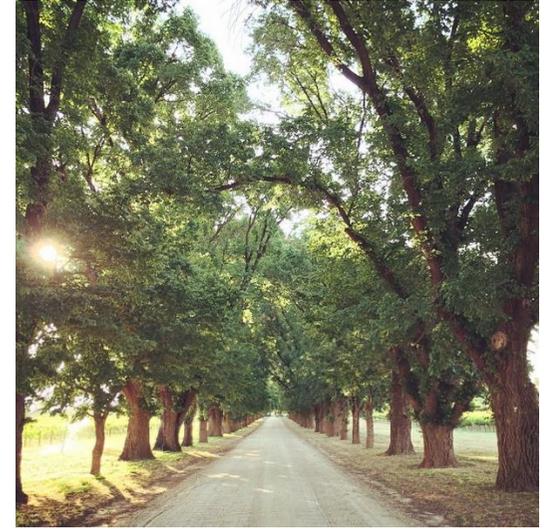


Destination Rutherglen & Rutherglen Wine Centre Board Business and Strategic Plan 2018 – 2021



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1. Introduction – Destination Rutherglen Inc and Rutherglen Wine Centre Board

Destination Rutherglen (DRI) is an incorporated entity based at the Rutherglen Wine Experience in Rutherglen, North East Victoria, which has been operating since 1996.

Destination Rutherglen is a local membership-based tourism organisation to promote visitation for the benefit of all. The Rutherglen Wine Centre Board (RWCB) manages and operates the Rutherglen Wine Experience, an accredited visitor information centre. The volunteer Board members of Destination Rutherglen and the Rutherglen Wine Centre Board are the same personnel. The RWCB is a Section 86 Committee of Indigo Shire Council.

Fundamentally, this plan defines the direction and priorities for Destination Rutherglen Inc and the Rutherglen Wine Centre Board. For the purposes of this report DRI refers to both DRI and RWCB. It outlines the new and current business structure and defines the market we are operating in. The Vision, Mission, Goals and Actions are captured along with actions and timeframes for their completion. In conclusion, the financial objectives are included for 2018 to 2021.

This document serves to define Destination Rutherglen's direction and be a living and working document for the period 2018 – 2021.



The Rutherglen Wine Experience & Visitors Information Centre (RWE)

The RWE is an important factor in the tourism landscape in Rutherglen going forward. Although operated by RWCB, the late 1800's building is 50% owned by Winemakers of Rutherglen (WOR) and 50% Indigo Shire Council (ISC). The visitor servicing at the Rutherglen Visitor Information Centre is focussed on the needs of the visitor. It covers wine, food, eateries, accommodation, information, events, activities, trails, bike hire and more. The visitor is serviced by all the businesses of Rutherglen and surrounds as visitor needs dictate. Destination Rutherglen members who have special events or contributed via membership to events and activities will be specifically recognised in visitor servicing for those activities and events.

The business is capably managed by Nadine Simpson who has operated the retail space for the past 14 years. Lisa Murtagh provides accounting and Board support. There are other paid staff and approx. 15 volunteers who provide information and assist with sales of a range of gift and produce style items including wine.

With a need to grow visitor numbers and spend, Destination Rutherglen needs to work towards revitalising and adding value to our tourism hub. It will achieve this by implementing changes to engage visitors with great content, merchandising, store layout, tasting experiences and improving the quality of lighting and display space in the building. The building has approximately 60 000 visits a year and its wine sales and bike hire make it unique in the region. For the budgeted sales of \$120 000 at the RWE in 2018/2019, \$42 000 is budgeted to be wine sales and \$12 200 of income is budgeted to be raised from bike hire.

