

RE: ACTA business plan

From: Caleb Paul <caleb.paul@ghd.com>
 To: Peter Minucos <peter.minucos@deputypremier.nsw.gov.au>
 Cc: Nathan Szymanski <nathan.szymanski@ghd.com>, Daniel Tallos <daniel.tallos@ghd.com>
 Date: Mon, 24 Apr 2017 16:30:36 +1000
 Attachments: ACTA - Business Case Memorandum.pdf (146.29 kB)

Good afternoon Peter

Please find attached the information you requested. Please consider this memorandum an annexure to the Business Plan previously submitted by GHD.

Kind regards,

Caleb Paul
Project Engineer
GHD

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 Regards Caleb

From: Peter Minucos [mailto:Peter.Minucos@deputypremier.nsw.gov.au]

Sent: Thursday, 20 April 2017 5:00 PM

To: Caleb Paul

Subject: ACTA business plan

Hi Caleb,

Good to chat with you.

As discussed, the business plan currently demonstrates the benefits for *Wagga* rather than *NSW* when it comes to non-shooting events and conferences.

For shooting events, increased number of interstate/international (non-NSW) visitors are demonstrated – and therefore the benefits to NSW.

But this is not yet clarified for the conference visitors (see Table 4-1 page 18). It says how many come from outside Wagga, but not from outside NSW.

If a simple annex (2-3 pages) can be developed for the business plan that clarifies this, that would be appreciated.

Things that would be good to include:

- Narrative with reference to numbers before and after.
- Articulate why this is because of the facilities i.e. certain things will happen / be enabled.
- Base case is X conferences, with Y people, of which Z% were non-NSW.
- With new facility, we will have X' conferences, with Y' people, of which Z% were non-NSW.
- Z% can be referenced to current conferences by asking facilitators what % come from outside NSW.
- When increasing participation in a current conference, explain why the new facility will enable that increase (e.g. Stone the Crows – why the new facility means more people in Wagga).
- When increasing the number of conferences, explain why these conferences may have been held outside NSW and are now attracted to Wagga and held in NSW.
- Any example of other conference facilities increasing the number of conferences in that town would be great.

An annex that spells this out would allow the cost benefit analysis to identify the expenditure brought into the State, the benefit of which can be added to the BCR (like it already is for the shooting events).

Please give me a shout if any issues or if you would like to discuss further.

Cheers, peter

Peter Minucos
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Memorandum

24 April 2017

To Deputy Premiers Office

Copy to

From Caleb Paul Tel +61 2 69 237 400

Subject Annexure to Business Case 2316040 Job no. 2316040

1 Background

In August 2016, GHD were engaged to prepare a Business Plan for the development of a large clubhouse / conference facility and associated infrastructure at the existing Australian Clay Target Association (ACTA) facility in Wagga Wagga, NSW. GHD submitted this initial Business Plan in September 2016.

Upon review of the initial Business Plan, the Department of Industry, and subsequently the Deputy Premiers Office, requested GHD to revise the plan such that it was suitable for submission to NSW Treasury to seek funding.

The revised Business Plan built on the initial Plan completed by GHD and incorporated additional information regarding tourism benefits to the state of New South Wales. The revised Business Plan was forwarded to the Department of Industry upon completion in March 2017.

1.1 Purpose

The purpose of this memorandum is to clarify certain material presented within the revised Business Plan and to provide further specific information that was requested by the Deputy Premiers Office.

The objective of this document is to identify and clarify the benefits to NSW resulting from the new development, in order to justify the cost benefit analysis undertaken.

2 Benefits for NSW

2.1 Request for clarification of Business Plan

GHD was requested to demonstrate and outline the benefits to NSW as a result of non-shooting conference and banquet style events held at the proposed ACTA conference facility.

The Business Plan identified a range of state-wide benefits that revolved around the influx of interstate and international tourists. The primary driver for these benefits is the potential to host new conference style events and business opportunities which previously were unable to be held in Wagga Wagga due to lack of a suitable venue.



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2.2 Conference Facility

Provision of a conference facility at the National Shooting Ground (Wagga Wagga) is a key component of the overarching ACTA World Championships 2018 National Ground Development (Strategy). The conference facility is intended to incorporate Club House/Hall of Fame/ Events and National Office.

Numerous stakeholders including local government, state government, and major visitation bodies, have identified the need for a major conference facility (non-shooting) within the Riverina region. Wagga Wagga is the largest NSW inland city, and location of conference facility on this under-utilised land within proximity to hotels/motels addresses this need in addition to achieving government objectives such as promotion of regional development.

From previous discussions with ACTA, it was estimated that the facility would accommodate 4 x 400 people conferences and 2 x 800 people conferences per annum, once constructed. In addition, based on market testing of the potential facility – with confirmed bookings to date (based on the prospect of the business case proposal) 4 x banquet/conference events are expected with more than 400 guests each for 2018. This is shown in Table 1 below:

Table 1 Conferences per annum

Benefit / Cost Stream		Base Case (business as usual)	Project Case (with upgrade)
Number of Events per year	400 people	0	4
Conference event	800 people	0	2

2.3 Business opportunities

This primary driver behind the expected increase in conference / banquet style events after the construction of the ACTA facility is due to the current supply constraint of major conference facilities in the Riverina. This is evidenced by four advanced bookings already for 2018, and information provided by Tourism arm of Local Council. The ACTA Executive Officer has stated that he had met with the Tourism arm of Wagga Wagga City Council (WWCC) whom advised that they continually have had to decline business opportunities, as there is no suitable venue available. This includes conferences, social activities and banqueting events for the numbers proposed in the business case and table above. The ACTA conference facility is also expected to provide new business opportunities for the region due to the design incorporating a large conference capacity in addition to banquet facilities.

