



ALPINE RESORTS CO-ORDINATING COUNCIL

CORPORATE PLAN

2016/17 - 2018/19



ALPINE RESORTS
CO-ORDINATING COUNCIL

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Acknowledgements

Photo Credit: Mount Baw Baw Alpine Resort
Management Board



Alpine Resorts Co-ordinating Council

Corporate Plan 2016/17 – 2018/19

Executive Summary

The Alpine Resorts Co-ordinating Council (ARCC) addresses key issues relating to the alpine resorts, including strategic positioning and advocacy, co-operation and research on behalf of the Minister for Energy, Environment and Climate Change (the Minister).

The ARCC Corporate Plan 2016/17 – 2018/19 details how the ARCC will undertake its statutory functions in a manner that supports achieving the vision stated in the *Alpine Resorts Strategic Plan 2012* (2012 Plan), namely:

Victoria's Alpine Resorts will be vibrant, growing and sustainable places, delivering alpine recreational and tourism experiences that are available to all.

The ARCC continues to deliver against a number of key actions of the 2012 Plan. Actions that have previously been completed include the development of the *Alpine Resorts Strategic Marketing Plan 2014-18* (ARSMP), establishing the Alpine Resorts Industry Advisory Group (ARIAG), reviewing and updating key performance indicators (KPIs) for the Alpine Resort Management Boards (ARMBs), establishing and implementing the Victorian Alpine Resorts Development Program (VARDP), providing the Minister with regular reports on the financial performance of the ARMBs, commissioning and completing key winter market segmentation research, developing an industry Access and Equity Plan for Ministerial consideration and monitoring and reporting on the implementation of the 2012 Plan.

The ARCC will continue to oversee and implement the 2012 Plan and undertake its statutory obligations in 2016/17. Specifically it will:

- in conjunction with DELWP's Climate Change Division, progress longer term, innovative work on **the development of industry and resort climate adaptation plans**, using the key information contained in the ARCC commissioned report by the University of Tasmania on *'The Potential Impacts of Climate Change on Victorian Alpine Resorts- 2016'*
- continue to facilitate the gradual completion of the ARSMP by a range of industry agencies
- continue to support the ARMBs with infrastructure investment projects through the VARDP and associated funding bids
- support the ARMBs to implement Resort Master Plans
- support the ARMBs to explore cost savings through shared services
- continue to gather and collate relevant data, including on winter and summer visitation, snow depth, visitor satisfaction, to support trend analysis
- oversee the completion of an independent study of the economic significance of Victoria's Alpine Resorts, with a focus on a changing climate.

The accompanying budget demonstrates that ARCC operating costs continue to be predominately met by contributions from the ARMBs. Through taking appropriate measures, the base level contributions have been reduced in comparison to the previous financial year, with some additional funding required to complete the economic significance study and commission some introductory 'green season' market research.

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Operating Environment

Policy Context

The 2012 Plan is the overarching policy document for the ARCC. It sets the vision and direction for the Victorian Alpine Resorts and contains fifty-eight actions. It was endorsed by the Victorian government following consideration of the outcomes of an extensive consultation process.

The table below summarises the status of the actions for which ARCC is the lead agency.

Table 1: Actions in The Alpine Resorts Strategic Plan 2012 for which ARCC is the lead agency

ACTION		STATUS REPORT
		On Track
		At Risk
		Delayed
		Completed
2	Review current industry research to ensure it is contemporary, robust and meets the needs of the alpine industry.	The recurrent research program includes snow depth, visitation and satisfaction surveys. New research completed includes the UTas climate change research project, EY Sweeney market research project and medical services review. Upcoming work includes a major study to update the economic significance of Victorian resorts.
3	Undertake research to better understand the changing visitor markets and preferences.	EY Sweeney market segmentation and qualitative research completed in 2015. Industry fully briefed on report outcomes with report details distributed for ARMB and industry use.
7	Develop an integrated model for the overall promotion of Victoria's Alpine Resorts, including a five-year Victorian alpine resort strategic marketing plan that co-ordinates and improves promotion at alpine resort, regional, state and national levels.	Alpine Resorts Strategic Marketing Plan 2014-2018 endorsed by the Minister in May 2014. Co-operative winter marketing campaign. 'Snow Victoria' in third season.
14	Review and update performance KPIs for key ARMB economic, environmental and social outcome areas, as part of the corporate planning process.	Endorsed by the Minister October 2013.
21	Develop and implement industry and resort-specific climate adaptation plans.	Climate science research to inform the development of climate adaptation plans has been completed. Work to be undertaken with DELWP Climate Change Division to fully scope and identify funding for adaptation planning process.
28	Develop an industry access and equity plan, including measures to ensure provision of affordable accommodation.	Report provided to the Minister for consideration.
33	Investigate mechanisms and establish a criteria whereby any site holders meeting agreed access and equity criteria could receive a suitable discount.	Work under this action aligned to outcomes of Action 28.
43	Establish an integrated Victorian Alpine Resorts Development Program of infrastructure priorities for the industry.	VARDP policy and program established following Ministerial endorsement.
44	Implement the integrated Victorian Alpine Resorts Development Program of infrastructure priorities for the industry, as a rolling five-year program.	VARDP implemented, rolling 5-year program in progress with five projects endorsed by ARCC. Tier One projects readied for funding consideration.
50	Provide financial reports to DELWP, including quarterly financial reports in accordance with legislative and Ministerial requirements.	Commenced March 2014. Reporting reduced to bi-annually intervals to coincide with other ARMB reporting.
53	Industry performance to be assessed against KPIs.	A mechanism for KPI reporting has been established through the ARMB Corporate Planning process. Industry performance against those KPIs is yet to be assessed and reported. Data being gathered for initial reporting.
54	ARCC to establish a peak industry group to provide an ongoing mechanism for discussion of industry-driven issues.	Alpine Resorts Industry Advisory Group (ARIAG) membership announced by the Minister in May 2013. The group has reviewed its ToR, increased its membership and meets regularly with ARCC support.
56	Monitor and report on implementation of the <i>Alpine Resorts Strategic Plan 2012</i> .	Annual end of year reporting to the Minister established, along with mid-year updates

