



Rockhampton Heritage Village

Summary Report

February 2020

Strategy & Planning

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1.0 EXECUTIVE SUMMARY

The Heritage Village Business Review project was initiated by Rockhampton Regional Council (Council) in response to action 2.1.6 of Council's 2020-2021 Operational Plan which states:

“Develop a business plan for the Heritage Village that rebrands and revitalises the venue that will create a space for events and a facility that attracts visitors to the Region”

Further to this, an objective was set by Council to explore opportunities for operational efficiencies and potential reduction in annual operating expenses.

This report:

1. summarises findings across *Site Assets*, *Financial Assessments*, *Governance*, and *Purpose*, which have been identified as the business 'pillars' that support operations at the Heritage Village, and
2. puts forward recommendations and considerations based on the objectives of rebranding and revitalising the Heritage Village, and broader Council direction.

1.1 Business Review process

The Business Review incorporates results from the information gathered from the Heritage Village and other areas of Council, and includes financial data, building assessments and resource requirements. In addition, analysis of tourism, heritage and volunteering sectors provided information to gauge how the Rockhampton Heritage Village compares to other similar sites and to provide direction based on current trends.

The Strategy and Planning team delivered this project with oversight from the Project Control Group (PCG). Council staff involved in the project include:

Damon Morrison Manager, Office of the Mayor	Project sponsor
Paul Waiting Strategy and Planning	Project manager, until August 2020
Ann Davie Strategy and Planning	Project manager, from September 2020
Steve Ellis Strategy and Planning	Strategic planner, from September 2020
Alicia Cutler Community Services	General Manager Community Services (Operational owner of Heritage Village)
John Webb Communities and Culture	Project Control Group member (Operational owner of Heritage Village)
Annette Pearce Advance Rockhampton	Project Control Group member (Tourism)
Amy Johnson Strategy and Planning	Project Control Group member, project support
Caitlin Pointing Office of the CEO	Project Control Group member, project support

1.1.1 Project timeline

13 July 2020	Project started
16 July 2020	Initial Councillor Workshop
July – August 2020	Preliminary investigations
August – October 2020	Operations assessment
October – November 2020	Building audit
28 November 2020	Councillor site tour
2 December 2020	Councillor site tour and workshop
16 December 2020	Business Review Report draft delivered for PCG review
2 February 2021	Draft Business Review Report issues to Council for review
23 February 2021	Business Review Council Report and Recommendations

Subject to Council endorsement of the Business Review report and recommendations, a range of ongoing activities will be required to be undertaken in the implementation phase which will include:

- internal and community consultation;
- determination of timeframe for re-opening of the Heritage Village;
- implementation of the endorsed capital works program
- implementation of the:
 - proposed asset management program;
 - governance program;
 - operational review recommendations.

1.1.2 Councillor Workshop on 2 December 2020

On 2 December 2020, an informal workshop was held involving Councillors, representatives of Council's Leadership Team and representatives of the PCG. Topics for discussions included the purpose, identity and long-term future of the Heritage Village and options for the Heritage Village as a heritage tourism asset were proposed requiring further investigation.

This Business Review has been conducted and the recommendations limited to identified outcomes achievable within the original scope and project constraints.

In order to properly consider, investigate and scope the broader long-term vision of the Heritage Village as a major regional heritage tourism asset, it is recommended that a separate feasibility study is undertaken.

1.2 Summary of Business Review findings

Site assets

1. Wayfinding, entrance and car park access are not clearly presented and lack street appeal.
2. The first visuals for visitors of the Heritage Village are back-of-house facilities and service entrance.
3. The conditions of the buildings is generally very good - 43 of the site's 55 buildings are in excellent or good condition (excluding shelters).

4. Improvements for the recording of site assets at the Heritage Village in Council's asset management system have been identified and to facilitate accurate insurance cover.
5. The use classification for the Shearing Shed needs to be changed to fit its current use.
6. Costs to make climate control and environmental improvements to the Shearing Shed have been estimated to be greater than \$1 million, depending on the extent of the work undertaken to retain the character of the structure.
7. The grounds and gardens of the site are maintained to an excellent standard courtesy of the Heritage Village volunteers. Some road surfaces may need attention to meet access requirements.
8. There will be a considerable body of work to bring all of the Heritage Village built assets into line with similar asset management practices across Council.
9. Within the collection, 25 of the buildings are original, 14 are replicas, and 19 are new buildings.

