



8 November 2019

Contact for Apologies: General Manager

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File Ref: GOV9.14.041

Dear Board Member

NOTICE OF MEETING

Notice is hereby given pursuant to the Victor Harbor Horse Tram Authority Charter and Section 87(4) of the Local Government Act, 1999, as amended that a meeting for the **Victor Harbor Horse Tram Authority** has been called for:-

DATE: Tuesday, 12 November 2019

TIME: 1.00pm

PLACE: Encounter Room, Civic Centre, 1 Bay Road, Victor Harbor

Please find enclosed a copy of the Agenda for the meeting.

Yours faithfully

Megan Whibley

General Manager

Victor Harbor Horse Tram Authority

Please be advised that filming, photography and audio recording may take place at this meeting when the public and media are not lawfully excluded under Section 90 of the Local Government Act 1999.



1. Open Meeting/Welcome

2. Attendance

Paul Brown (Chair)
 Cr Carol Schofield AM
 Nigel Catt
 Rachel Kennedy
 Natasha Hunt
 Megan Whibley (General Manager VHHTA)

Karen Rokicinski (Director Corporate and Customer Service CVH)
 Pauline Corcoran (Minute Secretary CVH)

3. Apologies

4. Minutes of Previous meeting3

5. Business Arising

5.1	Adjourned Item(s)	N/A
5.2	Works Program	6
5.3	Resolution Register	8

6. General Manager Report

6.1	Operations Report	16
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7. Reports for Decision or Endorsement

7.1	Annual Report	18
7.2	Draft Business Plan	42
7.3	Meeting Dates 2020	64
7.4	Proposed price of the Victor Harbor Horse Tram Annual Membership Pass	66

8. Presentation(s)

9. Discussion Items – No decision(s)

End of Year Celebration – Board and Staff

Victor Harbor Horse Tram Authority
Board Meeting Agenda
For meeting Tuesday 12 November 2019
Commencing at 1.00pm



10. Correspondence Received

11. Urgent Business without Notice

12. Confidential Reports

13. Next Meeting

Tuesday 17 December 2019, 3pm – Encounter Room

14. Meeting Close

Please be advised that filming, photography and audio recording may take place at this meeting when the public and media are not lawfully excluded under Section 90 of the Local Government Act 1999.

2. Present

Paul Brown (Chair)

Cr Carol Schofield AM

Rachel Kennedy

Natasha Hunt

Megan Whibley (General Manager Victor Harbor Horse Tram Authority)

In attendance

Karen Rokicinski (Director Corporate and Customer Service CVH)

Pauline Corcoran (Minute Secretary CVH)

Commencement

The meeting commenced at 3pm

3. Apologies

Nil

4. Minutes of the Previous Meeting

Moved: Carol Schofield

Seconded: Rachel Kennedy

That the minutes of the previous Victor Harbor Horse Tram Authority meeting held on 17 September 2019, as per copies supplied to members, be adopted as a true and correct record of the meeting.

CARRIED

5. Items Adjourned

5.1 VHHTA117

Moved: Nigel Catt

Seconded: Carol Schofield

(Note: recommendation 1 was resolved at the September Board meeting)

2. That the Victor Harbor Horse Tram Authority endorse the concept plans for the proposed Horse Tram Ticket Office Refurbishment provided with this report, for Council consideration in line with Board resolution VHHTA103 which seeks support for the reallocation of Council's Capital funds to undertake works.

CARRIED

6. Business Arising

Nil

7. General Manager Report

7.1 VHHTA118 Moved: Natasha Hunt
Seconded: Rachel Kennedy

That the Victor Harbor Horse Tram Authority receive and note the General Manager Operations Report.

CARRIED

8. Reports for Decision or Endorsement

8.1 VHHTA119 Moved: Carol Schofield
Seconded: Natasha Hunt

1. That the Victor Harbor Horse Tram Authority Board receive and note the report on Proposed Pricing Changes for Fun Pass Tickets—a combination product with the South Australian Whale Centre.

2. That the Victor Harbor Horse Tram Authority endorse and recommend to Council the new pricing and income distribution, as detailed in this report, for Fun Passes.

CARRIED

8.2 VHHTA120 Moved: Rachel Kennedy
Seconded: Natasha Hunt

1. That the Victor Harbor Horse Tram Authority Board receive and note the report on proposed Change to Ticket Pricing for Additional Children.

2. That the Victor Harbor Horse Tram Authority endorses the pricing, as detailed in this report, for Child Ticket sales when there are more than two children accompanying a paying adult.

CARRIED

9. Presentations(s)

Nil

10. Discussion Items

Nil

11. Correspondence In/Out

Nil

12. Business without Notice

Survey update – Rachel Kennedy

13. Confidential Reports

Nil

14. Next Meeting

Tuesday 19 November 2019, 3pm – Encounter Room

15. Meeting Close

3.20pm



Meeting **Victor Harbor Horse Tram Authority**
Date **12 November 2019**
From **Megan Whibley**
Subject **Work Program Update**
Report Number **5.2**

PURPOSE

The purpose of this report is to provide Board Members with an update on the Work Program for the Victor Harbor Horse Tram.

RECOMMENDATION

That the Victor Harbor Horse Tram Authority receive and note the Work Program Update.

INFORMATION

Background

In late 2018, the Victor Harbor Horse Tram Authority Board established a work program to help progress operations of the new Authority in a planned and considered manner. The work program spans the period November 2018 – October 2020. The actions listed have been determined largely from the Charter and in consideration of the work required in the first six (6) months to establish the Authority and operations at the Victor Harbor Horse Tram.

Workshops, out-of-session feedback to the General Manager from Board members, and special meetings are utilised to progress action in relation to the work plan in a timely manner and meet key deadlines.

This work program is subject to review, additions, deletions and amendments, and remains a live document. For this reason, a regular report is provided to the Board to highlight progress against the actions. The work program is maintained by the General Manager and timelines adjusted according to need and circumstances, providing Board members with an accurate and up-to-date report on progress and future expectations.

Current state

Progress against the work program is tracking well, with most items completed to end of October 2019.

Please note: All items greyed out have been completed and will be removed from the table for the next meeting agenda for ease of reading.

Month	Action	Status
21 Dec 2018	Work Program and Resolution register Public Relation Tram No. 4 – Budget Bid Media Services	Ongoing Ongoing December 2019 October 2019
17 September 2019	Risk Management Policy Asset Management Policy and Maintenance Program (includes Tram No. 4) Policy Adopt First Business Plan Environmental Protection Policy	Ongoing

RISK ASSESSMENT

Governance – A number of items on the work program relate to the development of policies for the Authority. Until such time as the Authority endorses its own, City of Victor Harbor policies continue to be applied. The risk is assessed as **low**.

Socio Political, Community Issues / Reputation – There may be concern from within the Victor Harbor community if works determined to be important and included on the work program are not progressed. The majority of items have been completed on the work program to this point in the schedule. The risk is assessed as **low**.

Service Delivery – Completion of items as scheduled in the work program ensures that the Victor Harbor Horse Tram Authority is positioned well to improve patronage and the quality of the horse tram service. The majority of items have been completed on the work program to this point in the schedule. The risk is assessed as **low**.

BUDGET IMPLICATIONS

There are no budget implications associated with the Board receiving and noting this report.

The majority of tasks on the program will be undertaken by the General Manager Horse Tram Authority as scheduled and without requirement for additional funds. Where additional budget is required to achieve items on the work program, endorsement by the Horse Tram Authority Board or where applicable budget bids to Council, will be applied to individual items as required.



Meeting **Victor Harbor Horse Tram Authority**

Date **12 November 2019**

From **Megan Whibley**

Subject **Resolutions Register**

Report Number **5.3**

PURPOSE

The purpose of this report is to provide Board Members with an update regarding action on Victor Harbor Horse Tram Authority Board resolutions.

RECOMMENDATION

That the Victor Harbor Tram Authority receive and note the Resolutions Register report.

INFORMATION

The General Manager is to maintain a resolution register and to implement resolutions of the Board in a timely and efficient manner.

The resolutions report lists all the outstanding resolutions from previous meetings, with a progress note.

Please refer to attachment –Resolutions Register

RISK ASSESSMENT

Corporate Governance –The board must manage its governance risk of implementing decisions of the Board and associated actions as well as work as required by the Local Government Act 1999 Section 99(1)(a) and the Charter within approved budgets and required time frames. This report provides a mechanism for the Board to monitor progress of resolutions, work and actions and to manage the associated governance risk. The risk is assessed as *low*.

BUDGET IMPLICATIONS

There are no budget implications associated with the Board receiving and noting this report.

The majority of tasks on the Resolutions Register will be undertaken by the General Manager Horse Tram Authority as scheduled and without requirement for additional funds. Where additional budget is required to achieve items on the resolutions register,

endorsement by the Horse Tram Authority Board, or where applicable, budget bids to Council, will be applied to individual items as required.