Destination Rutherglen has engaged with Indigo Shire and Winemakers of Rutherglen to push for maintenance and improvements for the Rutherglen Wine Experience and will continue to do so. Five capital works forms were submitted to ISC in January 2018 for consideration. They were for –

- 1) Exterior painting of the RWE
- 2) Ceiling installation in back room
- 3) New picnic tables
- 4) Cycle storage shed
- 5) Café renewal

2. Function and Structure

At a Special General Meeting (SGM) in November 2017 Destination Rutherglen adopted the model rules with amendments for an incorporated association as issued by Consumer Affairs Victoria and the Associations Incorporation Reform Act 2012. Previous rules were conflicted and unclear so the SGM was a significant achievement for setting a strong foundation for Destination Rutherglen. One gain was that the number of Board positions expanded and these were filled at the Annual General Meeting, also held in Nov 2017. Greater flexibility in meeting frequency and procedure is now allowable, and the Board has agreed to six meetings (bi-monthly) per year. Winemakers of Rutherglen were recognised as a full Board member.

Currently the Board of DRI is made up of 9 members, 7 elected by the membership and 2 appointed committee members. The 2 appointed committee members are 1 Winemakers of Rutherglen representative and 1 Indigo Shire Councillor or Council Officer which is non-voting. Board Members are elected for two years and can be re-elected. RWCB membership is similarly composed with Barbara Murdoch and Bernard Gaffney as the Indigo Shire appointed councillor representatives. Barbara Murdoch and Bernard Gaffney are appointed to the RWCB Board only.

In September 2017 Destination Rutherglen met with Indigo Shire Council Executive and it was agreed to continue these meetings on a quarterly basis. With a new Executive Officer, Destination Rutherglen is establishing its relationships and building credibility and relationships with Council and Councillors.

Considerable planning was undertaken by the outgoing Board to establish the qualities required for the new Board Members. Tourism businesses and members were approached where nominees exhibited a commitment to advancing Rutherglen and district.

Board members have accepted responsibilities consistent with their interests and skills. Roles and responsibilities will evolve over their term, thus the following table will require updating for the duration of this plan.

Roles and Responsibilities of board members of the Destination Rutherglen

(Table 1)

Name	Title	Skills and Strengths
Mr Greg Duncan	President	Representation to stakeholders, members and business matters
Mr Bryan McCleave	Vice President	IT, Process improvement and Corporate Governance
Mr Gary Searle	Treasurer	Fiscal improvement, administrative costs, business and financial plans
Mrs Christine Grimes	Secretary	Communications – members and community
Mr Lance Sullivan	Board Member	Service group co-ordination and Cycling
Ms Amy Smith	Board Member	Link with WOR and RWE developments
Mr Simon Noble	Board Member	Murray River and Lake Moodemere activation and town tourism signage
Ms Annalee Nolan	Board Member	Winemakers of Rutherglen representative

The amended Rules allow the Board to appoint an additional member

Others also present at Destination Rutherglen Board Meetings –

Ms Susannah Doyle	Indigo Shire Tourism Manager
Mrs Barbara Murdoch	Indigo Shire Councillor
Mr Bernard Gaffney	Indigo Shire Councillor
Mrs Alexandra Campbell	Destination Rutherglen Executive Officer
Mrs Nadine Simpson	Rutherglen Visitor Services Coordinator
Mrs Lisa Murtagh	Destination Rutherglen Accounts

The Market

Destination Rutherglen is in the market of attracting visitors to Rutherglen and surrounds, through its own marketing activities and supporting local businesses, including the membership base. Neighbouring towns of Wahgunyah and Chiltern are in Indigo Shire. The significantly sized town of Corowa, in New South Wales, is in Federation Shire and just 10km away, hence an important stakeholder for Destination Rutherglen.

To sustainably build visitation, Destination Rutherglen must have the support of the local community and help ensure businesses are resilient, positive and progressive. Destination Rutherglen is keen to influence Indigo Shire to make conditions favourable for business growth and development. The Draft of the Indigo Shire Economic Development Strategy (2018 – 2021) is currently on public exhibition and at time of writing Destination Rutherglen will be submitting a response, and encouraging local businesses to also, fundamentally to maximise Indigo Shire's consultation and collaboration with local business in the Wahgunyah/Rutherglen region into the future.