Financial - general operations

1. Operational expenditure savings are unlikely to be found through either:
 - a. modification of the Heritage Village activities without negatively impacting their quality, frequency or variety; or
 - b. reduction or redeployment of staff as all staff are needed across all activities.
2. Staff are dedicated and regularly go above and beyond their roles.
3. All staff work across all activities.
4. All staff are involved in supervising volunteers.
5. There are some tasks and functions within Heritage Village operations that are common across the organisation that are managed wholly by Heritage Village staff, such as some administrative tasks, marketing, asset management and maintenance.

Financial – delivery of activities

1. It may be possible to deliver additional or new activities, including arts and crafts workshops, specialised markets, and more community festivals. However, this is constrained by limited resources (staff and volunteers). The assessment of activities breaks down the resource requirements for each activity.
2. Functions at the Shearing Shed run at an operational deficit, with labour being the largest cost.
3. There are opportunities to make operational savings of between \$70,000-\$100,000 through adopting a dry-hire model for the Shearing Shed.
4. Excluding general operating expenses, other activities like markets, tours and planned events, recover their direct attributable costs and return modest profits.
5. Casual staff are used to deliver Shearing Shed functions and some activities during markets.
6. Volunteers and supported labour programs (Jobs Queensland and Corrections Community Service) are an integral to delivering activities to the village and undertaking regular maintenance to the site. However, reliable availability varies. Assessment of activities identified a lack of consistency in available volunteers to undertake required tasks, requiring staff and other volunteers to make up any shortfall.

Governance

1. There are a lack of governance processes/coordination between Council, Volunteers and the Friends of the Village (an incorporated association). Areas in need of governance structures include: WHS, capital works prioritisation, events scheduling and role definition for operational activities of the Heritage Village.
2. With the exception of Market Days, volunteers' time has not traditionally been scheduled or rostered, with the majority of volunteers providing assistance at the start of the week.
3. Updated safety processes have already previously put into place, and volunteers have undertaken safety training and induction programs.
4. There are no consistent lease arrangements/agreements for lessees.
5. There is no framework for managing community groups as casual, short-term or longer-term tenants, other than as a hirer of the venue.

Purpose

1. There are 7 types of activities traditionally delivered:
 - Site visits (casual tourism visitors);
 - Functions and site hires;
 - Markets;
 - Organised tours (schools and senior groups);
 - Festivals and other celebration events;
 - School holiday programs;
 - Workshops.
2. Different activities activate different parts of the site and to varying degrees. The site is most activated on Markets Days.
3. Daily site visitors experience the minimum offering of static displays of buildings and the collections. There is no consistent or ongoing activation outside markets, special events and some tours.
4. 90% of the visitors were there for community-related activities or events. The remaining 10% attended directly for heritage tourism purposes.
5. 50% of activities are directly tied to the site's heritage identity. 40% use the site as a backdrop, and 10% of activities are 'generic' in nature do not leverage the heritage identity of the Village.
6. As the Heritage Village is situated within a high-growth area, there is the potential for increasing the community value of the Heritage Village to meet demands for community resources in the north.

There are a number of appendices to this Report that include the detailed findings of the Business Review.

1.3 Considerations

This section includes pertinent information about organisational capacity and visitor demands that should be considered when making decisions about the Review's recommendations. It is also worth highlighting the constraints on the site's use. The appendices of this report include complete data gathered during the Review.

Capital works and built assets

- Capital expenditure has been set at \$1 million to be split over two financial years: 2021-22 and 2022-23
- Council owns and is responsible for all assets on site. However, the current asset register is incomplete and will take time and resources from both the Heritage Village and Community Assets and Facilities to complete. Further work may be identified and prioritised after this Review.

Staff and volunteers

- 4.8FTE for site operations:
 - Heritage Village Supervisor
 - Administration & Tourism Officer (0.8 FTE)
 - Team Leader – Functions
 - Team Leader - Workshop and Restoration
 - Maintenance and Livestock Assistant
- All staff are involved in the delivery of all activities, as well as day-to-day operations
- Casual staff are required to deliver functions and may be needed for other activities
- 175 volunteers available, 75 'core' who volunteer regularly, contributing 45,000+ hours of volunteering annually.

