visitor-information-servicing.pdf?x15361

7. Competition and Challenges

Competition

The Macleay Valley Coast's location, mid-way between the major markets of Brisbane / Gold Coast to the north and Sydney / Newcastle / Wollongong to the south means it is the most distant location from both, and there are multiple intervening opportunities for potential visitors seeking coastal and nature-based experiences.

Regions to the north and the south of the two major markets are also competitors. Other key competitors include:

- Other world heritage national parks;
- The cruise market; and
- Popular overseas budget holidays including affordable overseas destinations such as Fiji and Bali.

An implication of overseas competition is that Australian travellers (and indeed overseas visitors) have heightened expectations of accommodation and hospitality standards. Competing overseas destinations are currently experiencing tourism growth, with the result that the accommodation supply is new and modern, with high service standards and exceptional customer service.

Asian countries have relatively low wage rates allowing them to provide a good standard of hospitality services, and some European countries (e.g. Greece and Croatia) have a 'professional' workforce (chefs, waiters, baristas and bar staff) that follows the seasons - at home in the summer and in the alps in the winter. These countries also cater for the budget travellers offering hostel and backpacker accommodation at much cheaper rates than equivalents in Australia.

All of these destinations offer 'packages' that are cost effective and are promoted heavily in Australian media. In fact, Australians find they have to book well in advance to secure the best deals, for example, the best cabins on boat tours. The main group that is targeted is the 'cashed up retiree' market that is prevalent and growing in Australia.

Australian regions that offer only 'low end' accommodation such as tired motels and holiday parks are not attracting this target market, hence while they may experience high visitation rates spending is proportionally low. This results in fewer jobs in the tourism industry relative to the number of visitors.

Challenges

Challenges facing the growth and development of the Macleay Valley Coast visitor economy that have been identified are:

- The region can at times be the subject of negative perceptions, both from without and within that, notwithstanding improvements that are ongoing, are related to concentrations of social disadvantage.
- The Macleay Valley Coast brand is not yet well recognised and tends to exclude the hinterland.
- The road to the west is unsuitable for two-wheel drive cars, cutting off access to the region from the west and preventing establishment of a touring route.
- The fragmented nature of the tourism industry. There is a multiplicity of small players posing difficulties in co-ordinating marketing, product development and destination management efforts.
- There is an over-reliance on the relatively 'low yield' camping and caravan holiday market pushing the environmental limit of the headland holiday park locations.
- As a corollary to the above, there is a shortage of high-end accommodation and specialist accommodation such as glamping facilities, eco-lodges and wellness centres.
- The existing commercial accommodation offer is somewhat 'tired', and as a result tends to cater for the non-holiday visitor (e.g. construction workers).

- A lack of quality accommodation (and direct flights to the region) inhibits the capacity of the Macleay Valley Coast to host conferences and seminars.
- There is a shortage of after dark hospitality services. There are clubs that offer good quality meals but little else, including a paucity of take-away outlets.
- There is a shortage of recreational attractions relative to other regions.
- Public transport services are poor including local services and the train service between Sydney and Brisbane which is infrequent and slow.
- Wayfinding infrastructure and services are below the standard of comparable regions.
- Visitor information centres have poor 'visibility'.
- The vacant Slim Dusty House in Nulla Nulla (near Bellbrook 50km west of Kempsey) is not available to the public.
- Low levels of visitation to the hinterland threaten the viability of businesses including hotels and retail outlets and there is a lack of good standard hospitality outlets.
- Current visitation is seasonal (falls away in winter) which undermines the viability of businesses in the sector.
- Amenity issues such as:
  o Poor appearance of the entrances from the highway – including litter, weeds and 'low amenity' built form.
  o Poor highway presentation and presence.
  o Appearance of the Kempsey retail precinct – uninspiring.
- Many tourism business-owners are 'satisficers' and are therefore not interested in many cases in taking on risks or opening for extended (or even normal) hours.

Efforts to respond to and address the challenges facing the growth and development of the Macleay Valley Coast visitor economy need to be balanced against strategies and actions to capitalise on the region's strengths and attributes. This will ensure that opportunities for growth and development can be realised in line with a clear and shared vision for the growth and development of the Macleay Valley Coast visitor economy.

8. Opportunities and a Vision for Prosperity

Strengths and Attributes

In summary, the features that set the Macleay Valley Coast apart include:
- Some of Australia's best beaches.
- World-renown surf.
- Natural beauty and pristine forests with tracks for bushwalking and trail riding.
- Opportunities for boating, kayaking, paddle boarding and fishing.
- Dives off South West Rocks that are some of the finest in the world.
- Home to a number of unique tourism icons, including historic Trial Bay Gaol, Smoky Cape Lighthouse, which is the most elevated lighthouse on the Australian east coast, the famous Akubra hat and the Slim Dusty Centre and Museum.
- The legacy of inspiring artists, including landscape artists Rex Newell and Les Graham, Indigenous artist Richard Campbell and legendary country music singers Slim Dusty and Shorty Ranger.
- The resilience of many small business operators in the tourism sector who, despite the aforementioned challenges, are having a go and are full of ideas.
- An active local arts and culture sector.
- The Macleay River meandering through rural landscapes silhouetted by mountainous terrain containing the World Heritage listed Gondwana Rainforests.

Figure 10. Slim Dusty Centre and Museum Facade

Source: SC Lennon & Associates

The Vision

By addressing the challenges and capitalising on the region's strengths and opportunities to grow the Macleay Valley Coast visitor economy, this Destination Management Plan provides the framework for action, to guide Kempsey Shire Council and its partner organisations in delivering actions to help fulfil the vision for the region's visitor economy.