VHHTA – Resolutions Register

*newest at top

Date	Minute Number	Resolution	Status/Update
15 October 2019	VHHTA120	<p>1. That the Victor Harbor Horse Tram Authority Board receive and note the report on proposed Change to Ticket Pricing for Additional Children.</p> <p>2. That the Victor Harbor Horse Tram Authority endorses the pricing, as detailed in this report, for Child Ticket sales when there are more than two children accompanying a paying adult.</p>	Complete
15 October 2019	VHHTA119	<p>1. That the Victor Harbor Horse Tram Authority Board receive and note the report on Proposed Pricing Changes for Fun Pass Tickets—a combination product with the South Australian Whale Centre.</p> <p>2. That the Victor Harbor Horse Tram Authority endorse and recommend to Council the new pricing and income distribution, as detailed in this report, for Fun Passes.</p>	Complete
15 October 2019	VHHTA117	That the Victor Harbor Horse Tram Authority endorse the concept plans for the proposed Horse Tram Ticket Office Refurbishment provided with this report, for Council consideration in line with	Complete



Date	Minute Number	Resolution	Status/Update
		Board resolution VHHTA103 which seeks support for the reallocation of Council's Capital funds to undertake works.	
17 Sept 2019	VHHTA108	That the Victor Harbor Tram Authority modify the works program by delaying the Tram 4 action for 12 months and removing the ticket machine action from the works program	Complete
17 Sept 2019	VHHTA112	That the Victor Harbor Horse Tram Authority endorses new ticket pricing and structure, as detailed in this report, with the addition of pricing for kids 2-13 of \$7 return and \$5 one-way when more than 2 children are traveling with a paying adult (subject to terms and conditions) to come into effect from 1 October 2019.	Complete
17 Sept 2019	VHHTA113	That the Victor Harbor Horse Tram Authority recommend to Council the modification of one window of the Horse Tram Office, converting it into a customer service point/ticket window.	Complete
17 Sept 2019	VHHTA113 part 2	That the Victor Harbor Horse Tram Authority adjourn the debate on the concept plans for the proposed Horse Tram Ticket Office Refurbishment provided with this report until the next scheduled Board Meeting.	Complete Tabled at 15 October 2019 meeting
17 Sept 2019	VHHTA116	That the General Manager write to City of Victor Harbor on behalf of the Victor Harbor Horse Tram Authority seeking for	Complete



Date	Minute Number	Resolution	Status/Update
		financial information relevant to the Authority to be finalised into the Authority's accounting software to facilitate effective Board governance prior to the next Board meeting.	
20 Aug 2019	VHHTA96	That the Victor Harbor Horse Tram Authority examine the policy associated with sales and Merchandise.	Ongoing
20 Aug 2019	VHHTA97	That the Victor Harbor Horse Tram Authority review the volunteer policy.	Ongoing
20 Aug 2019	VHHTA98	That the General Manager and the Deputy Chair discuss participation at the Rock and Roll Festival and feed this back to the Board at its next meeting.	Complete
20 Aug 2019	VHHTA101	That the General Manager and Board Chair work with Suzi Prza on the draft Strategic Plan.	Ongoing
20 Aug 2019	VHHTA102	That the Victor Harbor Horse Tram Authority receive and note the Office Refurbishment and Stables Report and further discussion take place, including plans.	Sept Meeting - Ongoing
20 Aug 2019	VHHTA103	That the Victor Harbor Horse Tram Authority seek endorsement from the City of Victor Harbor to reallocate capital funds in their 19/20 capital budget to support an upgrade to the stables at Canton Place, facilitated by a scope reduction for the merchandise area redevelopment.	Ongoing



Date	Minute Number	Resolution	Status/Update
20 Aug 2019	VHHTA105	That the Victor Harbor Horse Tram Authority endorse the Chair, Paul Brown, and the Deputy Chair, Carol Schofield, as additional signatories on the Horse Tram Authority bank accounts.	Complete
18 June 2019	VHHTA82	<p>Grazing Land</p> <p>1. That the Victor Harbor Horse Tram Authority (VHHTA) write to the Chief Executive Officer of the City of Victor Harbor to seek approval to access the Council owned land outlined in Option 1 (known as Gillespie Land) as a short term grazing solution.</p> <p>2. The VHHTA request that the General Manager commence negotiations with SA Water to access land identified as Options 2 & 3 and report back to the Board.</p>	<p>Access to land is waiting for agistment horses to vacate.</p> <p>SA Water meetings scheduled to be held on 11 July 2019.</p>
4 April 2019	VHHTA59	<p>Code of Practice for Meeting</p> <p>That the Victor Harbor Horse Tram Authority Board review the Code of Practice for Meeting Procedures</p>	Workshop item, date to be scheduled.
12 Feb 2019	VHHTA39	<p>Back up mechanical Tram</p> <p>That a "Committee" be formed in due course under the auspices of the Authority, as authorised under section 9 of the Charter, with the objective and terms of reference to;</p> <ul style="list-style-type: none"> Investigate and consider all alternative means of vehicle to pull the Horse Tram carriages, including electrical, tractor or vehicle 	For consideration by the new board. A proposal has been received through the Office of David Basham MP to reinstate the previous tractor train, operating services across the Causeway in lieu of Horse Tram. A mechanical audit of the vehicle has



Date	Minute Number	Resolution	Status/Update
		<p>(eg as held by the Port Elliot Museum), overseas options (France, European models).</p> <ul style="list-style-type: none"> Investigate the costs and timing of introducing such a service. <p>The working Party is to report to the Board in due course with its results</p>	<p>been undertaken and advice sought from the Vehicle Standards division of the Department Planning, Transport & Infrastructure, with regard to registration. A number of issues have been highlighted through this work, advice has been provided back to the Office of David Basham.</p>
12 Feb 2019	VHHTA40	<p>That a "Committee" be formed in due course under the auspices of the Authority, as authorised under section. 9 of the Charter, with the objective and terms of reference to;</p> <ul style="list-style-type: none"> Consider the options available to improve the state and design of the Causeway Horse Tram Station, to; <ul style="list-style-type: none"> o Improve its suitability as a station, both in regard to safety, loading and unloading procedures, and o Improve signage and ticketing facilities, and o Improve protection provided to passengers from bad weather, including rain, wind and sun. 	<p>On Hold</p> <p>For Consideration of new Board</p>
21 Dec 2018	VHHTA	<p>Window Display at the Tram Office</p> <p>Action: Ms Victoria MacKirdy – Interim General Manager to organise implementation of a monitor utilising the three current videos of the Horse Drawn Tram to be displayed on the windows facing south of the causeway.</p>	<p>In progress</p> <p>Quotation has been obtained. To be considered as a part of the budget process.</p>



Date	Minute Number	Resolution	Status/Update
21 Dec 2018	VHHTA	<p>Marketing</p> <p>Board Member Peter Lewis, marketing activity of Buy one Get one Free and Chinese Incentive Group Proposal to be considered by the Board at the January 2019 Communications & Marketing Workshop</p>	<p>In progress</p> <p>Communications & Marketing Workshop complete awaiting draft for consideration by the board. Application of 'buy one get one free' to be considered by the board and General Manager in the context of the Communications & Marketing Plan. Per resolution at the April 2019 meeting additional information has been sought from Oceanic Victor to inform negotiations and the design of a profit and loss statement for the transportation of two large Chinese delegations in 2020.</p>
21 Dec 18	VHHTA20	<p>Media Services</p> <p>1. That the Board receive and note the report on Media Services. 2. That the Board include the preparation of a Marketing Plan for inclusion in the work program for February 2019</p>	<p>Ongoing</p> <p>Communications & Marketing Workshop complete awaiting draft for consideration by the board. Board to consider media services in the context of the Communications & Marketing Plan.</p>



Meeting **Victor Harbor Horse Tram Authority**

Date **12 November 2019**

From **Megan Whibley**

Subject **General Manager Operations Report**

Report Number **6.1**

PURPOSE

The purpose of this report is to provide an update from the General Manager to the Board, regarding Horse Tram operations.

RECOMMENDATION

That the Victor Harbor Horse Tram Authority receive and note the General Manager Operations Report.

INFORMATION

Whilst the following matters are operational and do not require endorsement by the Board, they are important in the early stages of establishing the Victor Harbor Horse Tram as an Authority and for this reason, an update is provided for Board information.

Enterprise Bargaining

Final draft is being prepared and will be sent to AWU. Hoping that following a final meeting over the next couple of weeks, sign off can be achieved.

Staffing

Adrian is on leave until late November 2019.

Staff are having hours cut when we have high winds which is disappointing for them and the tram financially.

Ticket Price change

The annual Membership ticket price needs to be updated as it does not reflect the recent price structure change. This has been prepared as report 7.4 for consideration and endorsement by the Board.

Horse Tram closures

The Horse Tram was closed for four days in October 2019, due to strong winds. For the same period last year, the tram was only closed for two days.

November has seen three closures due to wind already.

Ticket Sales

Period 1 Oct 19 – 31 Oct 19

Year	2019	2018	2017	2016
Tickets sold	5010	4894	3809	3434
Revenue \$	\$56,937	\$48,952	\$39,389	\$33,368
Days closed	4	2	2	4
Rev Growth %	16.3% on 2018	24.28% on 2017	18% on 2016	

Trams

- J Tram no. 2 - New bearings required
- J Tram no. 3 - Manager of Verseng Group returned with the fitters on Tuesday 29 October 2019 and identified the problem with jamming spring boxes. Drawings have been prepared for the trams and Verseng Group are returning to repair and reset Tram 3 first and then the following trams. The drawings will add much needed information about the tram spring, axle and bearings set-up to assist with future maintenance works.
- J Brakes on Tram no. 3 still need to be replaced.

Both trams are currently out of action while repair works are being undertaken.