2.4 Base Case

The cost benefit analysis undertaken in the revised Business Plan considers a base case and project case as outlined in Table 1. The base case considers the Business As Usual (BAU) for ACTA and ACTA's facilities and as such, it was assumed that zero conferences occurred in the base case.



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For broader Wagga Wagga, the events coordination team in WWCC was requested to provide information on conferences held in the city and confirmed conference bookings (for 2018) to ascertain whether organisations would have booked in Wagga Wagga or elsewhere in the BAU case.

Furthermore, conference events that could be hosted at the ACTA facility (when complete), and any events the city of Wagga was unable to host in the past (due to the lack of presence of a suitable venue) was also requested. The feedback obtained is provided in Table 2 below:

Table 2 Potential Conference Style Events

Organisation	Event	Feedback	Source
Country Women's Association (CWA)	National Conference 2019	Have approached ACTA about hosting the National Conference new conference facilities when constructed. Currently, the event is unable to be held in Wagga Wagga, as there is no suitable venue available.	ACTA
Royal Australian Air Force (RAAF)	National Functions, Reunions & Graduation Banquets	State parliamentary member Daryl Maguire has approached ACTA with the possibility of hosting various RAAF functions at the ACTA conference facilities when constructed. Currently, any functions listed are unable to be held in Wagga Wagga, as there is no suitable venue available.	ACTA
APEX Service Club	Conference Function	Have approached ACTA about hosting the National Conference in the ACTA conference facilities when constructed. Currently, the event is unable to be held in Wagga Wagga, as there is no suitable venue available	ACTA
Lamb Industry	LambEX (National Exhibition)	An exhibition and industry showcase with 900 delegates and 60-70 exhibitors which host between holding the exhibition in metro and rural locations. The existing conference facilities in Wagga Wagga do not meet the requirements to host an event of this scale.	Events Coordination / Tourism Branch - WWCC
Artlands Festival	Festival / Conference	The existing conference facilities in Wagga Wagga do not meet the requirements to host the event.	Events Coordination / Tourism Branch - WWCC
Country Energy	Conference	Held their conference at the Wagga Wagga showgrounds and invested significant resources on essential infrastructure needed to successfully run the event. The existing conference facilities in Wagga Wagga do not meet their requirements.	Events Coordination / Tourism Branch - WWCC



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Organisation	Event	Feedback	Source
Local Government NSW	Annual Conference, Water Management Conference, Human Resources Conference, Tourism Conference,	Existing conference facilities in Wagga Wagga do not meet their requirements.	Events Coordination / Tourism Branch - WWCC
Australian Local Government Women's Association	Conference	Existing conference facilities in Wagga Wagga do not meet their requirements.	Events Coordination / Tourism Branch - WWCC

Source: Wagga Wagga City Council, ACTA

In addition, the Events Coordination Team in WWCC have advised that they are unaware of a significant number of national and international events which Wagga Wagga is overlooked for. This is because these larger events are processed through Business Events Sydney, which have extensive knowledge of the existing facilities in Wagga Wagga. Typically, Business Events Sydney would assess the suitability of any business opportunity and/or potential event for Wagga Wagga based on the capacity of current facilities available.

It should be noted that preliminary discussions have been undertaken between ACTA and a private developer concerning the future construction of a Motel near existing ACTA facilities. This Motel would serve to provide accommodation for interstate and international visitors / travellers attending any large conference event held at the new ACTA facility when complete.

2.5 Interstate and International travellers (2%)

As described in Table 1, the new conference facility is expected to host 4 x 400 people conferences and 2 x 800 people conferences per annum, once constructed. Of those attending the conferences, the total international visitors were calculated in order to signify benefits to the state of NSW.

Based on Destination NSW statistics for the Riverina regional travel, we can estimate that the percentage of international travellers to business/conference events to be equal to 20.33% (based on international business traveller nights as a proxy). This is outlined in Table 3 and Table 4 below:

Table 3 Total visitation (Riverina)

Total Nights Travel	2012	2013	2014	2015	2016
Domestic nights	1,830	2,523	2,724	2,044	3,235
International nights	644	561	573	623	648



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Total Nights Travel	2012	2013	2014	2015	2016
Business visitors / Total visitors	27.30%				

Source: Destination NSW

Table 4 Business visitation (Riverina)

Business Nights Travel	2012	2013	2014	2015	2016
Domestic nights	500	689	744	558	883
International nights	176	153	156	170	177
Total Business Nights	675	842	900	728	1,060
International % of business nights	26.03%	18.19%	17.38%	23.36%	16.69%
International % (five year average)	20.33%				

Source: Destination NSW

2.6 Increase in participation for existing & future conferences

To analyse the impact of a new facility on conference participation within a region or state, a post-implementation performance analysis (of similar facilities) would typically be utilised.

However, due to the lack of operational analyses of conference facilities in the public domain, it is difficult to draw a meaningful conclusion regarding impact of similar conference facilities.

Currently, it is only possible to elicit this information through consultation with the local business that have booked conferences for 2018 (i.e. where else they would have booked otherwise etc.), or with local governments who have recently constructed major conference facilities. This information was not available within the public domain in the short timeframe for this report.

As stated previously, the lack of major conference facilities in Riverina is a major supply constraint as evidenced by Local Council repeatedly declining business opportunities for the region due to lack of suitably sized conference facilities. In addition, the four advanced bookings for 2018 (for the proposed facility) suggests that there is market demand for the facility proposed by ACTA.

It should be stated that any further detail regarding international / interstate visitation to conference facilities would require additional, and more extensive, research and discussion.

Regards

Caleb Paul

Project Engineer