In November 2017 Indigo Shire consulted soundly with the Rutherglen community for input to their tourism strategy which is to be finalised with Council in April 2018 and implemented in May 2018. Indigo Shire consultants Earth Check have looked at the total market and the experiences the visitor is looking for. River based experiences, walking and cycling are a big part of the future for Rutherglen, with one study showing 22% of visitors have an interest in nature. Authentic experiences which tell the story behind the experience is important as well as heritage, art and food and wine.

The Target Market

The target market is millennials who are 18-34 years old (in 2015). This group is now larger than the traditional baby boomer market and will be responsible for 50% of every dollar spent in tourism by 2020. Social media will be an important part of the millennials decision to visit a destination. It is important to the millennial market to have the opportunity to engage with a brand and collaborate with a like-minded business, create memories and have an experience where they can tell a story and snap and share. 81% of Millennials will choose to purchase an experience rather than an item.

It is important for Indigo Shire and Destination Rutherglen to assist local businesses to ensure their product offering will be motivating experiences to this target market and be 'on trend.' Events drive engagement. 56% of millennials say the reason they signed up for a brand's email list is because of an event, and 67% said the reason they followed a brand on social media is because of an event. The Tweed Ride, Destination Rutherglen's event, is on-trend and popular. Events are important to the millennial market and supports the plan that Destination Rutherglen has a significant opportunity to develop more on-trend events.

Key Stakeholders for Destination Rutherglen

Destination Rutherglen must seek the support and engagement of the local community and inspire an outward looking, positive and forward-thinking approach.

Key stakeholders include, but are not limited to –

- Local Rutherglen businesses which includes members
- Indigo Shire Council
- Winemakers of Rutherglen
- Tourism North East
- Federation Shire
- Albury Wodonga Tourism and Albury airport
- Chiltern Tourism and Development Inc
- Wahgunyah Progress Association
- Indigo Economic Development and Tourism Advisory Committee
- Rotary, Apex, Lions Clubs (service clubs)
- Arts Rutherglen
- Rutherglen Historical Society
- Friends of the Mountains to Murray rail trail
- Rutherglen Ag Show/Wine Show

2. The Future

Vision Statement – *'To build an attractive and varied experience offering for visitors to Rutherglen, whilst growing overall visitation for the existing products and services.'*

Mission Statement – *'To have a dynamic and results orientated board and team who make a significant and positive impact to Rutherglen as a Destination.'*

Goals/objectives –

- To ensure DR has a broad representation of members and support membership in promoting their business or idea to the target market.
- To establish and direct at least three reference groups to develop projects that will be on trend and grow visitation.
- To have at least 1/3 of visitors to Rutherglen with the Great Victorian Bike Ride (2018) to participate in a DR organised activity (Approx 1000 people)
- To implement improvements for the Rutherglen Wine Experience to be an on-trend hub to support and grow the visitor economy.
- To have a less fragmented and growing digital footprint which communicates regularly and effectively with the target market and is strategically coordinated with Winemakers of Rutherglen.

7. Action Plan

Membership Objectives	Actions	Owner	Timeframe
<p>To ensure DR has a broad representation of members and support membership to promote their business or idea.</p>	<ul style="list-style-type: none"> • Engage with larger and more corporate businesses in the local area for support and their membership • Work with tourism operators who have experience in river-based activities to join the membership • To plan and implement a member communications strategy involving various mediums such as newsletters, surveys, networking and 'Meet and Greet' social evenings. • Provide extra value to members through one on one web and marketing advice and assistance with negotiations with other organisations eg. ISC, TNE • To use our own data including ticket sales and visitor traffic for analysis to measure and inform members • Promote engagement around relevant projects such as the Revitalisation plan, Bypass and ISC Economic Development strategy. 	<p>EO/DRB</p> <p>EO/DRB/REF</p> <p>EO/DRB</p> <p>EO/DRB</p> <p>EO/DRB</p> <p>EO/DRB</p>	<p>Feb 2018</p> <p>On going</p> <p>On-going with weekly report and Quarterly gatherings.</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>
Event and New product development objectives	Actions	Owner	Timeframe
<p>Cycling</p> <p>Walking</p>	<ul style="list-style-type: none"> • Direct and lead with the assistance of Rotary: <ol style="list-style-type: none"> 1) Develop and prepare for submission a funding application for a network of trails connecting 	<p>DRB/REF/EO</p>	<p>December 2018</p>