Horses

- J Scotty has done five one-way trips on the causeway so far and doing really well. Thank you to Nigel for his assistance on one of the mornings to help push the tram.
- J The Beach work for both Jay Jay and Albert has been fantastic and is effectively building up their strength.
- J Mowing has started at the Nissan hut at Gillespie and more is needed around the boundaries, which is booked to happen.
- J Horses may be moved back to Canton place next week once spraying has occurred at Gillespie to treat the Salvation Jane.

General

General Manager attended a report writing training session held by City of Victor Harbor staff which was very informative and will assist with future understanding of council protocols in relation to agendas and reports.

RISK ASSESSMENT

A risk assessment has not been undertaken as this operations report is provided to the Board for receiving and noting only.

BUDGET IMPLICATIONS

There are no budget implications associated with the Board receiving and noting the General Manager Operations Report.



General Manager Report

Meeting	Victor Harbor Horse Tram Authority
Date	12 November 2019
From	Megan Whibley
Subject	Draft Annual Report 2018/19
Report Number	7.1

RECOMMENDATION

1. That the Victor Harbor Horse Tram Authority Board receive and note the Draft Annual Report 2018/19.
2. That Victor Harbor Horse Tram Authority Board endorse the Draft Annual Report for 2018/19.

INFORMATION

Purpose

The purpose of this report is to present the Draft Annual Report 2018/19 to the Victor Harbor Horse Tram Authority (VHHTA) Board for endorsement.

Background

In accordance with Clause 12 of Schedule 2 of the Local Government Act (the Act) the VHHTA is required to furnish an annual report to the Council. In accordance with the Charter, the VHHTA must provide the report to Council by 30 September each year.

Once endorsed by the Board, the annual report will then be included in the draft annual report of City of Victor Harbor which is to be presented to the November 2019 Council meeting for Council endorsement. As a subsidiary of City of Victor Harbor, it is a requirement under the Act that the VHHTA annual report be included with the Councils annual report which is provided to the Minister.

Commentary

A draft 2018/19 annual report has been prepared for endorsement by the Board and is provided with this report at Attachment A. Endorsement by the Board at this meeting will ensure that it can be included with the City of Victor Harbor draft 2018/19 annual report which is to be provided to Council for endorsement at their November 2019 Council meeting.

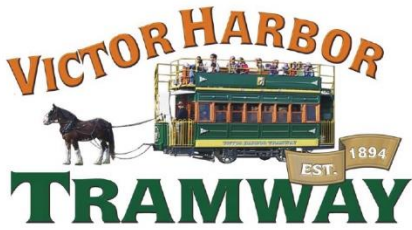
RISK ASSESSMENT

Corporate Governance –The VHHTA was unable to meet the required deadline for providing their annual report to Council due to delays in preparation of financial statements, being the inaugural year of the VHHTA and reliance on Council's financial audit arrangements. By bringing the November Board meeting forward, the annual report

can still be provided to Council in time for inclusion with the Council's annual report which is scheduled for endorsement at the November Council meeting. The VHHTA will be in a better position in subsequent years to prepare financial statements in time for the 30 September deadline. The risk is assessed as *medium*.

BUDGET IMPLICATIONS

There are no Budget Implications associated with the board receiving and endorsing the Annual Report.



VICTOR HARBOR HORSE TRAM AUTHORITY

2018/19 Annual Report



Victor Harbor Horse Tram Authority Annual Report 2018/19

About the Authority

The Victor Harbor Horse Tram Authority (the Authority) is a subsidiary of the City of Victor Harbor (Council), established under section 42 of the *Local Government Act 1999*. The Authority is governed by a Charter approved by the Minister on 17 October 2019, which details its purpose, powers, functions, duties, funding, property and delegation as well as the role, function and requirements of the Authority Board, among other things. The Charter was gazetted on 25 October 2018.

The Horse Tram, like many other services, is subsidised by Council and provides a valuable service to the City of Victor Harbor community on behalf of ratepayers. It serves as an important and highly significant contributor to the economy of Victor Harbor. The horse tram is a part of what makes this city thrive!

Strategic Direction

With the Authority confirmed as a subsidiary by the Minister in October 2018, and Board and General Manager positions established in the second half of 2018/19, a strategic plan was not in place during this financial year. A strategic planning session will be held early in 2019/20.

Through 2018/19, strategic direction was determined by way of a work plan which included the recruitment of the Board and General Manager to establish the Authority for the future. The establishment of certain key policies and other requirements of the Minister, as detailed in the Charter, were also strategic priorities included within the work plan in 2018/19.



The Board



Paul Brown (Chair)

Paul Brown is the Owner and Director of Kangaroo Island Wilderness Tours, a high-end tour company on Kangaroo Island with up to 25 team members. They have been looking after guests from around the world for 17 years.

He is a former Chair of Tourism Kangaroo Island and the Australian Tourism Export Council (ATEC) SA Branch, as well as a board member of ATEC nationally. He is currently on the Food, Wine, Tourism & Hospitality Industry Skills Council Advisory Group, a member of the Collaborative Project to develop a Professional Certificate in Older People's Mental Health, as well as the board of the Victor Harbor Horse Drawn Tram Authority.

A graduate of the Australian Institute of Company Directors course Paul has always sought to make a contribution to his industry and community.



Councillor Carol Schofield AM

Councillor Carol Schofield AM is the City of Victor Harbor's Elected Member representative on the Victor Harbor Horse Tram Authority Board. Carol was Chair of the City of Victor Harbor's Horse Tram Advisory Committee before it transitioned to form the Inaugural Victor Harbor Horse Tram Authority. She brings to the Board skills in business management, event management, tourism and agribusiness.

Carol is a long-time resident of Victor Harbor and has been involved in many local organisations. She was a dairy farmer and established her own agriculture business in Inman Valley.



Rachel Kennedy

Professor Rachel Kennedy (PhD, B.Bus(Hons), GAICD) is a globally recognised expert in marketing and evidence-based growth. As a co-founder and director of the Ehrenberg-Bass Institute, she has a proven track record of successful industry engagements that profitably grow businesses and build and protect their iconic assets. She combines this with hands-on experience marketing a local tourism reliant business.

Rachel is passionate about her community in Victor Harbor where she can often be seen running, at the beach patrolling or playing hockey with her family. She is excited to bring her skills and knowledge to our Horse Tram.



Nigel Catt

Nigel Catt has been in the Australian Wine Industry since 1983 in various roles such as senior winemaker for a number of large and medium wine companies, as well as owning my own vineyards, wineries and wine brands.

During this time, Nigel has produced wines in other countries, consulted to other wineries and the State Government, run Industry Supply Companies at board and management level. He owned the Middleton Winery and Vineyards, developed and built the Flying Fish Café and has been a board member for 10 years at Encounter Lutheran College. National Sales and Marketing Consultant for Radoux, a French oak barrel company that he still represents here in Australia.

Nigel has supported and developed many business', and mentored young business people here and overseas. The majority of Nigel's focus and life has been spent in the Fleurieu Peninsula, specifically Victor Harbor, where he is based with his family.



Natasha Hunt

Natasha Hunt has over 15 years' experience working in local government and the tourism industry. She is the Team Leader of the Fleurieu Coast Visitor Centre, who won the 2018 South Australian Tourism Award for Visitor Information Services. Natasha is responsible for the marketing of the Fleurieu Coast region and manages the District Council of Yankalilla's volunteer programs. Natasha represented the Fleurieu Peninsula on the South Australian Tourism Commission's Industry Skills Advisory Committee and was an inaugural member of the South Australian Accredited Visitor Information Centre Network.

Natasha grew up on the Fleurieu Peninsula on her family's farm where they operate two horse-based businesses. Natasha is passionate about the Fleurieu and has volunteered in many community organisations including the Normanville New Year's Eve Pageant, Yankalilla Football and Netball Club and the Fleurieu Horse and Pony Club.

Note: Roland Roccioletti was appointed as an independent board member of the Victor Harbor Horse Tram Authority. Due to other commitments Roland resigned in June 2019 and Natasha Hunt was appointed.

Induction of Board Members

An induction of Authority Board Members took place in April 2019. The induction providing an overview of the legislative requirements of the Authority, a briefing on the Victor Harbor Horse Tram Authority Charter, details about the roles and responsibilities of the Board of Management and individual Board Members. In May Board Members were taken on a tour of key sites relating to the horse tram operation. This included visits to the Causeway office and stables, tram barn at Warland Reserve and stables on Armstrong Road.



General Manager

The General Manager reports directly to the Board and is responsible for overseeing the operations of the iconic Horse Tram service. When the Authority was first established City of Victor Harbor Chief Executive Officer Victoria MacKirdy was appointed as the interim General Manager.

As the interim General Manager Victoria was responsible for managing the transition to the Victor Harbor Horse Tram Authority which included implementing policies and procedures, undertaking recruitment and induction of a new board, recruiting a general manager, at the same time as keeping the day to day operations running smoothly.

In early 2018 a competitive selection process was undertaken and Megan (Meg) Whibley appointed from a strong field of candidates.

As the former managing director of Greenhills Adventure Park, Meg has extensive experience in the tourism and service industry. It was these skills along with her experience with horses and local knowledge that led her to be selected as the successful candidate.

Starting in the new role, Meg's first priority was to oversee the tram restarting after an extended period of causeway closure and transition back to a full horse tram service after the completion of track maintenance.