> *The Macleay Valley Coast will establish itself as a premier regional visitor destination through the development of iconic natural visitor attractions, driving growth in high-yield and environmentally sustainable tourism.*

The vision responds to the Macleay Valley's comparative and competitive advantages and the issues, challenges and opportunities that need to be addressed to grow a vibrant visitor economy. To realise the vision, a project-led approach is proposed, one which begins with the planning and implementation of selected 'game-changers'.

Game-Changers

In the course of preparing this Destination Management Plan, four exciting potential 'game-changer' projects, summarised below, have been identified. Individually and collectively, they offer an opportunity to:

- Put the Macleay Valley Coast brand 'on the map', nationally and internationally. This will overcome obstacles to effective marketing, and it will target markets currently not being accessed.
- Increase 'higher yield' visitation from non-traditional markets.
- Support the viability of tourism businesses enabling a higher level of service to be offered - with a multiplier effect through the regional visitor economy.
- Overcome the competitive disadvantage associated with the region's location relative to major markets.

The Five Headlands Trail

The opportunity exists to promote a multi-day walking trail along the Macleay Valley Coast coastline, known as the Five Headlands Trail. The trail would link five coastal headlands into a united walking trail creating an extraordinary coastal walking experience

through national park landscapes and remote pristine beaches. This project will transform Kempsey Shire Council's five headland holiday parks into a unified centre point for each of the five coastal communities of Crescent Head, Hat Head, South West Rocks, Stuarts Point and Grassy Head.

Linking these communities by a Five Headland Trail will enable visitors to the Macleay to enjoy other historic and unique tourist attractions associated with each of the headlands.

Figure 11. The Five Headlands Trail – Smoky Cape to Trial Bay and South West Rocks

Source: Kempsey Shire Council

This game-changer project has the potential to transform the area into an iconic nature-based tourism destination and create a unique traveller experience unmatched in NSW.

The potential exists for extensive multi-day walks along the Macleay Valley Coast that can boast incredible scenery and historic attractions plus offer an integrated system of trails linked with accommodation venues at each headland, so visitors can choose the length and extent of their trek options.

This would open the area to both visitors who drive and those who choose to fly to the closest airport with their local transportation provided by the holiday park operators. The Five Headlands Trail project has been selected by Destination North Coast NSW from a field of 40 projects to be supported to progress to 'shovel-readiness'.

Activating the Macleay River

The Macleay River flows for 298 kilometres from the west through rugged landscapes and gorges creating spectacular waterfalls in the Cunnawarra and Oxley Wild Rivers National Parks, then on to the extensive flood plains around Kempsey and then to the coast at South West Rocks.

Figure 12. Solar-powered Houseboat

Source: https://www.pinterest.com.au/

From the 1820s the Macleay River was the main arterial of the valley providing access for goods and people to the outside world. This function was usurped by the railways and the highways, relegating the function of the river to being the focus of recreational activities.

While the Macleay River is well-utilised by locals for a wide range of activities, it has significant scope for increased visitor use. A comparison may be made with the Hawkesbury River, which is well known for its use, mainly by Sydney-siders, for:

- Boating;
- Sailing;
- Fishing;
- Houseboating;
- Touring; and
- Accessing holiday accommodation.

Figure 13. Hawkesbury Canoe Classic

Source: Destination NSW

For illustrative purposes the types of projects that might be pursued to further activate the Macleay River include:

- River tours;
- Houseboats;
- Eco-lodge accommodation (for example, up-river, Kempsey, Gladstone and/or South West Rocks);
- Ferry services;
- Pontoons at riverside eating and drinking precincts (e.g. Gladstone and Frederickton);
- Events spaces;
- Water sports infrastructure;
- Watercraft launching and short-term mooring sites;
- River 'Hub' - public marina and tourist boat terminal (Riverside Park could be the main 'hub');
- Development of riverside parks, cycle and walkways;
- Community art spaces for exhibitions and a public art program;
- European and Indigenous cultural heritage interpretation; and
- Areas of conserved or restored natural riverine ecosystems.

Given that frontages to the river are predominantly privately-owned rural properties, there is scope for significant private investment in many of the attractions.

The Macleay River has a potential to become another iconic attraction for the region and a destination of State-wide, if not national importance. The Macleay River is an important link between the upriver

communities, the town of Kempsey and the coast where most tourism currently takes place.

Activation of the river would help to draw some of the economic activity into the town of Kempsey for the benefit of local businesses and potentially for the image of the town.

Macleay Valley Adventure Sports Strategy

Destination NSW promotes adventure and sport as a key feature of the State's tourism offer, including 4WD and off-road driving, mountain bike riding, horse riding, skiing and snowboarding, diving, surfing, snorkelling and swimming, kayaking, canoeing and paddle boarding as well as abseiling and canyoning, through to air sports and adventure sports including skydiving.

Macleay Valley Skydiving Adventure Park

The opportunity exists to leverage the NSW Government's support for adventure sports tourism through the development of a Macleay Valley Adventure Sports Strategy, with a Macleay Valley Skydiving Adventure Park, to be located at Kempsey Regional Airport, as a priority project. A key feature of the proposed Skydiving Adventure Park is that it include facilities to host canopy piloting events.

Canopy piloting is a high-speed discipline involving small and very agile parachutes and highly trained pilots to fly them. The proposal is to build a competition standard canopy piloting facility at Kempsey Regional Airport. This would be the only site on the east coast of Australia able to host regional to international competitions. The facility would host competition events, training camps and regular skydives.

Figure 14. Canopy Piloting

Source: Flickr

Canopy piloting competitions are held over a stretch of water for safety reasons and can be watched from just a few metres away from the ground. The athletes accelerate their parachutes by flying one or more steep turns and then plain out over the surface of the water to enter the course.