Great Victorian Bike Ride	<p>existing trails and developing new loops with natural and commercial features</p> <p>2) Establish a bicycle program to implement with the GVBR and liaise with ISC to grade, improve and signpost suitable trails to substantially improve existing bicycle/walking trails pending receipt of funding for masterplan</p> <ul style="list-style-type: none"> • Conduct a range of activities for the GVBR with a view of assessing those for suitability for an annual event. At the conclusion of the test events, establish a quantification of the expected attraction to the target market 	DRB/REF/EO	September 2018
River/Lake Activation	<ul style="list-style-type: none"> • To provide a diverse program to entertain the participants, showcase the Rutherglen area and provide marketing support for members and community groups. These include – <ul style="list-style-type: none"> 1) Lake and river activities 2) A cycle program 3) Tours including Winery visits 4) Main St Event 5) Food, cultural and passive activities up and around Rutherglen park • Develop a grant application and prepare for submission by end of 2018 • Include a river and lake activity in GVBR campaign and at conclusion establish a quantification of the expected attraction to the target market 	DRB/REF/EO	November 2018

<p>Open House concept with Winter Wanders campaign</p>	<ul style="list-style-type: none"> Working with Melbourne based 'Open House' to enable a 'walk through' of interesting buildings in Rutherglen and District as an event. Establish and direct a reference group by March 2019 Hold an event as part of Winter Wanders to test suitability for an annual event. At the conclusion of the test event, establish a quantification of the expected attraction to the target market. 	<p>DRB/EO/REF</p>	<p>March 2019</p>
<p>Rutherglen silo precinct enhancement</p>	<ul style="list-style-type: none"> Form a reference group including members of Arts Rutherglen for concept planning for the silo precinct Develop and have ready for submission a grant application by end of 31st September 2018 	<p>EO/Arts Rutherglen/REF</p>	<p>Ongoing</p>
<p>Rutherglen Wine Experience Building and Visitor Information Services Objectives</p>	<p>Actions</p>	<p>Owner</p>	<p>Timeframe</p>
<p>To develop, promote and enhance the Rutherglen Wine Experience as</p> <p>i) The primary and central point for tourism and visitor information services</p> <p>ii) To provide, promote and present a more comprehensive representation of wines and fortified wine</p> <p>iii) To substantially improve our retail offer for presentation to visitor traffic as well as catering to local retail customers</p> <p>iv) To expand and improve our bike hire business</p>	<ul style="list-style-type: none"> Identify areas of improvement for retail layout, processes merchandise quality, storage and improvements to information dispersal. Engage members experienced in these areas. Seek funding from ISC, WOR, Wine Growth Fund and other sources to improve the tasting area and tasting offer beyond Fortified wine. Enhance fortified offer. To identify, seek approval for, and implement any short-term improvements through submitting capital works projects with ISC eg. Painting of the exterior as listed on p 4. To maintain regular information exchanges (weekly report) between EO and staff/volunteers and ensure up to date information of businesses is shared for staff 	<p>DRB/EO/VSC</p> <p>DRB/EO/VSC</p> <p>DRB/EO</p> <p>VSC/EO</p>	<p>April 2018</p> <p>June 2018</p> <p>Jan 2018</p> <p>Weekly</p>

