



1 April 2019

Via email: saraho@queenstownNZ.nz

Dear Sarah

FY19-20 DESTINATION QUEENSTOWN ANNUAL PLAN: SUBMISSION FROM QUEENSTOWN LAKES DISTRICT COUNCIL

Thank you for the opportunity to submit on the draft Destination Queenstown (DQ) Annual Plan FY19-20. The following suggestions are made to help strengthen the content, and clarify the Plan's strategic alignment to other key documents. Please note that this submission is made on behalf of the Council. It reflects the position of officers and has not been discussed by full Council.

Given the number of stakeholders involved in destination marketing, the draft would benefit from references to Tourism New Zealand, the Government's draft Tourism Strategy, and Queenstown Lakes District Council's Economic Development Strategy. I would also like to see explicit reference to working with Lake Wanaka Tourism and what the goals of such a collaboration would be, particularly as collaboration is one of the Plan's four strategic priorities.

We would also expect that as a strategic document, the Annual Plan would mention the proposed visitor levy and DQ's position on growth.

I very much welcome the goal of a sustainable host community (page 10), and note that this goal refers widely to environmental wellbeing, host community support, and economic sustainability. However, the actions only appear to be illustrated by a goal of creating 10 stories (page 25). It would be useful if the Plan were more explicit about DQ's role in destination management, economic sustainability, and social licence. For example, with significant infrastructure planning underway, DQ has a key role to play in gathering accurate data to inform local and central government decision-making. Examples of data needed include tourist flows, accommodation demand, and worker accommodation demand etc.

The annual growth goals identified in the draft need to be either realigned or explained. For example, visitor spend in 2018 was \$2.33b while the growth goal for 2019-2020 is \$2.5b (page 11). Consequently, to achieve the revised goal requires only a 2% spend growth per annum compounding over three years despite the annual spend growth increasing 9% per annum on average since 2009 (page 6). If DQ is aiming for a significantly lower rate of growth, the Annual Plan would need to provide a rationale for this. Conversely, page 11 refers to a goal of 5% spend growth per annum, which would equate to \$2.7b in three years, and not the \$2.5b stated in the draft.

It would also be helpful to strengthen the connections between the priorities, objectives, goals and functional area plans. This would help explain the assumptions behind the goals, and linkages to the goals, i.e. by doing x we expect that y will occur, which will contribute to z goal being reached

At a recent meeting between the Mayor, Meaghan Miller, Peter Harris and myself from QLDC, and Matt and Graham from DQ, it was indicated that DQ believes the Winter Festival is primarily held for locals and is leveraged by DQ for promotional purposes. However, the goals indicate that the Winter Festival is seen as a promotional event for the industry primarily. From the perspective of the community and the Council it would be helpful to make this clear. The current levy increase DQ is seeking suggests a funding increase of \$100k for the Winter Festival, which implies its focus as a promotional tool. However, if DQ intends to dispense with the Winter Festival this should be reflected in the Plan and the funding adjusted accordingly.

A further useful addition would be reference to the need for additional resources, and the goals that these resources would help achieve, for example the additional \$900k that DQ is seeking from commercial ratepayers.

Thank you again for the opportunity to comment. Please do not hesitate to contact my office on 03 450 1770 if you would like to discuss any of the points raised.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Mike Theelen', with a long horizontal flourish extending to the right.

Mike Theelen
Chief Executive