The sport has regional, state, national and international level competitions. Canopy piloting is growing in popularity with an upsurge in adventure style sports and the high-performance record of Australian athletes.

Although there are many operational sites around Australia, there is only one accredited competition site in York, Western Australia, where the 2019 National Championships were held.

To create the competition drop zone, new sporting infrastructure would transform the currently under-utilised Kempsey Airport into an elite sporting park for skydiving. The project would involve construction of:

- A 110m X 40m X 0.9m deep drop zone pond;
- A large hangar with kitchen facilities, amenities and a dormitory;
- A rock-climbing gym within the hangar;
- Potentially, associated recreational facilities; and
- Training facilities.

As an internationally-recognised facility, the proposed canopy piloting adventure park would help promote the Macleay Valley Coast brand to new and existing visitor markets, nationally and abroad.

Other Opportunities – Mountain Biking and Off-road Motor Sporting Events

The Adventure Sports Strategy would also identify planning for other potential facilities, infrastructure and events to grow the Macleay Valley Visitor economy.

There are opportunities to capitalise on the Macleay Valley's natural and historical comparative advantages including, for example its reputation as an established mountain bike trail location and its off-road motor sporting heritage.

The Macleay Valley is a well-known location for mountain biking with established trails which are used by local mountain biker organisations and visitors alike. This presents an opportunity to grow the Macleay Valley's sports tourism profile without the

need for major investment in new infrastructure or facilities.

From the early 1980s up until 2002, Kempsey was home to the internationally-renowned 'Macleay 1000', a major motor sporting event which attracted the best teams from across Australia as well as from overseas including the USA, New Zealand, Russia and Japan. The Macleay Valley's motor sporting heritage and local expertise could be leveraged to introduce new or re-invigorated motor sporting events to the region.

Upgrading the Kempsey to Armidale Road

The Kempsey to Armidale Road is a critical link that is underutilised due to its poor condition. In the Bellbrook to Waterfall Way section, the road has extensive lengths of steep, narrow and winding gravel road that poses hazards for traffic. It is often closed due to land slips and rock falls and it is particularly hazardous in wet weather. The road is 182km in length and it takes around three hours to traverse.

Based on a 2015 traffic count, the road has an average daily traffic volume of 127 vehicles with a 15.2% heavy vehicle component. It is an important route for timber, livestock, and freight drivers servicing Armidale and the coast.

Alternative routes are the 'Waterfall Way' to the north via Bellingen or the Oxley Highway to the south via Port Macquarie. The road is unsuitable for two-wheel drive vehicles and, while passable in good weather, use of the route is not encouraged due to safety concerns. If these were addressed by sealing the road or widening enhancements to a 'tourist route' standard it would become a significant touring and regional access route.

An upgraded road would bring significant benefits from a tourism perspective opening up the Macleay Valley Coast to visitors from the west and allowing visitors in Kempsey and on the coast to exit the region to the west. This would put the Valley 'on the map' and a considerable uplift in visitation could be expected. The road would be attractive to:

- Drive tourists;
- Touring motor cyclists;
- Cycling tourists (road and mountain bikes); and
- Car clubs.

With an uplift in visitation, investment in hospitality, accommodation and attractions can also be expected. The road would also provide access for rural businesses to Armidale, including Armidale Airport with a potential for freight to be exported.

Figure 15. The Kempsey to Armidale Road

Sources: Kempsey Shire Council and Armidale Regional Council

Kempsey Shire residents would benefit from better access to education, health and recreation/cultural facilities to the west including access to the University of New England's Armidale campus.

Next Tier Tourism Initiatives and Projects

In addition to the four 'game-changers' discussed above, there are a number of opportunities to support these projects and to accelerate their multiplier effect in the regional economy. These have been identified in the study process and are introduced by reference to the 'enablers of a vibrant visitor economy' in Section 9.

9. The Enablers of a Vibrant Visitor Economy

In order that the Destination Management Plan is relevant to Kempsey Shire Council's economic development role and functions, the Destination Management Plan focuses on the 'enablers of a vibrant visitor economy'.

These enablers refer to the things that Kempsey Shire Council, in concert with tourism organisations and other key stakeholders, including regional development organisations, may take strategic actions to influence key economic development outcomes.

The following figure groups these enablers under four headings that are explained in turn below.

Figure 16. The Enablers of a Vibrant Visitor Economy

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A Conducive Environment

In order to attract and hold visitors there are three aspects of the environment that must be attended to:

- The *natural environment* must be as close to pristine as possible with appropriate management of all aspects of land, air and water - and habitats for flora and fauna;

- The *built environment* must be attractive and safe (i.e. liveable) and based on the principles of ecologically sustainable development; and

- The *social / cultural environment* must provide for educational, recreation, leisure, wellbeing and artistic pursuits, and efforts to promote the Macleay Valley Coat's social and cultural heritage must be authentic.

Quality Infrastructure and Services

These include both private and public sector items that are essential for accommodating, entertaining, informing and transporting visitors. There are five aspects that must be attended to:

- *Sporting, entertainment and cultural infrastructure and attractions* (both natural and built) catering for a wide variety of needs;

- *Recreation and leisure infrastructure*, including public amenities, pathways, shelters and public spaces, which must be of the highest order to support a quality built environment;

- *Hospitality services*, which must be of the highest order to be competitive;

- The quality of *accommodation* and 'value for money';

- *Events*, which are the key to promoting any region and cultural diversity, attracting visitors who may not otherwise come to the Macleay Valley Coast; and

- *Transport* by road (including cycling), water, rail and air and reliable modern *communications*, particularly given the generally-held expectation of the 21st Century tourist that they be connected to the world 24/7.