She was responsible for preparing an Open Day event "Back on Track" on 23 June 2019, a well-received community celebration of the Horse Tram recommencing after the extended causeway closure.

The General Manager also prepared a Strategic Planning day utilising a facilitator to support the Board in planning their strategic direction, with the planning day scheduled for early in the new financial year.

Audit and Risk Committee

In accordance with the Charter, the Authority is required to establish an Audit Committee and may establish its own or with agreement of Council, use the Council's Audit Committee. In 2018/19, a year of establishing the Authority, Audit Committee requirements were met through the City of Victor Harbor. The Authority will determine its future approach to meeting these needs in 2019/20.

2018/2019 Achievements

The establishment of the Horse Tram Authority subsidiary was confirmed by the Minister with gazettal of the Authority Charter on 25 October 2018. The inaugural Board consisted of the former City of Victor Harbor Section 41 Committee, who appointed Victoria MacKirdy as the interim General Manager in November 2018. In accordance with the Charter, both the interim General Manager and interim Board could only be in place for six months. As such, their role was largely to set up a number of the foundational policies and procedures required of the Authority, as per the Charter.

During their first few months, the interim Board were charged with responsibility to determine an appropriate structure for a new Board and made a number of decisions in this regard. The interim Board appointed McArthur to assist with recruitment of the new Board. Board positions were called in December 2018.

Due to the deterioration of the causeway there were extended closures of the Horse Tram from 23 January 2019 until 17 June 2019. A Special Council Meeting was called by Council Chief Executive Officer Victoria MacKirdy (also Interim General Manager of the Horse Tram Authority) seeking support to amend the Charter to provide the Board with 12 months rather than just the initial six months, to appoint a General Manager and prepare its first business plan. The Minister was notified of this request and an extension was formally granted by his Office, permitting the Charter to be amended in this way. The purpose of seeking this extension of time was in light of the Causeway closure and to save the Authority (and consequently, City of Victor Harbor residents) money if the Causeway was to remain closed for an extended period. This negated the need to have a paid General Manager in place over this time. For this reason, an extension was not sought for appointment of a brand new independent Board. The new Board came into effect in February 2019.

Since the appointment of the new Board in February 2019, the following achievements have been made:

- research into land options for relocation of horses
- setting the first Authority budget
- purchase of a new horse and horse accessories
- an open day to relaunch the Horse Tram after the Causeway reopening
- advertisement published for new Horse Husbandry position
- engagement with Union representative to set up a new wage structure and enterprise agreement for Horse Tram staff
- appointment of General Manager position - commenced at the start of June 2019.



Looking Ahead

With the Horse Tram not operating for six months during 2018/19 due to issues with the Causeway, the Board positioned themselves to improve the running of the Horse Tram over the coming months and years. Whilst considering the direction of the previous Board and committee, the skills and expertise on the new Board are quite different and a number of exciting new ideas were discussed in the final months of 2018/19 for consideration and implementation in 2019/20.

Of particular note, the Board will look into sponsorship opportunities in 2019/20 and are in the process of drafting a sponsorship package, prior to seeking sponsorship support from relevant businesses.

DRAFT

2018/19 Financial Statements

Victor Harbor Horse Tram Authority

General Purpose Financial Report for the year ended 30 June 2019

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Victor Harbor Horse Tram Authority

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2019**

CERTIFICATION OF FINANCIAL STATEMENTS

I have been authorised by Victor Harbor Horse Tram Authority to certify the financial statements in their final form.
In our opinion:

- the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011 and Australian Accounting Standards*.

- the financial statements present a true and fair view of the Authority's financial position at 30 June 2019 and the results of its operations and cash flows for the financial year.

- internal controls implemented by the Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliable and were effective throughout the financial year.

- the financial statements accurately reflect the Authority's accounting and other records.



.....
Paul Brown
Chairperson

Date: 5 November 2019

Victor Harbor Horse Tram Authority
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2019

	Notes	2019 \$'000	2018 \$'000
INCOME			
User charges	2	159	-
Other	2	275	-
Total Income		<u>434</u>	<u>-</u>
EXPENSES			
Employee costs	3	-	-
Materials, contracts & other expenses	3	432	-
Finance costs		-	-
Depreciation, amortisation & impairment	3	-	-
Total Expenses		<u>432</u>	<u>-</u>
OPERATING SURPLUS / (DEFICIT)		2	-
transfer to Equity Statement			
Asset disposal & fair value adjustments		-	-
Amounts received specifically for new/upgraded assets		-	-
NET SURPLUS / (DEFICIT)		<u>2</u>	<u>-</u>
Other Comprehensive Income			
Changes in revaluation surplus - infrastructure, property, plant & equipment		-	-
Total Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME		<u>2</u>	<u>-</u>

This Statement is to be read in conjunction with the attached Notes.

Victor Harbor Horse Tram Authority

STATEMENT OF FINANCIAL POSITION
as at 30 June 2019

ASSETS	Notes	2019 \$'000	2018 \$'000
Current Assets			
Cash and cash equivalents	4	7	-
Trade & other receivables		-	-
Total Current Assets		<u>7</u>	<u>-</u>
Non-current Assets			
Infrastructure, Property, Plant & Equipment		-	-
Total Assets		<u>7</u>	<u>-</u>
LIABILITIES			
Current Liabilities			
Trade & Other Payables	5	5	-
Provisions		-	-
Borrowings		-	-
Total Current Liabilities		<u>5</u>	<u>-</u>
Non-current Liabilities			
Borrowings		-	-
Provisions		-	-
Total Non-current Liabilities		<u>-</u>	<u>-</u>
Total Liabilities		<u>5</u>	<u>-</u>
NET ASSETS		<u>2</u>	<u>-</u>
EQUITY			
Accumulated Surplus		2	-
TOTAL EQUITY		<u>2</u>	<u>-</u>

This Statement is to be read in conjunction with the attached Notes.

Victor Harbor Horse Tram Authority

STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2019

2019 \$'000	Accumulated Surplus	TOTAL EQUITY
Balance at end of previous reporting period	-	-
Net Surplus/ (Deficit) for Year	2	2
Other Comprehensive Income		
Contributed Equity	-	-
Distributions to Member Councils	-	-
Balance at end of period	<u>2</u>	<u>2</u>
2018 \$'000	Accumulated Surplus	TOTAL EQUITY
Balance at end of previous reporting period	-	-
Net Surplus/ (Deficit) for Year	-	-
Other Comprehensive Income		
Contributed Equity	-	-
Distributions to Member Councils	-	-
Balance at end of period	<u>-</u>	<u>-</u>

This Statement is to be read in conjunction with the attached Notes

Victor Harbor Horse Tram Authority

STATEMENT OF CASH FLOWS
for the year ended 30 June 2019

	Notes	2019 \$'000	2018 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
<u>Receipts</u>			
Operating receipts		434	-
Investment receipts		-	-
<u>Payments</u>			
Employee costs		-	-
Materials, contracts & other expenses		(427)	-
Finance payments		-	-
Net Cash provided by (or used in) Operating Activities	6	<u>7</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Sale of replaced assets		-	-
Sale of surplus assets		-	-
<u>Payments</u>			
Expenditure on renewal/replacement of assets		-	-
Expenditure on new/upgraded assets		-	-
Distributions to member councils		-	-
Net Cash provided by (or used in) Investing Activities		<u>-</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
<u>Receipts</u>			
Capital contribution by member councils		-	-
Proceeds from Borrowings		-	-
<u>Payments</u>			
Repayments of Borrowings		-	-
Net Cash provided by (or used in) Financing Activities		<u>-</u>	<u>-</u>
Net Increase (Decrease) in cash held		<u>7</u>	<u>-</u>
Cash & cash equivalents at beginning of period	6	-	-
Cash & cash equivalents at end of period	6	<u>7</u>	<u>-</u>

This Statement is to be read in conjunction with the attached Notes

Victor Harbor Horse Tram Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2019

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1 Basis of Preparation

1.1 Compliance with Australian equivalents to International Financial Reporting Standards

This general purpose financial report has been prepared in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Interpretations and relevant South Australian legislation.

The financial report was authorised for issue by certificate under regulation 14 of the *Local Government (Financial Management) Regulations 2011*.

The Authority is a Local Government Authority Section 43 Regional Subsidiary under the control of the City of Victor Harbor. The City of Victor Harbor resolved to establish a subsidiary which was published in the South Australian Government Gazette on 25 October 2018. The 2018/19 financial year is the first year of operation for the Authority.

The Authority is a wholly owned Subsidiary of the City of Victor Harbor per the *Local Government Act 1999*.

1.2 Historical Cost Convention

Except where stated below, these financial statements have been prepared in accordance with the historical cost convention.

1.3 Critical Accounting Estimates

The preparation of financial statements in conformity with Australian Accounting Standards which requires the use of certain critical accounting estimates, and requires management to exercise its judgement in applying the Authority's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of this Note.

1.4 Rounding

All amounts in the financial statements have been rounded to the nearest thousand dollars (\$'000) for the first time this year.

2 The Local Government Reporting Entity

The Victor Harbor Horse Tram Authority operates as a subsidiary pursuant to the *Local Government Act 1999*.

3 Income Recognition

Income is measured at the fair value of the consideration received or receivable. Income is recognised when the Authority obtains control over the assets comprising the income, or when the amount due constitutes an enforceable debt, whichever first occurs.

4 Cash, Cash Equivalents and other Financial Instruments

Cash Assets include all amounts readily convertible to cash on hand at the Authority's option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition.