Alpine Industry Context

The following is an overview of the key factors that are currently influencing the alpine industry. These have been drawn from the 2012 Plan and amended as required to reflect the current context.

- The 10-year average data shows winter visitor days spent in alpine resorts is growing at 1.5% growth per annum. Despite seasonal variation between resorts, the long term trends remain relatively stable.
- Green season visitor numbers have shown modest growth since consistent vehicle and visitor surveys commenced in 2007/08. Anecdotal evidence shows increasing popularity of green season activities, including mountain bike riding and road cycling.
- Trends in visitor length of stay continue to move from long-stay to short-stay, as reflected in the increasing numbers of day-trippers of varied nationalities. This is most pronounced at resorts closer to Melbourne.
- Alpine resorts continue to make significant economic and associated financial contributions to Victoria and to the regions in which they are located. In the winter of 2015 alpine resorts generated \$671 million in Gross State Product (GSP) and approximately 5,942 jobs. There is a slight downward trend from 2012 where GSP was \$680 million (using 2015 dollars) associated with 5,997 jobs.
- VARPD continues to provide a productive avenue for co-operation and co-ordination for alpine investment and capital works projects with the State's major funding agencies and Department of Treasury and Finance now recognising its value in infrastructure investment planning and assessment.
- Cost pressures continue to be a major concern for many on-mountain businesses and site holders.
- The finances of the ARMBs continue to be constrained, with pressure on controlling costs and maintaining stable revenue streams, whilst trying to meet stakeholder expectations for better services at lower costs.
- The operations of both Lake Mountain and Mt Baw Baw have been brought back in-house following the discontinuance of the previous out-sourced arrangements. The scheduled amalgamation of the Lake Mountain and Mt Baw Baw ARMBs is due to be finalised by October 2016, presenting opportunities for the better coordination and response to operational and climate adaption challenges.
- The greater reform process in relation to exploring longer term climate adaptability, infrastructure investment and governance arrangements of the larger alpine resorts will present opportunities for innovative solutions as well as challenges for resorts and industry stakeholders.
- The focus on changing people's attitudes to a snow experience and reigniting the desire in previous participants to return to the snow through the new co-operative marketing campaign, presents opportunities for collaboration among industry players to grow the market.
- The finalisation of master plans for the larger alpine resorts provides solid direction for resort ARMBs and government. The amalgamation of the southern alpine resorts presents opportunities to develop a co-ordinated and enhanced approach to these distinctive environments.

Legislative Context

Consistent with the object¹ of the *Alpine Resorts (Management) Act 1997* (the 'Act'), the ARCC was established to plan for and facilitate the establishment, development, promotion, management and use of alpine resorts².

The Act also establishes the Alpine Resort Management Boards (ARMBs) of Falls Creek, Lake Mountain, Mount Baw Baw, Mount Buller and Mount Stirling, and Mount Hotham. The ARMBs are responsible for the operation and management of the alpine resorts.

The ARCC is a statutory authority that reports to the Minister for Energy, Environment and Climate Change (the 'Minister') and is subject to the general direction and control of the Minister. The ARCC is a body corporate and is a public body for the purposes of the *Financial Management Act 1994*.

Context of Key ARCC Relationships

The ARCC consists of nine members including the chairperson of each of the ARMBs and five persons (including the chairperson)³ appointed on a skills basis by the Governor in Council, on the recommendation of the Minister.

The ARCC is serviced by a secretariat led by an Executive Officer who is the ARCC's Accountable Officer and is responsible for day to day matters⁴. An illustration of the key relationships of the ARCC is provided in Figure 1 below.

From time to time, the ARCC may establish working groups or steering committees for specific purposes. Three committees have been established under the authority of section 24 of the Act⁵. The committees are:

- **Audit and Risk Management Committee**
Provides assistance to the ARCC and its Executive Officer to oversee governance responsibilities of financial performance and reporting, audit, risk management, information systems, accounting policies, and monitoring of regulatory compliance.
- **Co-operation Committee**
Encourages a culture of co-operation and knowledge sharing between the alpine resorts by assisting in planning, sharing programs, consistent policy application, resources and expertise, and for fostering assistance between the alpine resorts.
- **Strategic Planning Committee**
The committee monitors the implementation of the 2012 Plan and acts as the assessment panel for VARDP. It provides oversight of investigation and research of issues relevant to the alpine resorts, to enable the ARCC to fulfil its role in strategic planning⁶ and undertakes the review of the Council's Corporate Plan. In addition the committee oversees the implementation of the ARSMP.

The Chart overleaf depicts the working relationships between the ARCC, its Committees, the Minister, the ARMBs, DELWP, ARIAG and the Secretariat.