Effective Information Management

With a conducive environment and quality infrastructure and services provided, the Macleay Valley Coast will be equipped to offer its unique products and experiences to the visitor market, and this will need to be effectively promoted. There are four aspects that must be attended to:

- *Research* is an essential aspect of business development that is best carried out centrally. Up-to-date data on visitor preferences, wants and needs is essential in delivering appropriate services;

- *Marketing* must be directed at the relevant market segments in an effective way using the full range of media available, including, importantly, social media;

- *Visitor Information* must be readily available to prospective and 'captured' visitors to ensure they are able to access all of the attractions and experiences on offer that suit their needs; and

- *Wayfinding* is an important aspect that facilitates access to the Macleay Valley Coast's attractions and experiences.

Collaborative Governance

This is the glue that binds it all together. There are four aspects that must be attended to:

- *Stakeholder co-ordination* is normally a key public sector function that can assist stakeholders (public and private sector) to work together for mutual benefit;

- *Business support* is required, particularly for small to medium-sized businesses that make up the bulk of the region's visitor service providers;

- *Training* is an important aspect of business support and it also enables greater workforce participation; and

- *Investment attraction* is a key aspect of enhancing the quality and range of attractions and services that can be targeted and this is most effective when undertaken in a strategic, informed and collaborative fashion.

By focusing on these 'enablers', an action plan can be developed that is relevant and effective, resulting in sustainable growth in the Macleay Valley Coast's visitor economy.

Figure 17. Macleay Valley Coast Branding

Source: Kempsey Shire Council

10. Implementation Action Plan

Building on the Region's Success

It is clear from the consultations informing this Destination Management Plan and based on an examination of the situation, that the current approach is working well, and much has been achieved to date. This is particularly the case in relation to marketing, the web presence and events co-ordination.

Other achievements include:

- Kempsey Shire Council has been successful in obtaining a $2.46 million NSW Government grant that will see a new, three-storey multi-sport high-performance and training facility built in South West Rocks. The project will bring these facilities to the standard required to host a variety of national and state level matches and competitions, as well as high-performance training across cricket, netball, rugby union, Rugby League, Australian Rules football (AFL), soccer and lawn bowls.

- Over the past two years, there has been some key investment in accommodation infrastructure across a number of holiday parks.

- In October 2018, over 90 cruise ship passengers and 78 crew members spent the day in South West Rocks as part of a three-week voyage along the full length of Australia's east coast. Plans are afoot for another visit and to confirm Trial Bay as a key north coast visitor port.

- There are a number of complementary foreshore and recreation upgrades happening or planned at Back Creek, Crescent Head, Horseshoe Bay, South West Rocks and Stuarts Point, totalling more than $4.5m. These initiatives represent an ongoing program of improvements to enhance visitor experiences.

- A new visitor guide highlights the region's many attractions. A total of 30,000 copies have been distributed to local, regional and interstate Visitor Information Centres as well as to local businesses.

- The *'I Love the Macleay Valley Coast'* campaign is part of the *'Discover Something New'* destination marketing program, which has been successfully promoting the Macleay since 2014, building awareness, enquiry levels and visitor numbers.

- Kempsey Shire Council is the co-host of the Regional Tourism Symposium and Awards in 2019 as part of a new conference events program.

- NSW National Parks and Wildlife Service (NPWS) has been awarded major funding of $6.7m for upgrades to Arakoon National Park that will enhance the existing attractions of Trial Bay Gaol and Smoky Cape Lighthouse. Working together with NPWS for the development of key national park and walking trail assets, Kempsey Shire Council has the opportunity to forge a lasting relationship for the benefit of the visitors experiencing the Macleay.

These important achievements need to be capitalised upon with a strategic, project-focussed approach to destination management.

A Strategic Project-focussed Approach

To realise the vision, the new strategic approach embodied in this Destination Management Plan focuses on higher-yield tourism. It is clear that this will require higher standards of accommodation and hospitality services to match or better what is offered by overseas packages and other regions in Australia. The critical question is how to attract the investment that is required.

Investment in visitor services occurs at two levels. First, there are 'iconic' projects that can attract their own market, for example, eco-lodges, wellness retreats and spas and 4+ star accommodation, including those with conference facilities. These types of facilities invest heavily in promotion, which at the same time promotes the region within which they operate.

Potential investors in these types of iconic projects are limited in number, and they are spoiled for choice in Australia as to where to invest. This is why regions must set themselves apart, and the solution in the Macleay Valley Coast region is the 'game-changer'

projects. A commitment to these will be of interest to the types of investors to be targeted.

Second, there are supportive facilities which are small to medium sized accommodation and hospitality businesses. Investors in these businesses (and their financiers) are necessarily risk-averse and look to see if a market already exists for their product. Hence, they are followers rather than leaders in the investment environment.

The strategic approach to growing the Macleay Valley Coast visitor economy emphasises the planning and implementation of the game-changer projects and the high-priority supportive projects identified in this action plan. The implication of this is that further resources should be directed to catalyst project planning and implementation as well as support services such as marketing and visitor information services. These services are already at a good standard and represent solid improvements over the past four years.