Receivables are generally unsecured and do not bear interest.

Victor Harbor Horse Tram Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2019

Note 1 - Significant Accounting Policies (cont)

All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments forms part of Note 7.

5 Property, Plant & Equipment

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use".

As at reporting date, the Authority held no Property, Plant & Equipment assets.

All plant and equipment assets deployed to provide services are hired by the Authority from the City of Victor Harbor.

5.1 Initial Recognition

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition.

5.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by the Authority for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life.

6 Payables

6.1 Goods & Services

Creditors are amounts due to external parties for the supply of goods and services and are recognised as liabilities when the goods and services are received.

Creditors are normally paid 30 days after the month of invoice. No interest is payable on these amounts.

7 Employee Benefits

7.1 Salaries, Wages & Compensated Absences

The Authority did not employ any staff during the 2018/19 financial year. All labour is contracted from the City of Victor Harbor and accordingly, the Authority recognises an expense for contract labour costs in Note 3 of the Financial Statements.

8 GST Implications

In accordance with UIG Abstract 1031 "Accounting for the Goods & Services Tax"

- Receivables and Creditors include GST receivable and payable.
- Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable.
- Non-current assets and capital expenditures include GST net of any recoupment.
- Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

9 Comparative Information

Comparative information has been reclassified to be consistent with the current year disclosure of equivalent information in accordance with Australian Accounting Standards.

Victor Harbor Horse Tram Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2019

Note 1 - Significant Accounting Policies (cont)

10 New Accounting Standards

Certain new accounting standards have been published that are not mandatory for the 30 June 2019 reporting period and have not been used in preparing these reports.

As at the time of preparing the financial statements, the Authority has not undertaken a review as to whether any of the new accounting standards will have a material impact on the future financial performance and position of the Authority. Given the Authority is a wholly owned subsidiary of the City of Victor Harbor, it will adopt any change in accounting policies adopted by the Council as a result of the introduction of the new accounting standards in 2019/20.

Given the nature of the Authority's current operations, the introduction of new accounting standards as from 1 July 2019 is not expected to have a material impact on the future financial performance and position of the Authority.

11 Economic Dependence

The Authority provides horse tram services to the City of Victor Harbor and annually charges a fee to the Council to fund the costs of operating the Authority. The Authority is economically dependent on the Council annually funding the cost of the Authority's operations given insufficient income is generated through other services provided to fund the costs of operating the Authority.

For the 2018/19 financial year, the Council's contributed income accounted for 63.13% of total Operating Income recorded by the Authority.

Victor Harbor Horse Tram Authority

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2019**

Note 2 - INCOME

	Notes	2019 \$'000	2018 \$'000
USER CHARGES			
Ticket Sales		157	-
Souvenir Sales		2	-
		<u>159</u>	<u>-</u>
OTHER INCOME			
Council Contributions		274	-
Donations		1	-
		<u>275</u>	<u>-</u>

Note 3 - EXPENSES

MATERIALS, CONTRACTS & OTHER EXPENSES			
Auditor's Remuneration		-	-
Board Expenses		17	-
Subtotal - Prescribed Expenses		<u>17</u>	<u>-</u>
<u>Other Materials, Contracts & Expenses</u>			
Advertising		14	-
Contract Labour Costs (including on-costs)		238	-
Equipment Rental		28	-
External Contractors		3	-
Horse & Tram Maintenance Costs		59	-
Insurance		17	-
Other Expenses		17	-
Printing, Stationery & Postage		1	-
Professional Services		38	-
Subtotal - Other Materials, Contracts & Expenses		<u>415</u>	<u>-</u>
		<u>432</u>	<u>-</u>

Note 4 - CURRENT ASSETS

CASH & EQUIVALENT ASSETS			
Cash on Hand and at Bank		7	-
Deposits at Call		-	-
		<u>7</u>	<u>-</u>

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Victor Harbor Horse Tram Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2019

Note 5 - LIABILITIES

	Notes	2019 \$'000		2018 \$'000	
		Current	Non-current	Current	Non-current
TRADE & OTHER PAYABLES					
Goods & Services		5	-	-	-
Accrued expenses - other		-	-	-	-
		<u>5</u>	<u>-</u>	<u>-</u>	<u>-</u>

Note 6 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Cash Flow Statement is reconciled

	Notes	2019 \$'000	2018 \$'000
Total cash & equivalent assets	4	7	-
Less: Short-term borrowings		-	-
Balances per Cash Flow Statement		<u>7</u>	<u>-</u>

(b) Reconciliation of Change in Net Assets to Cash
from Operating Activities

Net Surplus (Deficit)		2	-
Non-cash items in Income Statement			
Net increase (decrease) accrued interest charges		-	-
(Gain) / Loss on Disposal		-	-
		<u>2</u>	<u>-</u>
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		-	-
Net increase (decrease) in trade & other payables		5	-
Net Cash provided by (or used in) operations		<u>7</u>	<u>-</u>

(c) Financing Arrangements

The Authority has no additional financing arrangements to disclose.

Victor Harbor Horse Tram Authority

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2019**

Note 7 - FINANCIAL INSTRUMENTS

Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits	<p>Accounting Policy: Carried at lower of cost and net realisable value; Interest is recognised when earned.</p> <p>Terms & conditions: Deposits on Call do not have a maturity period.</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
Receivables - Gate Fees & Associated Charges	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Liabilities - Creditors and Accruals	<p>Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Authority.</p> <p>Terms & conditions: Liabilities are normally settled on 30 day terms.</p> <p>Carrying amount: approximates fair value.</p>

Net Fair Value

All carrying values approximate fair value for all recognised financial instruments. There is no recognised market for the financial assets of the Authority.

Risk Exposures

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Authority is the carrying amount, net of any provision for doubtful debts. All investments are made with the SA Local Government Finance Authority and Bank SA. There is no material exposure to any individual debtor.

Market Risk is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of the Authority's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor currency risk apply.

Liquidity Risk is the risk that the Authority will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Policy (LGA Information Paper 15), liabilities have a range of maturity dates based on cash inflows. The Authority also has available a range of bank overdraft and short-term draw down facilities that it can access.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Most of the Authority's financial instruments are at fixed rates. Any such variations in future cash flows will not be material in effect on either the Authority's incomes or expenditures.

Victor Harbor Horse Tram Authority

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2019**

Note 7 (cont) - FINANCIAL INSTRUMENTS

Liquidity Analysis

2019	Floating	Fixed interest maturing in		Non-interest bearing	Total
	Interest Rate	≤ 1 year	> 1 year ≤ 5 years		
	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets					
Fair Value through P&L					
Cash Assets	7	-	-	-	7
Loans & Receivables					
Receivables	-	-	-	-	-
Total	7	-	-	-	7
Financial Liabilities					
Payables	-	-	-	5	5
Current Borrowings	-	-	-	-	-
Non-Current Borrowings	-	-	-	-	-
Total	-	-	-	5	5
EXCESS OF FINANCIAL ASSETS OVER LIABILITIES	7	-	-	(5)	2
2018					
	Floating	Fixed interest maturing in		Non-interest bearing	Total
	Interest Rate	≤ 1 year	> 1 year ≤ 5 years		
	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets					
Fair Value through P&L					
Cash Assets	-	-	-	-	-
Loans & Receivables					
Receivables	-	-	-	-	-
Total	-	-	-	-	-
Financial Liabilities					
Payables	-	-	-	-	-
Current Borrowings	-	-	-	-	-
Non-Current Borrowings	-	-	-	-	-
Total	-	-	-	-	-
EXCESS OF FINANCIAL ASSETS OVER LIABILITIES	-	-	-	-	-

Victor Harbor Horse Tram Authority

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2019**

Note 8 - COMMITMENTS FOR EXPENDITURE

	<u>Notes</u>	2019 \$'000	2018 \$'000
Expenditure Commitments			

The Authority has no expenditure commitments to disclose.

Note 9 - OPERATING LEASES

Lease payment commitments of Authority

The Authority has no operating lease commitments to disclose.

The Authority has entered into a hire agreement with the City of Victor Harbor for the use of all plant and equipment used in the delivery of horse tram services provided. No formal long-term lease has been executed between the Authority and the City of Victor Harbor given the Authority is a wholly owned entity of the City of Victor Harbor.

Note 10 - EVENTS OCCURRING AFTER REPORTING DATE

There were no events after Balance Date that are required to be disclosed.

Victor Harbor Horse Tram Authority

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2019**

Note 11 - RELATED PARTY TRANSACTIONS

The Key Management Personnel include the Chair of the Board, Chief Executive and other prescribed officers as defined under Section 112 of the *Local Government Act 1999*. In all, 1 person was paid the following compensation:

	2019 \$'000	2018 \$'000
Salaries, allowances, sitting fees & other short term benefits	17	-
Long term benefits	-	-
TOTAL	17	-

Transactions with Related Parties:

The following transactions occurred with Related Parties:

Related Party Entity	Sale of Goods and Services (\$'000)	Amounts Outstanding from Related Parties (\$'000)	Description of Services Provided to Related Parties
City of Victor Harbor	274	-	Provision of Horse Tram services to local community.

The Related Party disclosed is the 100% equity owner of the Authority and are referred to as the Member Council. The Member Council has 100% control and influence on the financial and operating decisions of the Authority.