<p>v) Increase sales of the retail facility by 15% each year.</p>	<p>training, and continue to hold famils for members and volunteers.</p> <ul style="list-style-type: none"> To plan, organise and execute microevents, build the RWE as a hub, expand cycling and walking facilities. Improve number and range of bikes. Improve storage facilities 	<p>DRB/EO</p> <p>DRB/VSC/EO</p>	<p>June 2019</p> <p>June 2019</p>
Marketing Objectives – Digital	Actions	Owner	Timeframe
<p>To develop a strategy to have a cohesive web and social media strategy for Rutherglen</p> <p>To develop better signage and routes/points of interest into a more user friendly format for tours</p>	<ul style="list-style-type: none"> Open discussions with Winemakers of Rutherglen for a cohesive approach To investigate maximising www.explorerutherglen.com.au and link in with other Rutherglen websites. Make sure ATDW codes are the primary means of listing events Continue set/planned Facebook updates for Destination Rutherglen and Farmers markets Facebook pages. Gain further input and use of 'What's on in Rutherglen and 'What's on in Corowa, Rutherglen and surrounds' facebook pages for building a more informed community 	<p>DRB/EO</p> <p>EO/VSC</p> <p>EO/VSC</p> <p>EO/VSC</p> <p>DRB/EO</p>	<p>March 2018</p> <p>December 2018</p> <p>On going</p> <p>On going</p> <p>April 2018</p>

	<ul style="list-style-type: none"> Investigate the cost and viability of developing apps, guided and self-guided tours for driving, cycling and walking tours 	DRB/EO	June 2019
Administration & Finance Objectives	Actions	Owner	Timeframe
To ensure budget targets are met, grow revenue and ensure financial and organisational transparency.	<ul style="list-style-type: none"> To continue to utilise and develop best practise procedures and processes to ensure complete transparency of financial information for stakeholders and members as per corporate governance objectives To provide a thorough analysis of sources of funding to determine the setting of membership fees for 2018/2019 FY as per motion passed Oct 2017 (see p 17) To maintain presentation of accounts payable/receivables, actuals against budget, P&L year to date and balance sheet at board meetings. Production of 12 monthly audits for RWCB and DR Inc. With the adoption of the model rules, ensure that operational and administrative procedures are reflective Continuing to seek ongoing corporate sponsorship both cash and in-kind from local corporate businesses 	DRB/ACC/EO REF/EO/DRB ACC DRB EO/DRB	On going April 2018 DR board meetings April 2018 July 2018

Destination Rutherglen Board - DRB

Executive Officer – EO

Accounts – ACC

Visitor Services Coordinator - VSC

Reference group - REF

The Finances

From 2017/18 Destination Rutherglen will be changing auditors to AFS & Associates as requested by Indigo Shire. Board Members Gary Searle and Bryan McCleave will be assisting in process improvements and fulfilment of audit requirements.

The 2016/17 financial year ended strongly as salary payments had not been paid throughout and marketing activities were kept in check. At the end of August 2017, Executive Officer, Alexandra Campbell, was employed to carry Destination Rutherglen forward. Destination Rutherglen must build new sources of income from new membership/sponsorship and marketing activities from 2018 to 2021 to support its expenses.

Destination Rutherglen will be successful in securing capital and event funding if well planned and can demonstrate measurable output. It does not appear that grant funding has been well explored by Destination Rutherglen. The Tweed Ride and Winter Wanders received small grants (\$500 each for 17/18) so this will be a focus moving forward. It will also be a benefit to members if Destination Rutherglen is well informed of funding opportunities, and can inform others. Rutherglen needs more substantial capital investment in a range of areas including cycling/walking trails, the wine bottle and Lake Moodemere amenities and this investment needs proposals/submissions for the various paths into local and state governments and through ISC and TNE over this planning period for 18/21.

Sponsorship of \$20 000 has been agreed from WOR to DR as per the 2018/2019 budget which is an increase from the \$17K provided for the 17/18 Financial Year. We have requested from Indigo Shire an increase of \$30K in ongoing funding to meet increasing operational costs.

Financial expectations of Events for 2018 – 2021

Tweed Ride

The Tweed Ride is in its 8th year. The Tweed Ride ticket price has increased to \$125 (\$5 more than 2017) with 120 tickets on sale instead of 100. This increases marketing event income by \$3000 ((\$500 (100 x \$5) plus \$2500 (20 x \$125)) before the costs have been extracted. Overall more revenue should be expected from Tweed Ride 2018 (approx. \$4.5K) without altering the experience that the attendees have become accustomed to.