Resourcing Effective Destination Management

Kempsey Shire Council's Economic Development and Tourism Unit fulfils a diversity of important functions. For example, it:

- Promotes employment and investment opportunities in the tourism sector.
- Compiles, co-ordinates and maintains the events calendar.
- Maintains the web presence and marketing of the Macleay Valley Coast.
- Provides economic and related data and information to the tourism industry.
- Provides a first point of contact for potential investors.
- Links businesses to other government agencies.
- Assists with funding opportunities.
- Assists with regulatory requirements.
- Oversees the operation of the two Visitor Information Centres.
- Prepares and oversees implementation of periodic Destination Management Plans.
- Undertakes visitor surveys.
- Co-ordinates Council grant applications for tourism projects.
- Co-ordinates networks and partners with industry.

Projects and initiatives are included in this DMP with a view to being included in Kempsey Shire Council's future four-year Delivery Plans. In order to effectively implement Destination Management Plan priorities and to oversee the Plan's implementation, Council will need to dedicate the necessary human, physical and financial resources.

Key actions presented in this Destination Management Plan are focussed on two main types of activities:

1. Catalytic project planning and implementation (the game-changer projects), which require action combined with a well-planned course of project implementation for the desired outcomes to be realised; and

2. Strategic program implementation - initiatives which can be addressed as part of Kempsey Shire Council's day-to-day economic development and tourism planning and facilitation functions in a strategic and informed manner.

Some implementation actions will be Council-led, in that they involve specific tasks for Kempsey Shire Council and an allocation of human, physical and financial resources.

Other actions will be Council-supported activities and these will include, for example, advocacy or support initiatives where implementation of the action is to be led by agencies / organisations other than Council.

This means the Macleay Valley Coast's tourism industry stakeholders, including Council, will need to continue to collaborate to progress effective implementation of the Destination Management Plan's priority actions.

Setting Priorities

The next steps in this planning process is a comprehensive Action Plan that includes:

- Actions - Initiatives and Projects - description.
- Benefits - a brief summary of the benefits that the action can generate.
- Prime Responsibility - the entity with prime responsibility for implementation is nominated.
- Partners - implementation partners are also nominated.

- Resources Required (Capacity) - An assessment of whether the call on resources will be business-as-usual, a moderate call or a call for significant resources.
- Priority / Commencement Year - an assessment of priority and a suggested commencement year is provided.

While all of the ideas for action presented in this Destination Management Plan are valid and worth pursuing, resource constraints mean it is impractical for Kempsey Shire Council and its partners to act on all of them immediately.

This makes it necessary to prioritise opportunities for short to medium-term implementation. The prioritisation of opportunities for action is guided by two broad sets of assessment criteria – *benefits realisation* and *capacity to implement*.
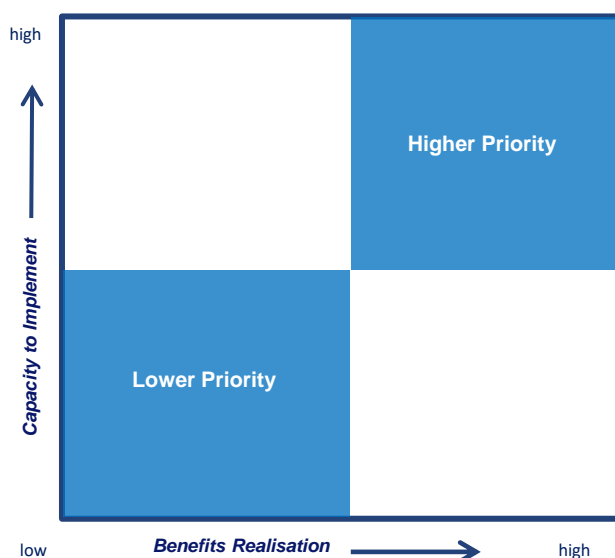
Benefits Realisation:

- What benefits will the project, program or activity deliver to the communities of the Macleay Valley Coast, its residents and businesses if realised?
  - Will it bring more tourism business investment to the Macleay Valley Coast?
  - Is it the sort of investment that Kempsey Shire Council and the community wants?
  - Does it build on the Macleay Valley Coast's existing tourism industry profile, capabilities and competitive advantages?
  - Will it help to create more jobs in key and emerging tourism industry sectors?
  - Will it create a significant uplift in high yield visitation?
  - Will it extend the tourism season?
  - Are there other potential impacts (e.g. social, environmental, cultural) to consider? For example:
    - Enhancing urban liveability;
    - Increasing connection to family and community;
    - Higher quality recreational and cultural facilities; or
    - Improving quality of social support services.

Capacity to Implement:

- What is Kempsey Shire Council's capacity to implement the project or activity?
  - Is it consistent with Council's economic development charter and vision for the future?
  - Is it consistent with Council's land use planning and policy objectives?
  - Does Council have the programs in place to support the opportunity?
  - Is the necessary support infrastructure available (or can it be realistically built/accessed?)
  - Does Council have the organisational capacity to implement the project?
  - Does Council have the financial resources and the human resources?
  - Does Council have the political and community support?
  - Implementation - who is best placed to drive the opportunity? Is it Kempsey Shire Council as the lead, as a partner or is it the responsibility of other organisations with support from Council?

Figure 18. Action Prioritisation Assessment Matrix

Source: SC Lennon & Associates

Priorities are identified based on the application of these broad set of assessment criteria, determining to what extent the opportunity in question concerned is a higher, medium or lower priority.

Priorities for Action

Taking into consideration the criteria relating to capacity to implement and benefits realisation the priorities for action in the next five years are:

Planning for the Implementation of the Four 'Game-Changers'

- The Five Headlands Trail.
- Activating the Macleay River.
- Macleay Valley Adventure Sports Strategy.
- Upgrading the Kempsey to Armidale Road.