General Manager Report

Meeting	Victor Harbor Horse Tram Authority
Date	12 November 2019
From	Megan Whibley
Subject	Draft Business Plan 2019-2021
Report Number	7.2

RECOMMENDATION

1. That the Victor Harbor Horse Tram Authority Board receive and note the Draft Business Plan 2019-2021.
2. That the Victor Harbor Horse Tram Authority Board endorse the Draft Business Plan 2019-2021 and provide the plan to City of Victor Harbor.

INFORMATION

Purpose

The purpose of this report is to present the first draft Business Plan of the Victor Harbor Horse Tram Authority (VHHTA) to the Board for endorsement, prior to being presented to City of Victor Harbor Council at their meeting in November 2019.

Background

In accordance with Clause 8 of Schedule 2 of the Local Government Act (the Act), subsidiaries are required to prepare and adopt business plans in accordance with their Charter:

8—Business plans

- (1) A subsidiary must, in consultation with the council, prepare and adopt a business plan consistent with its charter.
- (2) A subsidiary and the council must ensure that the first business plan of the subsidiary is prepared within six months after the subsidiary is established.
- (3) A business plan of a subsidiary continues in force for the period specified in the plan or until the earlier adoption by the subsidiary of a new business plan.
- (4) A subsidiary must, in consultation with the council, review its business plan on an annual basis.
- (5) A subsidiary may, after consultation with the council, amend its business plan at any time.
- (6) A business plan must set out or include—
 - (a) the performance targets that the subsidiary is to pursue; and
 - (b) a statement of the financial and other resources, and internal processes, that will be required to achieve the subsidiary's performance targets; and
 - (c) the performance measures that are to be used to monitor and assess performance against targets.

Whilst the Act requires that the inaugural business plan of the subsidiary be prepared within six months of the commencement of the subsidiary, the VHHTA sought and was

granted an extension by Council and the Minister as a result of delays in their recruitment of a General Manager and issues with the causeway.

Commentary

With an extension granted to 12 months from gazettal of the VHHTA, the first business plan was due on 25 October 2019. Although there have been a number of planning sessions held with the Board and the chairperson in the preparation of the draft plan, unfortunately competing commitments including the return to service following the causeway reopening, resource limitations and other challenges resulting from the transition of operations from Council to the VHHTA have prevented the achievement of this deadline. The Draft Business Plan 2019-2021 is provided at Attachment A.

With the delay in presentation of the draft business plan to the Board, it has become clear that with the limited administrative resources currently available to the VHHTA, it is important for this plan to be realistic in its ambition, particular in these early years following establishment of the subsidiary. In time, it is hoped that small, incremental steps forward with Horse Tram operations will mean that over the longer term the VHHTA will have a reduced financial and administrative reliance on City of Victor Harbor.

The draft business plan spans 2019-2021, however, the Act requires a review of the business plan at least every 12 months. Once the VHHTA is further established, it may wish to consider a business plan that spans a longer period, with annual reviews to ensure that priorities detailed within the plan remain current. This can be discussed further and decided at a future point by the Board, noting that amendments can be made to the business plan whenever changes are required and that this can be prior to the required 12 monthly reviews. Should the draft Business Plan 2019-2021 be endorsed at this meeting, it will be provided to Council for their November 2019 meeting.

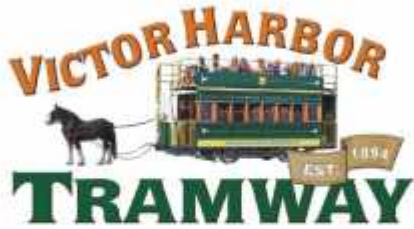
RISK ASSESSMENT

Corporate Governance – The VHHTA was required to furnish its first business plan within 12 months of gazettal of the subsidiary and the draft presented with this report is currently overdue. Other than this requirement, the draft business plan is consistent with the VHHTA Charter, as required by the Act. The risk is assessed as *medium*.

Socio Political, Community Issues / Reputation – The VHHTA may receive some negative publicity as a result of the first business plan being overdue. This should be mitigated to some degree by community satisfaction regarding the content of the draft business plan. The risk is assessed as *medium*.

BUDGET IMPLICATIONS

The Draft Business Plan has been prepared with consideration of resources available to the Victor Harbor Horse Tram Authority, however there may be budget implications from some aspects of the business plan which will need to be carefully considered and prioritised over the life of the plan to manage budget impacts. Impacts will need to be incorporated into future budgets and budget reviews as they become clearer, but it is hoped that additional revenue from improved operations, marketing and sponsorship will go some way to offsetting these costs.



VICTOR HARBOR
HORSE TRAM AUTHORITY

Business Plan



Victor Harbor Horse Tram Authority Business Plan 2019-2021

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About the Victor Harbor Horse Tram

The history of the Horse Tram dates back 150 years to when the first horse drawn wagons hauled freight and passengers along the broad gauge rail line connecting Goolwa to Port Elliott.

The Victor Harbor Horse Tram has been in operation in some form since 1854. In 1894, the South Australian Railways introduced a new horse drawn tram service from mainland Victor Harbor to Granite Island using the same double-deck tram that was used on the Goolwa Railway. In 1986, the District Council restored the original passenger service from Policeman's Point at the esplanade to Granite Island over the causeway.

The Victor Harbor Horse Tram as we now know it, is a tourist attraction which provides a historic passenger experience between the City of Victor Harbor Esplanade and Granite Island.

The Victor Harbor Horse Tram runs all year round (except for Christmas Day), with the operation comprising of up to eight Clydesdale horses, four renovated double decker trams and a team of friendly staff.

In 2015, the City of Victor Harbor Council requested a review of the Horse Tram management structure to explore options for the future that would make the service less reliant on City of Victor Harbor rates revenue and move it further towards financial self-sustainability.

The review determined that the most appropriate structure for the Horse Tram was to become a subsidiary of Council and in October 2018, the Victor Harbor Horse Tram Authority (the Authority) was gazetted under Section 42 of the Local Government Act.

The Horse Tram service is conducted on the Victor Harbor foreshore from a complex which supports a terminal, office and corral for the horses, as well as storage facilities for the heritage style trams. The Clydesdales are paddocked on land on the outskirts of Victor Harbor and the horses are collected and returned to this location daily.

The Horse Tram is a community service that is important to the Victor Harbor economy.





About the Victor Harbor Horse Tram Authority

The Victor Harbor Horse Tram Authority (the Authority) is a subsidiary of the City of Victor Harbor (Council), established under section 42 of the *Local Government Act 1999*. The Authority is governed by a Charter approved by the Minister on 17 October 2019, which details its purpose, powers, functions, duties, funding, property and delegation as well as the role, function and requirements of the Authority Board, among other things. The Charter was gazetted on 25 October 2018.

The Horse Tram, like many other services, is subsidised by Council and provides a valuable service to the City of Victor Harbor community on behalf of ratepayers. It serves as an important and highly significant contributor to the economy of Victor Harbor. The positive effect that this service has on other local businesses became most apparent during the period of the causeway closure in 2018-19. The Horse Tram is part of what makes this city thrive!

Message from the Chair

It has been an interesting, challenging but overall a rewarding time for the new board since its appointment in February 2019.

We have seen the challenges of the causeway being closed for a significant period of time but also strong commitment by the Government not only in the repair of the causeway but funding being made available for the replacement of the causeway next year. There have been ongoing discussions with the Department of Planning, Transport and Infrastructure, the City of Victor Harbor in relation to the new causeway design, the timing and funding of the new build. Those discussions have been very good and we look forward to a positive outcome.

Since the appointment of the new Board, much has already been achieved, including:

-) new and better land options for relocation of horses
-) setting the first Authority budget
-) purchase of a new horse and horse accessories
-) an open day to relaunch the Horse Tram after the Causeway reopening
-) new Horse Husbandry position
-) engagement with Union representative to set up a new wage structure and enterprise agreement for Horse Tram staff
-) appointment of General Manager position - commenced at the start of June 2019
-) The Board's strategic planning day
-) positive publicity generated

In addition, we are now in a position to finalise our marketing plan after discussions with the South Australian Tourism Commission. We can see the potential upside in the numbers of the people enjoying the tram and will look to work with other businesses in Victor for ways that we can collaborate to not only improve the numbers of people riding on the tram but use the tram as a hook to get more visitors to the region.

The Board have commenced investigations into sponsorship opportunities following discussions at two recent informal gatherings. The Board are in the process of drafting a sponsorship policy, which will need to be in place prior to being in a position to make a formal approach to businesses for sponsorship.



Picture: The Victor Harbor Horse Tram Authority Board with General Manager, Meg Whibley.

With the General Manager we have been investigating ways to improve the stables for both the horses and the staff and also the tram office to give us greater flexibility and better options for merchandise sales.

One of the highlights of the year for me was a gathering that gave the Board the opportunity to meet all of the team members at the tram office over a meal and some drinks. Each person shared their stories and they all had great stories to tell - we have a great team of people involved in the tram.

The Board has been working hard since February of this year and whilst progress has not been as fast as we would like, we are now making significant headway. Meetings have been at least once a month with many more than that in the early stages and have required a commitment by the Board members of at least half a day for informal gatherings and the official Board meeting, as well as daily emails and telephone commitments.

I want to thank the Board for their commitment to and passion for the Horse Tram. They are all making a very positive contribution, bringing a significant skill set to the Authority.