¹ For details of the overall object of the Act refer to Appendix 1.

² Refer to Appendix 2 for an explanation of the statutory functions and obligations of the Council.

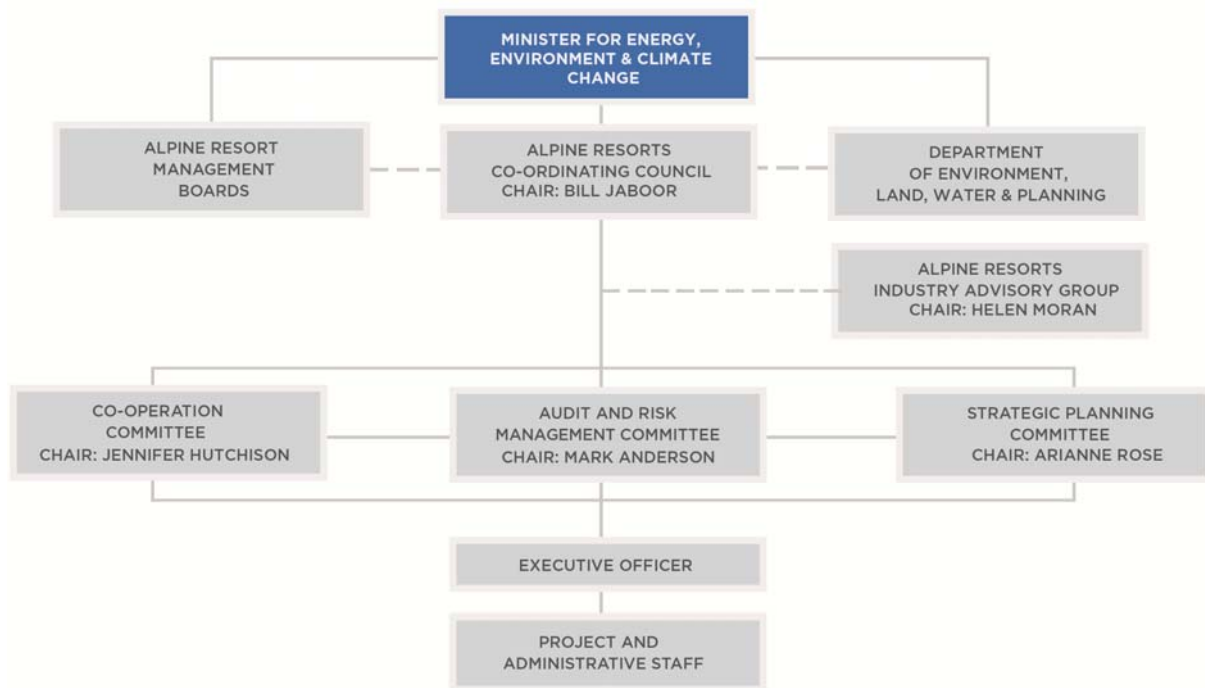
³ Refer to Appendix 3 for the list of ARCC members, as at 1 July 2016.

⁴ Refer to Appendix 5 for a list of secretariat staff.

⁵ Refer to Appendix 4 for a list of Committee membership, as at 1 July 2016.

⁶ This is a function of the ARCC under section 18(aa) of the Act.

Figure 1: Chart Showing Key Alpine Resorts Co-ordinating Council Relationships



Statement of Corporate Intent

The Statement of Corporate Intent includes the following information, in accordance with section 31 of the Act.

(a) Objectives

The objective of the ARCC is to, on behalf of the Minister,

address key issues relating to the alpine resorts, including strategic positioning and advocacy, co-operation and research.

The role of the ARCC is at a tactical or systems design level. It plays a key role in taking an industry level perspective to support policy delivery through the ARMBs. The ARCC undertakes its statutory functions set out in the Act in a manner that supports the alpine resorts in achieving the vision stated in the 2012 Plan, namely;

Victoria's Alpine Resorts will be vibrant, growing and sustainable places, delivering alpine recreational and tourism experiences that are available to all.

(b) Main Undertakings

The ARCC has four main undertakings:

- **Strategic Positioning** of the Victorian Alpine Resorts.
This program area focuses on implementing the 2012 Plan. Other 'high level' strategic activity include positioning of the Victorian Alpine Resorts, assisting in the implementation of master plans, infrastructure investment and sector advocacy that promotes the interests of the industry.
- **Co-ordination and Co-operation** across stakeholders in the Victorian Alpine Resorts.
This program area focuses on matters that are of industry-wide importance and provide mechanisms to enhance co-ordination and foster co-operation between ARMBs and across a range of private and public organisations and agencies within Victoria and interstate.

- **Knowledge and Understanding** of the Victorian Alpine Resorts.
This program area provides for a number of annual research projects, as well as one-off and less frequent projects, and publication of research reports. Priority is given to tasks of industry-wide benefit and understanding critical factors that may impact on the alpine resorts.
- **Governance** of the ARCC.
This program area focuses on business planning, finance, risk management and reporting, whilst ensuring that the ARCC complies with the range of governance requirements to which it is subject.

(c) Nature & Scope of Activities

The nature of activities to be undertaken by the ARCC are derived from its mission:

To drive responsible use of Victoria's Alpine Resorts by:

- strategic positioning of, and advocacy for, alpine resorts and the broader alpine industry
- developing strong and co-operative stakeholder partnerships, through programs and projects
- building knowledge of the unique values, assets and opportunities
- promoting alpine tourism to grow visitation
- fostering proactive environmental and cultural stewardship
- working closely with ARMBs, DELWP, Parks Victoria and other land managers, Visit Victoria and Regional Development Victoria.