Support Projects

- Preparing the Macleay Valley Coast Marketing Plan.
- Upgrading the Macleay Valley Coast website.
- Reviewing the Visitor Information Centres.
- Business support for Indigenous cultural tourism and inclusive tourism.
- Developing the cruise ship market.
- Establishing and promoting key events with a special emphasis on the iconic Slim Dusty Music Festival and Sculptures in the Gaol.
- Developing collaborative partnerships to attract investment and capture funding opportunities.
- The promotion of local arts and cultural activities.

Continuing Collaborative Regional Partnerships for Effective Implementation

The *Macleay Valley Coast Destination Management Plan, 2019-2029* represents a new approach that is 'project focused'. This will require project-specific multidisciplinary teams from within Council, supported by contracted expertise where needed to be put in place for the duration of project implementation.

This is especially relevant to the 'game-changer' projects, but also for many of the actions contained in this Destination Management Plan's action plan.

Collaborating to cultivate destination management partnerships will be key to successful project and planning implementation.

Kempsey Shire Council will continue to collaborate with Destination North Coast NSW, Arts Mid North Coast, the Federal and NSW Governments, Kempsey Local Aboriginal Land Council, Mid North Coast Joint Organisation, local chambers of commerce and the region's industry stakeholders to gain support for and to help deliver the *Macleay Valley Coast Destination Management Plan, 2019-2029*.

The Economic Benefits of Implementation

It is possible to make an estimate of the benefits of implementing this Destination Management Plan. The table below shows an estimate of the 'plausible' uplift in visitor spending if the suite of initiatives presented herein have their intended effect.

This is an indicative analysis with a number of key assumptions that are noted in the table. It is assumed that the growth rate in visitation to the Macleay Valley Coast can ramp up to the current NSW regional growth rate of 4% per annum over five years and then be maintained at that level.

It is estimated that by 2029, there is potential for an uplift in visitor spending of $65.8 million per annum, from $147.4 million per annum today - total spend $198.0 million per annum. Based on economic modelling (economy id. economic model for Kempsey Shire), this would translate to:

- A rise in output in the Macleay Valley Coast regional economy of $114.5 million plus an additional $39.3 million in the wider Australian economy.
- A rise in value-added (output minus costs of inputs) in the Macleay Valley Coast of $57.93 million plus an additional $18.4 million in the wider Australian economy.
- An additional 807 jobs in the local tourism sector, an additional 255 jobs in other related industries throughout the region, plus an additional 162 jobs in the wider Australian economy.

If the value-added estimate is extrapolated for 30 years and expressed in 'present value' terms (at a 7% discount rate), this provides an estimate of the total benefit gained. On this basis, the total benefit is in the order of $800 million.

While this is an indicative estimate only it does serve to illustrate the substantial benefits that can be achieved with a visitation uplift. Even if the estimates were halved, the overall benefit is still $400 million.

Estimate of 'Plausible' Spending Uplift		Notes / Assumptions
Total Spend 2017 (TRA)	$147,384,000	From TRA Kempsey profile
Total Spend 2019 (Estimate)	$147,384,000	No growth
Spend Uplift @ 2% pa 5 Years	$15,339,845	Average when ramping up to 4% pa
Total Spend 2024	$162,723,845	Sum of above
Spend Uplift @ 4% pa 5 Years	$35,254,593	NSW regional average
Total Spend 2029	$197,978,438	Sum 2019/24 and 2025/29
Total Spend Uplift 2019 to 2029	$50,594,438	2029 - 2019
Adjust for increase in spend per visit	$65,772,770	Assume +30%

Key Performance Measures

Set performance measures have been established using a range of indicators, including both 'output' indicators and 'outcome' measures.

Outcome measures refer to broad development outcomes at the regional level, such as tourism industry output (gross revenue generated by the region's tourism businesses), business establishments growth and jobs.

Output measures on the other hand, include, for example, levels of tourism / tourism-related business confidence, visitor satisfaction, numbers of investment enquiries, strategy/action milestones and project progress and completion. The Destination Management Plan's key output and outcome performance measures are as follows.

Output Measures:

- The Macleay Valley Coast Marketing Plan and website upgrade is complete within 12 months.

- The Visitor Information Centres review is complete within 12 to 18 months.

- Business support programs for Indigenous cultural tourism and inclusive tourism are established and operational within 2 years.

- The Five Headlands Trail is operational and marketed as a key attractor within five years.

- The Macleay River Activation Program will have commenced implementation within five years.

- A priority initiative of the Macleay Valley Adventure Sports Strategy, the Macleay Valley Skydiving Adventure Park project has been fully assessed and prioritised within three years.

- The Kempsey to Armidale road is a safer touring route (especially for 4WD, AWD and motorcycle drive tourists) within five years.

- The bi-annual visitor surveys have been conducted.

Outcome Measures:

- The Macleay Valley Coast's visitation growth rate shows a net increase in each five-year review period.

- The proportion of tourism jobs in the Macleay Valley shows a net increase in each five-year review period.

- The proportion of Indigenous persons involved with tourism employment and enterprises shows a net increase in each five-year review period commensurate with Indigenous representation in Macleay Valley Coast population.

Monitoring and Review

Targets set will be monitored through various methods and sources including:

- Business confidence surveys;
- The visitor satisfaction survey;
- Subscription to a regularly updated and tailored data source including community id. and economy.id; and
- Data from the Australian Bureau of Statistics (ABS), Tourism Research Australia (TRA) and other key sources as appropriate.

In monitoring the planning and implementation of priority actions, Kempsey Shire Council's Economic Development and Tourism Unit will report to Council annually on progress with the strategy actions in consideration of the key performance indicators.

Any necessary recommendations on modifications to the program will be formulated in consultation with key stakeholders.

An independent review and update of the *Macleay Valley Coast Destination Management Plan, 2019-2029* will be undertaken at year five.