Finally, I want to thank Meg for her contribution since being appointed as General Manager. Meg has worked enormous hours and has brought many new and fresh ideas to the Authority that I am sure will have a very positive impact.



Paul Brown
Chair, Victor Harbor Horse Tram Authority

The Board



Paul Brown (Chair)

Paul Brown is the Owner and Director of Kangaroo Island Wilderness Tours, a high-end tour company on Kangaroo Island with up to 25 team members. They have been looking after guests from around the world for 17 years.

He is a former Chair of Tourism Kangaroo Island and the Australian Tourism Export Council (ATEC) SA Branch, as well as a board member of ATEC nationally. He is currently on the Food, Wine, Tourism & Hospitality Industry Skills Council Advisory Group, a member of the Collaborative Project to develop a Professional Certificate in Older People's Mental Health, as well as the board of the Victor Harbor Horse Drawn Tram Authority.

A graduate of the Australian Institute of Company Directors course Paul has always sought to make a contribution to his industry and community.



Councillor Carol Schofield AM

Councillor Carol Schofield AM is the City of Victor Harbor's Elected Member representative on the Victor Harbor Horse Tram Authority Board. Carol was Chair of the City of Victor Harbor's Horse Tram Advisory Committee before it transitioned to form the Inaugural Victor Harbor Horse Tram Authority. She brings to the Board skills in business management, event management, tourism and agribusiness.

Carol is a long-time resident of Victor Harbor and has been involved in many local organisations. She was a dairy farmer and established her own agriculture business in Inman Valley.



Rachel Kennedy

Professor Rachel Kennedy (PhD, B.Bus(Hons), GAICD) is a globally recognised expert in marketing and evidence-based growth. As a co-founder and director of the Ehrenberg-Bass Institute, she has a proven track record of successful industry engagements that profitably grow businesses and build and protect their iconic assets. She combines this with hands-on experience marketing a local tourism reliant business.

Rachel is passionate about her community in Victor Harbor where she can often be seen running, at the beach patrolling or playing hockey with her family. She is excited to bring her skills and knowledge to our Horse Tram.



Nigel Catt

Nigel Catt has been in the Australian Wine Industry since 1983 in various roles such as senior winemaker for a number of large and medium wine companies, as well as owning my own vineyards, wineries and wine brands.

During this time, Nigel has produced wines in other countries, consulted to other wineries and the State Government, run Industry Supply Companies at board and management level. He owned the Middleton Winery and Vineyards, developed and built the Flying Fish Café and has been a board member for 10 years at Encounter Lutheran College. National Sales and Marketing Consultant for Radoux, a French oak barrel company that he still represents here in Australia.

Nigel has supported and developed many business', and mentored young business people here and overseas. The majority of Nigel's focus and life has been spent in the Fleurieu Peninsula, specifically Victor Harbor, where he is based with his family.



Natasha Hunt

Natasha Hunt has over 15 years' experience working in local government and the tourism industry. She is the Team Leader of the Fleurieu Coast Visitor Centre, who won the 2018 South Australian Tourism Award for Visitor Information Services. Natasha is responsible for the marketing of the Fleurieu Coast region and manages the District Council of Yankalilla's volunteer programs. Natasha represented the Fleurieu Peninsula on the South Australian Tourism Commission's Industry Skills Advisory Committee and was an inaugural member of the South Australian Accredited Visitor Information Centre Network.

Natasha grew up on the Fleurieu Peninsula on her family's farm where they operate two horse-based businesses. Natasha is passionate about the Fleurieu and has volunteered in many community organisations including the Normanville New Year's Eve Pageant, Yankalilla Football and Netball Club and the Fleurieu Horse and Pony Club.

General Manager

The General Manager reports directly to the Board and is responsible for overseeing the operations of the iconic Horse Tram service. When the Authority was first established, City of Victor Harbor Chief Executive Officer Victoria MacKirdy was appointed as the interim General Manager.

As the interim General Manager, Victoria was responsible for managing the transition to the Victor Harbor Horse Tram Authority which included implementing policies and procedures, undertaking recruitment and induction of a new Board, recruiting a General Manager, and at the same time keeping the day to day operations running smoothly.

In early 2018, a competitive selection process was undertaken and Megan (Meg) Whibley was appointed from a strong field of candidates.

As the former managing director of Greenhills Adventure Park, Meg has extensive experience in the tourism and service industry. It was these skills along with her experience with horses and local knowledge that led her to be selected as the successful candidate.

Audit and Risk Committee

In accordance with the Charter, the Authority is required to establish an Audit Committee and may establish its own or with agreement of Council, use the Council's Audit Committee. In 2018/19, a year of establishing the Authority, Audit Committee requirements were met through the City of Victor Harbor. The Authority will determine its future approach to meeting these needs in 2019/20.

About this Plan

In accordance with Clause 8 Schedule 2 of the Local Government Act 1999, subsidiaries are required to prepare and adopt a business plan consistent with their Charter within 12 months of commencement. It must do this in consultation with the Council.

The Minister granted an extension to the Authority to complete their first Business Plan by 25 October 2019, 12-months after the Authority was gazetted. The business plan must be reviewed on at least an annual basis, but may be amended at any time that changes are required.

A business plan is required to include performance targets that the subsidiary is to pursue, a statement of financial and other resources and internal processes that will be required to achieve these performance targets. It must also detail performance measures that are to be used to monitor and assess performance against targets.

Business Planning Process

A one-day strategic business planning workshop was held on 23 July 2019, attended by all members of the Authority Board, the Authority General Manager, Authority Assistant Manager and City of Victor Harbor Director Corporate and Customer Service. The workshop was facilitated by an external consultant.

During the workshop, the Authority operation was mapped and collectively, values and a clear mission and vision statement were formed.



MAJESTIC * CARING * SUSTAINABLE * ICONIC

Vision statement

To deliver historic experiences and create memories

Mission statement

To showcase Victor Harbor through the world's leading horse tram experience.

Goals/objectives

To become more efficient in the development and implementation of a business structure that incorporates a realistic vision for the future of the Horse Tram service.

As part of the workshop, a skills audit of the group was undertaken, followed by extensive workshopping of strategic priorities and action steps. Conversation was robust, positive and practical, with lots of passion and goodwill in the room for this project.

Informal gatherings (closed to the public) have been held monthly to further develop the plan and ultimately, the future of the Authority.

The future of the Authority looks bright and there is much ongoing work in relation to the development of policies and procedures that will help shape the future and longevity of the Horse Tram.

Funding Our Plan

Operating Revenue

The Authority is, in part, funded by City of Victor Harbor. Other revenue is generated through ticket sales, receiving of grants, sponsorship, donations, credit interests and reimbursements (own source revenue).

2019/20

Operating expenses of \$ 790,500 will be funded by own source revenue of \$426,500. Council will provide a contribution of \$364,000 to the Authority aiming for a breakeven budget.

The table below provides a summary of the revenue for 2019/20:

Description		Amount
Ticket Sales	Casual and group bookings	\$418,000
Other Income	Souvenir sales and donations	\$8,500
	Council contribution	\$364,000
Total		\$790,500

2020/21

Operating expenses of \$804,600 will be funded by own source revenue of \$434,000. Council will provide a contribution of \$370,600 to the Authority aiming for a breakeven budget.

The table below provides a summary of the revenue for 2020/21*:

Description		Amount
Ticket Sales	Casual and group bookings	\$424,000
Other Income	Souvenir sales and donations	\$10,000
	Council contribution	\$370,600
Total		\$804,600

**To be confirmed - budget requirements currently under review*

Expenditure

Capital

The City of Victor Harbor holds all assets used by the Authority in the tram operations. The Authority provides recommendations to Council in regards to capital requirements as part of the annual budget process.

These recommendations along with the requirements detailed in Council's Asset Management Plans provide for the effective replacement and upgrade of assets associated with horse tram service delivery.

Operating

Operating expenditure for the Authority includes employee costs, maintenance of assets, horse care, utilities, corporate support and building and equipment hire.

Corporate support is provided on a pro rata basis by the City of Victor Harbor for a number of services including information technology, finance, WHS and human resources and administration support. Costs that are directly attributable to the Authority are on-charged by council.

Building and equipment hire is charged by council at a rate equal to depreciation. This reflects the Authorities consumption of Council assets whilst providing a cost effective solution for the Authority.

2019/20

The table below provides a summary of the expenses for 2019/20:

Description		Amount
Employee costs	Salaries, superannuation & workcover	\$488,400
Administration	Travel, stationary, printing and communication	\$14,400
	Insurance & Utilities	\$28,800
Maintenance	Building and equipment maintenance	\$55,500
	Horse care - feed, farrier and vet fees	\$57,000
Marketing	Advertising, promotions and souvenir purchases	\$19,000
Other Expenses	Committee costs, volunteer and staff amenities	\$25,400
Equipment Hire	Building and equipment hire	\$42,000
Corporate Support	IT, Finance, Records and administration	\$60,000
Total		\$790,500

2020/21

The table below provides a summary of the expenses for 2020/21*:

Description		Amount
Employee costs	Salaries, superannuation & workcover	\$498,600
Administration	Travel, stationary, printing and communication	\$14,500
	Insurance & Utilities	\$29,400
Maintenance	Building and equipment maintenance	\$56,200
	Horse care - feed, farrier and vet fees	\$57,900
Marketing	Advertising, promotions and souvenir purchases	\$19,800
Other Expenses	Committee costs, volunteer and staff amenities	\$26,200
Equipment Hire	Building and equipment hire	\$42,000
Corporate Support	IT, Finance, Records and administration	\$60,000
Total		\$804,600

*To be confirmed - budget requirements currently under review

Financial Indicators

As the Authority is part funded by the City of Victor Harbor to achieve a breakeven budget, the Authority has chosen to report on Own Source Funding Ratio in lieu of the Operating Surplus Ratio.