The table below describes the broad scope of activities undertaken by the ARCC on an ongoing basis in relation to its main undertakings. Specific annual activities are highlighted within the 2016/17 Business Plan.

Table 2: Scope of Alpine Resort Co-ordinating Council Activities

MAIN UNDERTAKINGS	ACTIVITIES
Strategic Positioning	<ul style="list-style-type: none"> • Take a lead role in advocacy and policy analysis for the alpine industry. • Co-ordinate and report on the implementation of the 2012 Plan. • Undertake the actions within the 2012 Plan for which ARCC is the lead agency. • Monitor the development and implementation of Master Plans prepared by the ARMBs. • Develop and support implementation of industry and resort specific climate adaptation plans. • Undertake specific projects as required.
Co-ordination and Co-operation	<ul style="list-style-type: none"> • Actively foster co-operation across the alpine industry. • Maintain strong links with the alpine industry. • Manage select programs that extend across ARMBs.
Knowledge and Understanding	<ul style="list-style-type: none"> • Keep abreast of, and undertake, research to grow the understanding of the alpine industry⁷ in order to provide an evidence base for policy, promotion, investment and operations. • Communicate current industry knowledge to stakeholders.
Corporate Governance	<ul style="list-style-type: none"> • Ensure Council's functions and proceedings are undertaken in accordance with the requirements of the <i>Alpine Resorts (Management) Act 1997</i> and <i>Financial Management Act 1994</i>. • Undertake yearly corporate and business planning activities. • Meet annual reporting requirements.

The ARCC does not undertake day-to-day operational functions for the alpine resorts.

(d) Accounting Policies

The ARCC has financial policies and procedures and a chart of accounts that are in accordance with the *Financial Management Act 1994*. A financial code of practice has also been prepared which sets the standards of conduct expected from ARCC staff.

The ARCC's financial statements are prepared in accordance with the Directions of the Minister for Finance under the *Financial Management Act 1994* and applicable Australian Accounting Standards.

(e) Performance Targets

The short term success of the ARCC and the 2012 Plan will be measured against the performance targets stated in the Business Plan.

The longer term success of delivering the 2012 Plan will be measured by the Alpine Sector KPIs within the 2012 Plan⁸. A number of agencies, including the ARCC, are accountable for the delivery of the fifty-eight actions within the 2012 Plan. These are expected to drive improvements in the KPIs.

⁷ This may include research into economics, marketing, visitors, and environmental systems.

⁸ The Victorian Government's Alpine Sector KPIs, as stated in the 2012 Plan, are given in Appendix 6.

(f) Accountability and Reporting

The ARCC will provide the Minister with an annual report⁹ that includes:

- key achievements
- corporate governance arrangements
- reporting of legislative compliance¹⁰
- an annual financial report¹¹
- an assessment of performance against the business plan.

The ARCC will provide the Minister with regular reports on the implementation of the 2012 Plan and will report on the Alpine Sector KPIs. Other reports will be prepared as required.

The ARCC will immediately notify the Minister if it is of the opinion that matters have arisen that may prevent or significantly affect the achievement of its financial targets or objectives within the corporate plan¹².

Business Plan 2016/17

The Business Plan details the activities that will be delivered by the ARCC in 2016/17 across the four main undertakings:

- **Strategic Positioning** of the Victorian Alpine Resorts
- **Co-ordination and Co-operation** across stakeholders in the Victorian Alpine Resorts
- **Knowledge and Understanding** of the Victorian Alpine Resorts and critical factors that may impact them
- **Governance** of the ARCC

The focus of activities is on implementation of the 2012 Plan and meeting statutory obligations. The programs and projects to be undertaken in each focus area are discussed below. Several of the projects or programs are of an on-going or evolving nature and as such, the performance targets have been adjusted to reflect the current status.