11. A Future Action Plan

The following opportunities and initiatives will be prioritised and evaluated annually for incorporation into the Council Operating Plan.

1. Game Changer Projects

1.1 Five Headlands Trail
- Prepare a masterplan for the concept
- Conduct community engagement
- Advance to business case
- Establish Task Force
- Seek funding
- Seek partners

1.2 Activating the Macleay River
- Prepare a masterplan for the river and abuttals from Kempsey to the sea
- Advance to business case
- Establish Task Force
- Conduct community engagement
- Seek funding

1.3 Macleay Valley Adventure Sports Strategy
- Priority on skydiving and canopy piloting
- Prepare concept design
- Advance to business case
- Establish Task Force
- Conduct community engagement
- Seek funding
- Seek commercial investor / operator
- Resolve asset tenure
- Seek to include in KSC Delivery Plan 2021-2025

1.4 Upgrading the Kempsey to Armidale Road
- Advocate for confirmation of re-classification of road
- Assess further funding options for road safety enhancements
- Establish Task Force
- Conduct community engagement
- Seek funding

2. A Conducive Environment

2.1 The Natural Environment
2.1.1 Develop Indigenous planting guidelines for rural and urban properties with an emphasis on creating habitat corridors - include in current bio-diversity strategy.

2.2 The Built Environment
2.2.1 Develop landscape design guidelines and an implementation program to:

- Develop architectural and landscape design guidelines for built form in the Macleay Valley's coastal and rural settlements
- Continue the program of streetscape works in the towns to reflect the heritage and country lifestyle theme
- Develop and implement a targeted tree planting program for high-impact areas
- Develop and implement a 'highway edge' project to clean up and improve the appearance and amenity of road spaces

2.3 The Social/Cultural Environment
2.3.1 Undertake a Heritage Strategy to:

Investigate the potential for local heritage precincts as part of town/village destination appeal, for example:
- Kempsey township's heritage architecture
- Gladstone is a historic town;
- South West Rocks has a maritime precinct in a heritage area that could be expanded in the centre of town;
- Trial Bay Gaol and Smoky Cape Lighthouse are key heritage attractions; and
- Bellbrook village is a historic settlement.

Incorporate a review of heritage precincts in the next planning scheme review and develop policies for their conservation and development as visitor attractions.

3. Quality Infrastructure and Services

3.1 Entertainment and Cultural Attractions

3.1.1 Ensure that local planning strategies that relate to the visitor economy can be leveraged into the destination management functions of Kempsey Shire Council.

These include, for example, the existing Sports Strategy / Bike Plan / Community Infrastructure Strategy (under development) / Arts and Culture Plan (pending further consideration).

3.1.2 Advocate to the State Government for funding to improve National Park experiences, especially as part of the Five Headland Trail and Cruise Ship projects

3.1.3 Explore with the Slim Dusty Centre Board of Management, support for key projects, such as:

-   Expanding the Slim Dusty Festival; and
-   opening the Nulla Nulla homestead to the public.

3.1.4 Promote the Kempsey Cinema complex as a key driver of growth for the night-time economy and creative industries.

3.1.5 Partner with Arts Mid North Coast to promote and support arts and culture sector activities throughout the region.

3.2 Hospitality Services

3.2.1 Develop a guideline for hospitality businesses in the Macleay Valley to improve levels of service addressing issues such as shopfront presentation, visual merchandising, customer service training for staff and hours of operation.

3.2.2 Work with local chambers of commerce to develop and promote a customer service strategy / campaign for the Macleay Valley, targeting both traditional and non-traditional tourism businesses, to facilitate a consistent, quality visitor experience.

3.2.3 Implement a "main street and town centre revitalisation and community mobilisation" strategy for Kempsey.

3.3 Accommodation

3.3.1 Investigate options for eco-style resorts and/or wellness centres at South West Rocks, Gladstone and up-river. Include other locations as appropriate.

3.3.2 Investigate options for 4-star+ hotel in Kempsey.

3.3.3 Encourage upgrades of accommodation facilities such as older motels, for example, by adopting quirky themes that can accentuate Kempsey's location and style.

3.3.4 Ensure standards/quality of Council assets, particularly holiday parks and public spaces meet the expectations of visitors.

3.3.5 Encourage and promote standards/quality of accommodation to meet the needs of the Inclusive Tourism market.

3.4 Events

3.4.1 Review Kempsey Shire Council's role in and resourcing of regional events procurement to maximise the leveraging of events to attract visitors to the Macleay Valley in low periods and to cross-promote destination brand awareness.

3.4.2 Support the growth of unique local festivals to become significant regional events, such as Slim Dusty Music Festival and Sculptures in the Gaol.

3.4.3 Promote sports tourism in the Macleay Valley including events which leverage the region's motor sports racing heritage, various running festivals and multi-sports events, and the Macleay Valley's natural attributes.

3.4.4 Promote and support organised tours - e.g. cyclists, motor cyclists, car clubs, agricultural, golf, cruising boats and fishing.

3.4.5 Promote and support Kempsey and South West Rocks as business conference destinations.

3.4.6 Audit existing community festivals and events (including sporting, music and cultural festivals) and identify opportunities for existing and emerging events throughout the Macleay Valley and surrounding region to become part of a coordinated calendar of events with Destination North Coast NSW.

3.4.7 Progress the North Coast Business Events Partnership, which proposes a funding partnership model to support the promotion of business events on the North Coast. Kempsey Shire Council has engaged with this program as 'a 'tier 3' participant.

3.5 Transport

3.5.1 Cater for further cruise ship visits, including the installation of floating pontoons to secure ongoing visitation at Trial Bay.