Farmers' market

The Farmers markets are held every second Sunday of the month and has a loyal base of stallholders. There are now a range of markets in the area building competition. Recent months have seen new stalls attend and fees are approx. \$30 on the day. There is opportunity to build attendance and a reinvigoration of the local community to attend is needed. DR approached Rutherglen High School who are supporting musicians including a young and up and coming singer/student to perform at the markets which has proved a success. Destination Rutherglen will continue to promote the markets via social media, town signage and SMS. Budget is \$8000 of income for the 2018/2019 budget.

Winter Wanders

The Winter Wander campaign is underdeveloped although the concept is good as it promotes off season visitation. It requested members to host events and tickets to be sold to those events eg. masterclasses, cooking etc yet it was rushed in execution in 2017. The idea is to build an Open House event into Winter wanders which is when buildings are open to the public for viewing eg. Mt Ophir, Fairfield, Uncle Toby's etc. In 2018 it is also 125 years since Federation so there is the opportunity to tie in with Federation Council. It provides an opportunity to host a progressive dinner using facilities around Lake King as a test run prior to the Great Victorian Bike Ride. Estimated revenue approx. \$2K for 2018 and increasing up to \$6K in 2021.

The Great Victorian Bike Ride Nov 2018

There will be 3000-4000 people coming to Rutherglen as part of the Great Victorian Bike Ride in 2018. While this is a once off we can see opportunities to learn from the event and continue cycle and food/wine events in future years to raise revenue. There will be two nights and a rest day in Rutherglen so there is a significant opportunity to involve the local community, members and businesses to provide a street party, pool party, Arts Rutherglen film nights, cycle opportunities, a food and wine progressive dinner, buses and canoes on the river. DR are keen to sell tickets and estimate if even 10% of people participated in any event on offer it represents a significant opportunity financially. It will also enable community groups to raise money also.

Membership and fees

Destination Rutherglen needs to ensure that membership is representative of the community, and we recognise that DRI has a responsibility to build visitation for the whole community, not just members. Approx \$10.5K of fees were **NOT** collected in 2017 despite every effort being made to follow up via meetings, but in many cases a relationship between Destination Rutherglen and members has not been strong in previous years. Invoices were also sent late and without payment terms. Some members defaulted as they are either not receiving enough tangible return or value, and/or facing high costs and having profit margins squeezed. The dominance of booking.com and AIRBNB is satisfying the promotional needs for many accommodation providers. At least four accommodation members who did not renew membership may need to consider reinvestment to provide on trend and motivating accommodation experiences.

Due to member feedback, a motion was passed by the Board in October 2017 to form a reference group and have an inquiry into the setting of membership fees for 2018/19 and beyond. A reference group has been established to address the fee levels with the members of The Wine Village Motor Inn (Max Scanlan), Pickled Sisters (Marion Hansford) and Rutherglen Newsagency (Di Taborsky) involved. A budgeted amount of \$15 861 is required for the 2018/2019 budget. For accommodation providers, the issue raised for 2017/18 is that 3 rooms or more falls into a Gold category with payment required of \$850. So those with a small operation will pay the same fee as a large motel. This and other matters requires review.

Finances – Cash Flow, Projected Trading Statement and Balance Sheet

(See attachment)

Summary

Destination Rutherglen is in a rebuilding stage following rule amendment, board expansion and renewal. There is plenty to be done to make a significant impact on visitation numbers. An enlarged Board is extremely positive but it will require careful management and continued motivation from volunteers to be successful and support the Executive Officer.

Fortunately there are significant opportunities in 2018 to raise revenue from major events such as the Great Victorian Bike Ride coming to Rutherglen which members will benefit from, and it will require significant dedication and commitment from the team to execute. Added revenue will enable Destination Rutherglen to build its marketing activities in 2019 and beyond. Indigo Shire's new tourism strategy is being implemented at a pertinent time for Destination Rutherglen and we look forward to moving ahead to fulfilling Rutherglen's potential.