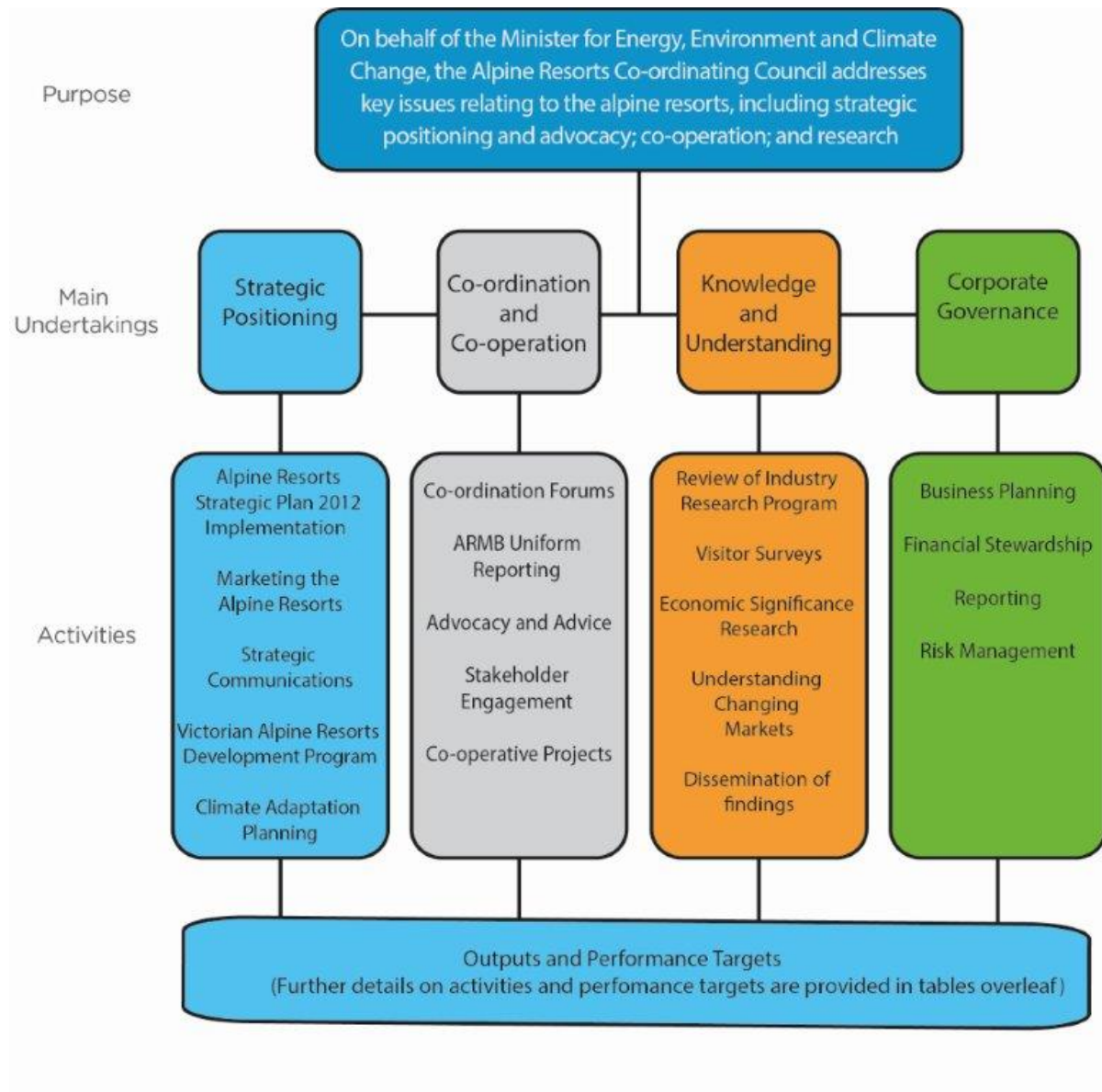
⁹ The annual report is based on a year-end date of 30 June.

¹⁰ This will include compliance with the *Alpine Resorts (Management) Act 1997*, *Freedom of Information Act 1982*, the *Financial Management Act 1994*, the *Protected Disclosures Act 2012*, *Public Administration Act 2004* and the *Privacy and Data Protection Act 2014*.

¹¹ This will be audited by the Victorian Auditor-General's Office (VAGO) and prepared in accordance with the Directions of the Minister for Finance under the *Financial Management Act 1994*.

¹² This is in accordance with section 32 of the *Alpine Resorts (Management) Act 1997*.

Figure 2: Strategic Priorities for 2016/17: Overview



Activities & Performance Targets

Strategic Positioning Activities

The table below details the key elements of these programs and the associated performance targets.

The 2016/17 year focuses on progressing and completing key initiatives from the 2012 Plan.

ACTIVITY	SOURCE OF ACTION 2012 Plan Action No, ARMA Section No or other Act.	PERFORMANCE TARGETS
Alpine Resorts Strategic Plan 2012 Monitoring	Sec. 18(ad)	
Monitor and report on implementation of the 2012 Plan	No. 56	The Minister is provided with updates in accordance with agreed timelines An annual evaluation report of the 2012 Plan is provided to the Minister by 31 December 2016 ¹³
Assess industry performance against KPIs ¹⁴	No. 53	An assessment of industry performance against KPIs is included in the 2012 Plan Annual Evaluation Report.
Climate Adaptation Planning		
Develop and support implementation of industry and resort specific climate adaptation plans, in conjunction with DELWP and ARMBs	No. 21	Development of climate adaptation planning is progressed
ARMB Master Plan Monitoring	Sec. 18(ae)	
Monitor and report on the development and implementation of ARMB Master Plans ¹⁵	No. 35	The ARMB Master Plans presented to the Minister meet the requirements of the 2012 Plan and are consistent with guidelines developed by ARCC.
Alpine Resorts Strategic Marketing Plan 2014-18 (ARMSP)	Sec. 18(b) No. 7	
Implement ARCC actions within ARSMP	No. 7	ARCC actions are implemented within stated timelines
Monitor the implementation of ARSMP	No. 7	Implementation of ARSMP is reported to stakeholders annually
Victorian Alpine Resorts Development Program (VARDP)	Sec. 18(d) No. 43 & 44	
Ongoing implementation of the integrated Victorian Alpine Resorts Development Program of infrastructure priorities for the industry, as a rolling five-year program	No. 44	Rolling 5 year program established according to prioritised projects
Strategic Communications Program		
Review Council's Communications Plan ¹⁶ for currency	N/A	Communication Plan is reviewed and implemented, including maintaining a current Issues Register

¹³ This is the anniversary of the endorsement of the 2012 Plan.

¹⁴ Refer to Appendix for details of the KPIs.

¹⁵ The 2012 Plan provides that preparation of Master Plans now satisfies the ARMA requirement to prepare SMPs (p35, 2012 Plan).