3.5.2 Provide for a safe harbour at South West Rocks.

3.5.3 Build capacity to develop tour guiding services

3.5.4 Leverage the Macleay Valley's proximity to the Coffs Harbour and Port Macquarie Airports to capture a greater share of visitors from elsewhere in Australia and overseas.

3.5.5 Commission a transport study to identify opportunities for better co-ordination and enhancement of services between neighbouring regions and within the region.

3.5.6 Develop a touring route strategy for the Macleay Valley Coast and extending into the hinterland, including for two-wheel drive vehicles, four-wheel drivers, motor cyclists (on and off- road) and cyclists (on and off-road).

4. Effective Information Management

4.1 Research

4.1.1 Commit to undertaking the Macleay Valley Coast Visitor Satisfaction Survey every two years.

4.1.2 Engage with Destination North Coast NSW on research projects.

4.2 Marketing

4.2.1 Develop a Macleay Valley Coast Tourism Marketing and Media Plan, to include the following tasks:

- Define our unique brand based on the country on the coast motif and heritage features of our community. The Macleay Valley is uniquely positioned to foster a clear country style messaging.
- Advertising and promotional campaigns that are customer-centric.
- A review and analysis of all existing collateral and marketing assets to inform and support marketing and media activities.
- Development of a Macleay Valley Coast Media strategy, with a strong focus on our digital assets.
- Development of new content for key experience themes including: Heritage, Nature, Hinterland, Coastal and Cultural (including Indigenous) experiences;
- Preparation of a schedule of targeted marketing campaigns, with considerations for new technologies including location apps and appointment of an official ambassador for the region.
- Development of placemaking installations to enhance visitor experiences.
- Undertaking an engagement drive with local tourism operators, to educate them on how to use the Macleay Valley Coast brand and leverage off local and State marketing platforms such as Visit NSW and Macleay Valley Coast website.
- Provide all tourism operators in the Macleay Valley with the Macleay Valley Coast style guide/endorsement.

4.2.2 Review the Macleay Valley / Macleay Valley Coast's web presence:

- Ensure online tourism market information, branding and promotion is consistent across platforms and up-to-date.
- Consult widely on the agenda for tourism research and ensure that the product of research that is carried out is made readily available via the web.
- Ensure that an up to date list of relevant links to tourism research and data is available on the web.
- Consider an 'index map' on the web site allowing filtering for the location of various types of attractions, touring routes, etc.

4.2.3 Provide support and intelligence to Kempsey Shire Council's communications team on a regular basis to ensure key tourism-related promotion and marketing messages are considered in Council's corporate communications.

4.3 Visitor Information

4.3.1 Review the Macleay Valley's Visitor Information Centres (VICs) – it is imperative that the resources and assets that are devoted to running VICs are used effectively for maximum benefit, and given ongoing changes affecting how information is managed and delivered, a thorough review of these operations is timely.

4.3.2 Work with staff and volunteers from VICs (and other visitor information points) to build their knowledge-base and capacity to cross-promote towns throughout the Macleay Valley and whole-of-region visitor products.

4.4 Wayfinding

4.4.1 Develop a local signage policy with a view to introduce wayfinding signage and destination signage that is consistently branded throughout the Macleay Valley / Macleay Valley Coast. Incorporate aboriginal heritage and place names.

5. Collaborative Governance

5.1 Stakeholder Co-ordination

5.1.1 Work closely with Destination North Coast NSW to ensure that its investigations and proposals regarding infrastructure take full account of opportunities in the Macleay Valley.

5.1.2 Investigate options for independent funding of a Macleay Valley Coast tourism unit.

5.1.3 Incorporate this Destination Management Plan into Kempsey Shire Council's Operational Plan.

5.1.4 Liaise on an ongoing basis with State and Federal funding agencies and monitor grants programs. Ensure that business cases for priority projects are at the ready.

5.1.5 Collaborate with Arts Mid North Coast to bring arts and cultural experiences into destination marketing to help drive high yield visitation throughout the year.

5.2 Business Support

5.2.1 Investigate the means by which Kempsey Shire Council can facilitate access to business support and training resources in the tourism sector, leveraging State and Federal Government programs where available.

5.2.2 Monitor the planning scheme review process for tourism investor 'friendliness'.

5.2.3 Monitor Council's DA process with user surveys and consultations on an ongoing basis for 'investor friendliness'.

5.2.4 Undertake a review of infrastructure conditions (e.g. on-parking area construction and drainage) on a cost-benefit basis, to determine if certain conditions are potentially cost-prohibitive, particularly regarding impact on tourism investment feasibility. The review would form part of a larger review of development controls.

5.2.5 Develop a strategy for facilitating the establishment of Indigenous business in the tourism sector, building on Indigenous cultural heritage. Key actions include:

- Develop a Council employment policy that ensures Indigenous persons are afforded equal opportunity based on merit in relation to access to training and pathways to employment.
- Ensure that members of the Indigenous community are afforded opportunities to access employment in tourism projects and enterprises.

5.2.6 Prepare a strategy to identify opportunities and develop initiatives which promote and support inclusive tourism in the Macleay Valley, to cater to the needs and expectations of all visitor markets.

5.3 Training

5.3.1 Develop a strategy for linking young people and the wider community with training opportunities in the region's tourism sector.

5.3.2 Develop a broad tourism business management program including a targeted Indigenous business management.

5.4 Investment Attraction

5.4.1 Work with Destination North Coast NSW to ensure that the Macleay Valley's interests in the investment attraction space are well represented.

5.4.2 Prepare a Macleay Valley specific investment prospectus highlighting identified tourism investment opportunities.

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