Visitors and activities

- Prior to COVID, the Heritage Village operated 7 days a week, open for 352 days per year
- In 2018-19, all activities combined brought 41,313 people to the site
- 3,492 daily site visitors in 2018-19, this does not include markets or other events; this averages to approximately 9 visitors per day
- 6 markets are delivered annually
- 44 school tours were conducted in 2018-19, with schools from the Rockhampton region and surrounding areas
- School holiday programs is run 18 days annually
- Approximately 3 'major' events are delivered at the site (e.g. Heritage Festival, Halloween)

Land Management Plan (LMP)

- The Heritage Village site is owned by the Queensland Government and administered by the Department of Natural Resources, Mines and Energy (DNRME). Rockhampton Regional Council is a trustee.
- Under the agreement with DNRME, the site must be used for heritage, historical and cultural purposes. Operations can generate revenue, but any revenue earned must be directed towards the ongoing management of the Trust land.
- Lease or permit holders who use the site must adhere to the primary use of the land for community purposes.
- Access by the public to the Trust land must be maintained and protected at all times.

2.0 RECOMMENDATIONS

2.1 Constraints

There were a number of constraints that were taken into account during the process of conducting the business review and affected the recommendations put forward. These included:

- No increase in operational budget
- identification of potential operational savings
- No changes to available FTE
- No additional capital works outside those prioritised for entrance, carpark, signage, and those required to bring buildings into line with access, safety and building standards where appropriate

2.2 Recommendations

Capital works

Below represents the capital works recommend for the first stage / year of capital expenditure to improve overall visitor experience and overall amenity on entry to the Heritage Village to the sum of \$385,000.00 including:

- The current carpark gardens are made to be more maintenance friendly and tree pruning be carried out.
- Signage – Wayfinding signage upon entering the carpark and to identify and guide visitors to the entrance
- Entrance improvements, including fencing and visual screening around back of house – For an entrance feature to be installed to help identify the entrance of the village and for the back of House area to have a fencing treatment installed to block vision to these areas
- Include identified projects and activities in Council's 2020-21 Operational Plan

Site governance and volunteer management

- Define roles and ascertain level of consistent availability and skill set to define the minimum active offering at the Heritage Village
- Ongoing implementation of WHS processes and requirements
- Create process on managing and monitoring volunteers numbers and work flow on site
- Learnings from this Review to inform organisation-wide volunteer management processes
- MOU between Council and the Friends of the Village
- Include identified projects and activities in Council's 2020-21 Operational Plan

Asset management

- Bring all building and assets at the Heritage Village into Council assets system and management
- Create processes to manage the delivery of any further assets to be delivered on the site
- Include identified projects and activities in Council's 2020-21 Operational Plan

Support from other areas of Council

- Integrate the Heritage Village to better utilise Council's internal management systems (Asset register and maintenance management)
- Equipment management
- Marketing
- Events management
- Include identified projects and activities in Council's 2020-21 Operational Plan

Collections management

- Continue cataloguing of on-site and off-site memorabilia, equipment and machinery
- Learnings from this Review to inform organisation-wide approach to managing heritage asset donations and acquisitions

Operations - Extending or modifying offering

- Shearing Shed dry hire – trial offering the Shearing Shed as a venue to be hired and catering functions arranged by those hiring the venue

Other opportunities that have been suggested throughout this review that are yet to be considered

Site Visits - Pay to enter daily visitors

- Reduced General Admission / No entry Fee
- Reduce hours/days
- Scheduled tours
- Technology assisted tours
- Improve static offering by using item in storage

Markets

- Specialty markets
- Increase total number of markets: FOHV markets and markets run by RRC

School Tours

- Expanding the offering
- Schedule the day and time can they occur to avoid events and other open times

Senior and other tours, Workshops and educational programs

- What are the opportunities for further tours at the Village – new residents, historical societies, Beef Week, Rocky Nats, etc.
- Could the offering be linked with other attractions in the region, eg Dream Time

Festival and Events

- Other RRC events, celebrations and festivals be delivered at the Heritage Village. Advance Rockhampton or Communities and Culture teams would be responsible.
- COVID friendly events moved to Heritage Village
- Other organisations host their events. Communities and Culture team to liaise with community groups

School Holiday Program

- Can be expanded
- May be supported by Customer Service or *See it Live* booking

There are other opportunities to strengthen linkages with community as well as increase revenue generating activities:

- Meet demand for venues and open spaces for hire
- Provide casual commercial opportunities for artists, artisans, craftspeople, tradespeople, etc. either through short-term leases or opportunities at markets, workshops, etc.
- A separate Strategic Assessment and feasibility study are recommended to investigate the requirements to implement changes to the existing Heritage Village operations. Decisions about future directions will be made based on the information put forward in the Strategic Assessment.