¹⁶ The communications plan includes participation in high level forums, including TTF membership and events.

Co-ordination and Co-operation Activities

In 2016/17 the ARCC will continue to facilitate co-ordination and co-operation between ARMBs, with industry and across government.

ACTIVITY	SOURCE OF ACTION 2012 Plan Action No, ARMA Section No or other Act.	PERFORMANCE TARGETS
Co-ordination and Co-operation in Reporting		
Provide the Minister with uniform reports for ARMBs	No. 50	Uniform reports are provided in accordance with the Minister's timelines
Co-ordination and Co-operation between ARMBs		
Manage the All Resort Season Pass Program	N/A	All Resort Season Passes are produced
Co-ordination and Co-operation with Industry and Key Stakeholders		
Provide secretariat support to the Alpine Resorts Industry Advisory Group (ARIAG)	No. 54	Secretariat support is provided to ARIAG
Continue to engage with key stakeholder groups, including the VSA		Engagement is facilitated on key industry issues
Co-ordination and Co-operation across Government		
Assist DELWP with co-ordination and co-operation across Government	No. 55	Support is provided to DELWP as required
Prepare industry overview and background papers for the Minister and DELWP	Sec. 18(a)&(c)	Reports are prepared as required
Industry Access & Equity Plan Development Project		
Implement an industry access and equity plan, consistent with Ministerial decision	No. 28	Access and Equity Plan Development Project implemented consistent with Ministerial decision
Securing & Stabilising ARMB Revenue		
Securing & Stabilising ARMB Revenue - Consider the possible need for changes in the mechanisms by which the ARMBs generate revenue.	No. 33 ¹⁷ Project 3	Advice, suitable for consultation with key stakeholders, provided to Council
Stakeholder Engagement Framework Project		
Stakeholder Engagement Framework implemented to ensure ARCC effectively liaises with and encourages the co-operation of all stakeholders involved in the development, promotion, management and use of the alpine resorts.	Sec 18(ac)	Stakeholder Engagement Framework is in place and used as required
Consider and investigate the efficacy of the holding regular industry-wide forums	N/A	Dependent upon review outcomes, Forum is planned for 2016/2017

¹⁷ Action 33 was split into three projects with the approval of the Minister.

Knowledge and Understanding Activities

Knowledge and understanding activities continue to centre on the data collection and reporting of visitation numbers and visitor satisfaction at the Victorian Alpine Resorts for both the winter and green season. This service is valued by the industry and provides key industry trend and supporting data.

ACTIVITY	SOURCE OF ACTION 2012 Plan Action No, ARMA Section No or other Act	PERFORMANCE TARGETS
Winter Research Program	Sec. 18(ab)	
Manage the conduct of winter visitor satisfaction and vehicle season pass surveys.		Surveys are conducted during the winter season
Manage the collection, collation and dissemination of weekly visitation numbers.		Winter visitation numbers are disseminated on a weekly basis
Manage the collection, collation and dissemination of snowfall and snow depth data.		Snowfall and snow depth data is disseminated
Produce the Winter End of Season Report and Fact Sheet	No. 56	The Winter End of Season Report and Fact Sheet are disseminated
Summer Research Program	Sec. 18(ab)	
Manage the conduct of the annual summer visitation survey.	N/A	Summer visitation surveys are completed
Produce the summer end of season report	N/A	Summer Report is disseminated
Understanding the green season market	No. 3	Consultant report finalised and published.
Economic Significance Study Analysis	Sec 18(ab)	
Undertake the five-yearly economic significance study	N/A	Study completed
Industry Research Program Review		
Ensure research program enables the KPIs to be reported on	No. 53	KPIs are reported on in the annual evaluation of the 2012 Plan

Corporate Governance Activities

The corporate governance activities ensure that ARCC's functions and proceedings are undertaken in accordance with good management practice, the requirements of the *Alpine Resorts (Management) Act 1997*, *Public Administration Act 2004* and *Financial Management Act 1994*.

ACTIVITY	SOURCE OF ACTION 2012 Plan Action No. or Act Section	PERFORMANCE TARGETS
Planning		
Develop a Corporate Plan, including yearly business plan	Sec. 30(1)	The Corporate Plan is delivered to the Minister by 31 July
Prepare an annual and forward look budget	Sec. 30(3)(c)	An annual budget and forward look are included in Corporate Plan
Reporting		
Engage external auditors (VAGO)	N/A	VAGO is engaged
Prepare an annual report	N/A	The Annual Report is completed within Parliamentary timeframes
Supporting Delivery		
Manage and provide Secretariat support to ARCC and its committees.	N/A	Support is provided to ARCC and its committees
Oversee the budget and management of accounts	Sec. 33	Financial reports are prepared for all Audit & Risk Committee and ARCC meetings
Governance Policy	PAA 2004	
Implement and review policies for compliance with government requirements		Governance policies updated as required and reviewed annually
Conduct annual ARCC Member Performance Reviews	N/A	Reviews are conducted
Risk Management		
Maintain and review a risk management policy and strategy	N/A	Risk Management Strategy is regularly reviewed by the Audit & Risk Management Committee
Financial Management Compliance	FMA 1994	
Implement and monitor compliant financial management practices		FMCF certificate submitted by 30 September

Forward Look Tasks

The projects and tasks the ARCC will be required to undertake to finalise the implementation of the 2012 Plan and continue to undertake its statutory functions are:

ACTIVITY	TIMING
Review the Alpine Resorts Strategic Plan 2012.	2017/18
Review the Alpine Resorts Strategic Marketing Plan 2014-2018	2017/18
Facilitate Climate Adaptation Planning	2017/18
Develop a new five year strategic plan	2017/18

Financial Plan

Overview

The Council is funded by periodical payments to the Council by the ARMBs¹⁸. Annual contributions are defined in the Council's Corporate Plan as approved by the Minister.

For 2016/17, Council proposes that consistent with arrangements approved in previous years, the majority of funds contributed by ARMBs will be apportioned between Falls Creek, Mount Buller & Mount Stirling and Mt Hotham ARMBs, on the basis of visitor numbers to each Resort (calculated by averaging 'visitor days' over the last three years). Nominal amounts will be contributed by the Lake Mountain and Mount Baw Baw ARMBs, with those contributions covering expenses, thus being at least cost neutral to the Council. Formal Directions for the payment of ARMB contributions will be sought from the Minister.

Council expenditure allows for payments to members of the Council, member superannuation and expenses, costs associated with on-going research projects, support to ARIAG, meeting expenses and a range of administrative functions, secretariat costs and costs associated with one off industry projects. Secretariat staff, facilities and corporate support are provided by the Land Management Policy division of the Department of Environment, Land, Water and Planning on an at-cost fee for service basis¹⁹.

In addition, consistent with arrangements put in place by the then Minister and the then Minister for Tourism and Major Events in 2014, Council continues to manage the co-operative funding for state-level winter marketing in 2016/17. Ministerial Directions to ARMBs were given in 2014, specifying the associated financial contributions required to fund the state-level co-operative marketing program.

Budget Assumptions

The budget is based on the following assumptions:

- Council member fees remain fixed at the current rate by the Minister, in accordance with the Appointment and Remuneration Guidelines issued by the Department of Premier and Cabinet.
- Superannuation payments for Council members and staff will be 9.5 per cent.
- Executive and administration support accommodation and corporate support supplied by DELWP at cost.
- Allocation of a 0.6 FTE Project Support Officer to provide administrative support and a finance manager to undertake Council's required financial services, provided by DELWP at no cost to Council.
- Additional contributions from the ARMBs are approved.
- Future contributions will be adjusted by the Treasurer's 'Annual Rate'.

Financial Key Performance Indicator

Council's adopted financial Key Performance Indicator of '*working capital maintained equivalent to 5 per cent of annual budgeted income*', will continue to be met in respect of the 'Operating' income.

(The Co-Operative marketing campaign income is excluded from this KPI, as these funds are being managed by the ARCC on behalf of the industry.)

¹⁸ Section 38 (1)(af) of the *Alpine Resorts (Management) Act 1997*, states that one of the ARMBs' functions is 'to contribute to and support the operation of the Council'.

¹⁹ With the exception of the salary and on-costs of the 0.6 FTE Project Support Officer position

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Appendices

Appendix 1: Alpine Resorts (Management) Act 1997: S. 1A Object

The object of the Act is to make provision in respect of alpine resorts –

- a) for the development, promotion, management and use of the resorts on a sustainable basis and in a manner that is compatible with the alpine environment, having regard to:
 - i) environmental and ecological considerations, in particular, climate change: and*
 - ii) economic considerations; and*
 - iii) cultural heritage considerations, in particular, indigenous cultural heritage considerations; and**

- b) for the use of the resorts:
 - i) primarily for alpine recreation and tourism; and*
 - ii) in all seasons of the year; and*
 - iii) by persons from varied cultural and economic groups.”**

Appendix 2: ARCC Statutory Functions and Obligations

Statutory Functions

The statutory functions of the ARCC are described in Section 18 of the Act.

Prescriptive functions are:

- to review and co-ordinate the implementation of the Alpine Resorts Strategic Plan
- to monitor the development and implementation of Strategic Management Plans for each alpine resort
- to co-ordinate, in conjunction with Tourism Victoria, established under the *Tourism Victoria Act 1992*, the overall promotion of alpine resorts

Broad functions are:

- to plan for and facilitate the establishment, development, promotion, management and use of alpine resorts in accordance with the object of this Act
- to undertake research into alpine resort issues
- to liaise with and encourage the co-operation of all State and local government authorities, industries, communities and other persons involved in the development, promotion, management and use of alpine resorts
- to make recommendations to the Minister on matters related to the provision and improvement of services and facilities in alpine resorts
- to make recommendations to the Minister on any matter relating to alpine resorts in respect of which the Minister has asked for recommendations
- to attract investment for the improvement of alpine resorts
- to carry out any other function conferred on the Council by or under this or any other Act

The ARCC has no on-ground operational responsibilities within alpine resorts and works collaboratively with the ARMBs for whole-of-industry benefit. Each ARMB is directly responsible to the Minister.

Obligations

The ARCC has obligations created by the Act as well as responsibilities to act in accordance with other legislation.

The Council:

- is a body corporate with perpetual succession;
- has a common seal;
- may sue and be sued in its common name;
- may acquire, hold and dispose of real and personal property;
- may do and suffer all acts and things that a body corporate may, by law, do and suffer; and
- in carrying out its functions and powers, acts on behalf of the Crown.

Council is also required to establish a 'general account' and ensure that all monies received are paid into this account.

In carrying out its functions and powers the ARCC is subject to the general direction and control of the Minister.

Appendix 3: ARCC Members and Terms of Office as at 1 July 2016

MEMBER	START	FINISH
Mr William Jaboor ARCC Chairperson, GIC appointee	24/6/2014	31/12/2017
Mr Mark Anderson Chairperson Falls Creek ARMB	02/02/2009	31/12/2017
Mr Allan Bawden Chairperson Mount Baw Baw and Lake Mountain ARMBs	01/01/2016	31/12/2017
Ms Stacey Daniel GIC appointee	01/01/2016	31/12/2017
Ms Nicole Feeney Chairperson Mount Hotham ARMB	01/01/2016	31/12/2017
Ms Jennifer Hutchison Chairperson Mount Buller and Mount Stirling ARMB	28/10/2011	31/12/2017
Dr Robyn Leeson GIC appointee	01/01/2016	31/12/2017
Mr Tim Piper GIC appointee	01/01/2016	31/12/2017
Ms Arianne Rose GIC appointee	01/01/2016	31/12/2017

Governor in Council (GIC)
Alpine Resorts Co-ordinating Council (ARCC)
Alpine Resort Management Board (ARMB)

Appendix 4: Membership of Council Committees as at 1 July 2016

AUDIT AND RISK MANAGEMENT COMMITTEE	
Mr Mark Anderson (Chair)	Chairperson, Falls Creek ARMB
Mr William Jaboor	ARCC Chairperson and GIC Appointee
Mr Allan Bawden	Chairperson, Mount Baw Baw and Lake Mountain ARMB
CO-OPERATION COMMITTEE	
Ms Jennifer Hutchison (Chair)	Chairperson Mount Buller and Mount Stirling ARMB
Mr Mark Anderson	Chairperson, Falls Creek ARMB
Mr Allan Bawden	Chairperson, Mount Baw Baw ARMB and Lake Mountain ARMB
Ms Nicole Feeney	Chairperson, Mount Hotham ARMB
Mr Tim Piper	ARCC GIC Appointee
and by standing invitation	
Mr Ty Caling	District Manager - North East, Parks Victoria
Mr John Huber	CEO, Mount Buller and Mount Stirling ARMB
Mr Jon Hutchins	CEO, Mount Hotham ARMB
Mr Phil Nunn	CEO, Mount Baw Baw ARMB and Lake Mountain ARMB
Mr Stuart Smythe	CEO, Falls Creek ARMB
STRATEGIC PLANNING COMMITTEE	
Ms Arianne Rose (Chair)	ARCC GIC Appointee
Ms Stacey Daniel	ARCC GIC Appointee
Mr William Jaboor	ARCC Chairperson and GIC Appointee
Dr Robyn Leeson	ARCC GIC Appointee

The ARCC Chairperson is an *ex officio* member of all Council Committees, whether or not expressly appointed as a member.

Appendix 5: ARCC Secretariat Staff

STAFF MEMBER	TITLE	FULL TIME EQUIVALENT	FUNDING
Ian Swan	Executive Officer	1.0	ARCC
Alex Shilton	Principal Policy Officer	1.0	ARCC
Julia Street *	Senior Project Officer	1.0	ARCC
Lorena Gibson	Senior Marketing and Communications Officer	0.8	ARCC
Natalie Baran	Senior Project Officer	0.8	ARCC
Cassie Elder	Project Support Officer	0.6	DELWP

From time to time temporary agency staff or short-term secondments from DELWP may be required for specific projects. The ARCC currently utilises the services of external consultants to provide Chief Finance and Accounting Officer services and any other specialist services expertise, as required.

**On secondment to and funded by DELWP until August 2016.*

Appendix 6: Victorian Government's Alpine Sector KPIs

GOALS/STRATEGIC OBJECTIVES	TARGET/KPI
Economic (Financial) Goal	1. Trend increase in real Gross State Product attributable to resorts to be at least 2% p.a. For 2012-17.
	2. Trend increase in regional jobs attributable to resorts to be at least 2% p.a. For 2012-17.
	3. Five-year alpine public investment program funded
	4. All ARMBs meet government approved corporate plan financial targets.
Increase visitation (SO1)	5. Trend growth in visitor numbers to be at least 2% per annum for 2012-17.
	6. Average annual winter occupancy rates for 2016-20 to be at least 20% higher than 2010-15.
Improve efficiency and accountability (SO2)	7. Trend ARMB real unit costs decline at 1% p.a.
	8. ARMB CSOs identified, agreed with government and funded.
Environmental Goal Respect the alpine environment (SO4)	9. Renewable energy to comprise at least 30% of resorts' total energy use by 2020.
	10. Trend decrease in average annual solid waste disposed per visitor day to be at least 4% p.a.
	11. Habitat protection programs in government approved corporate plans implemented.
Social Goal Facilitate access, equity and diversity (SO5)	12. Visitor household income profile approaches state profile.
	13. Visitor ethnicity profile approaches state profile.
	14. Increased number of beds available through central booking services.
	15. Range of on-mountain services increases.
Cultural Goal	16. Indigenous employment opportunities created.
	17. Events celebrating resort heritage increase.
Cross Cutting Strategic Objectives Build partnerships (SO3) Improve regulatory framework (SO6)	18. ARMBs implement formal stakeholder consultation programs.
	19. Planning timelines meet council norms.
	20. Lease inequities removed.

Source: *Alpine Resorts Strategic Plan 2012*, ARCC, December 2012