Own Source Funding Ratio will provide a key indicator on the percentage of income that is generated before Council contributions.

Over the long term, the Authority aims to increase this percentage, thus reducing reliance on council funds.

The following table provides the ratios for 2019/20 and 2020/21:

Own Source Funding Ratio	2019/20	2020/21
	54.0%	53.9%

Products and Services

The major business of the Authority is the sale of tickets to travel from the mainland to Granite Island via the causeway on the Horse Tram.

A small amount of income is also made from the sale of merchandise, which includes horse shoes, plush toys, post cards, hobby horses, hats and jackets.

Product/Service	Description	Price
Horse Tram ticket Pricing	Horse tram passenger service using Clydesdales and heritage trams to transport visitors from the mainland to Granite Islands	One way / Return Adult \$15 / \$10 Student, concession, \$10 / \$7 Seniors Children ride free with a paying adult. (limit of 2 children per adult)
Horse Tram membership	Membership offers members benefits and local business benefits	Adult \$38 Concession \$25 Children ride free with a paying adult. (limit of 2 children per adult)
Horse Tram and Whale Centre membership	Members benefits and local businesses benefits	Adult \$52 Concession \$35 Child N/A Family 125
Horse Tram and Whale Centre Local residents prices	Discounted membership fee including members benefits and local business benefits	Adults \$42 Concession \$30 Child N/A Family \$105
Horse Tram and Whale Centre daily packages	Entrance to Whale Centre & Tickets for Horse Tram	Adult \$20 Concession \$15 Child N/A Family \$48
The Heritage Experience	The ticket includes a trip on the PS Oscar W, Steam Ranger & Horse Tram with a return trip to Goolwa	Adults \$63 Concession (Seniors and Students, Pensioners) \$55 Child \$32 Family \$157 (2 adults 2 children)
Buy one get one free packages	Entertainment Card	

Product/Service	Description	Price
Joint tickets with Oceanic Victor	This ticket item is in the investigation/development stage	
Merchandise	Post Cards, Stuffed toy Horses Hobby horse Horse shoes, some smaller ones bought in and also the original shoes off the Horse tram horses. Jackets, Rain coats, caps	

DRAFT

What we will do in 2019/20 and 2020/21

The Authority business plan for 2019-2021 is based around four key areas:

-) Finance
-) Marketing
-) Operational Excellence
-) People

The following pages outline objectives under each of these four key areas and corresponding actions the Authority plans to take over the period of the business plan in relation to achievements of these objectives.

Finance

The Authority have engaged locally based accounting firm SMP Chartered Accountants to assist with accounting services. From 24 October 2019, the Authority took over the process of payroll for Horse Tram staff using XERO Accounting software and will be processing all future financial transactions independent of City of Victor Harbor.

1. Develop and Implement an Effective Finance Plan and Tracking Process	
Actions	Target / Indicator
Review the existing financial plan	Ongoing
Provide the Board with regular budget/finance tracking reports	Monthly at Board meetings and informal gatherings
Provide quarterly budget/finance reports to the City of Victor Harbor	Quarterly – November 2019, February 2020, May 2020 and September 2020 for EOFY
Undertake budget reviews in line with legislative requirements	Three budget reviews per annum
2. Develop and Diversify Income Streams	
Actions	Target / Indicator
Develop a sponsorship policy	February 2020
Secure sponsorships for the Victor Harbor Horse Tram	\$30,000 by 30 June 2019, 10% increase following years
Review and adjust ticket pricing	September 2019 then at least once annually, or as required
Consider options for a new merchandise range	Ongoing

Marketing

The Authority have a distinct product to promote. The Horse Tram is located on the pristine coastline of Victor Harbor, South Australia and is at the centre of the tourist precinct, this offers a unique experience for all visitors. The Horse Tram is an international icon and people come from all over the world to experience this unique attraction.

The Authority have an opportunity to utilise strong marketing themes when promoting the tram, as well as to personalise staff and horses – telling their stories in a creative and interesting way. This provides visitors to our region with a personal and memorable experience.

The promise of a new causeway is a positive investment in our region which is a great opportunity to increase patronage of the Horse Tram and visits to Granite Island, but also visitation to the greater Fleurieu Peninsula region.

The use of collaboration and clustering with other tour operators in our region is another opportunity for the Horse Tram to “piggy back” other marketing campaigns.

In the near future, the Authority are looking to provide specific history-focused Horse Tram trips on one day each week to satisfy history buffs visiting and enjoying Victor Harbor.

In October 2019 the SA Tourism Commission provided the following statistical information (annual averages over the previous three years) relevant to the Victor Harbor region:

-) For the year end June 2019 Victor Harbor on average received 221,000 overnight visitors. For this same time period Victor Harbor also received on average 966,000 day trips visitors.
-) Over the past 5 years on average Victor Harbor has seen international and domestic overnight visitors remain flat with daytrips growing by 2% per annum.
-) International overnight – 10,000 visitors
-) Domestic overnight – 210,000 visitor
-) Day Trips – 966,000
-) International Day Trips – 70,000 visitors
-) Tourism growth at December 2016 was 5.8 per cent. Victor Harbor and district is among one of the fastest growing regions in South Australia experiencing steady growth. While the region has long term employment there is a perception that Victor Harbor and coastal towns are summer destinations, due to the wonderful beaches and surf.
-) Statistics show a market growth consisting of the following - adults 72 per cent, families 19 per cent and children 9 per cent



It is expected that future growth will be generated by the increase in international visitations to the region. A small increase of sales will be generated by the local population.

The Authority will capitalise on this projected growth by taking the following actions:

1. Develop and Implement a Marketing Plan	
Actions	Target / Indicator
Finalise a marketing plan for the Authority	October 2019
Undertake a Market Research survey, Event Schedule and Public Relations Plan	October 2019
Trial new merchandise	October 2019
Develop stories and relevant photos as content for a Public Relations database	October 2019
Partner with SA icons, as well as Visitor Experience/Tour Operators to increase Horse Tram promotions/exposure	October 2019
2. Effectively Utilise Social Media for Promotion of the Horse Tram Service	
Actions	Target / Indicator
Develop social media policy guidelines, create Facebook and Instagram profiles for the Horse Tram	December 2019
Design and implement a suitable selfie spot (including signage)	June 2020
Create and plan new social media content	December 2019
3. Effectively Utilise the Horse Tram Website for Promotion of the Horse Tram Service	
Actions	Target / Indicator
Develop website content including live schedules and weather forecasts	Ongoing
Link Horse Tram website with <i>Encounter It All</i> website.	February 2020
Train Horse Tram staff in being able to undertake website updates	February 2020
Investigate automation of web updates, potential info screens at both terminals	2020



Operations Excellence

The Authority intends to improve point-of-sale/customer service experience at the tram office by installing a sliding window that will facilitate a positive face-to-face interaction with visiting tourists. This will facilitate the promotion of merchandise sales and increase revenue, allow for a closer environment with Horse Tram volunteers and support a positive team culture.

The stabling at Canton Place requires upgrading. The plan is to work alongside City of Victor Harbor and attract sponsorship to achieve required upgrades in the coming years.

The other highly important project being scoped at present is the development of the new Causeway by the Department of Planning, Transport and Infrastructure. It is important that the Authority involves itself in the dialogue with DPTI to ensure that the long-term needs of the Horse Tram operation are considered in the design and that disruptions can be addressed to the extent possible during the period of construction.

1. Develop the Front-of-House and Stables	
Actions	Target / Indicator
Renovate office to support improved customer service and merchandise sales	December 2019
Build/develop an appropriate stable facility for the horses	May 2020
Liaise with City of Victor Harbor around the needs of the Authority to ensure that appropriate grazing land is available for the horses	May 2020
2. Develop and Maintain Effective Communications System	
Actions	Target / Indicator
Upgrade systems – investigate electronic screens at Tram office and Island platform.	Ongoing
Internal communication through staff meetings, board meetings, staff face book page, mobile phones and emails.	Ongoing
Upgrade of office customer info window allowing better communication with the public.	December 2019
3. Recognise and Reduce Risk to the Authority	
Actions	Target / Indicator
Prepare/update WHS plan for the Authority	February 2020
Implement WHS requirements for the Authority	February 2020
Train staff and embed WHS policies and procedures into the day-to-day operations of the Horse Tram	February 2020
Update maintenance records, schedule and asset management systems	February 2020
Develop a risk register to support a process to recognise and address strategic and operational risks to the Horse Tram service	May 2020
Implement an appropriate staffing structure to ensure that the legislative and operational needs of the Authority are met	February 2020
4. Express Interests/Needs of the Authority in Relation to the Causeway	
Actions	Target / Indicator
Keep abreast of DPTI plans for the construction of the new Causeway	Ongoing
Maintain dialogue with DPTI in relation to needs and interests of the Authority in relation to new causeway design and throughout construction	Ongoing
Maintain communication between the Board and General Manager in relation to impacts of the new causeway	Ongoing
To the extent possible, manage risks and disruption to Horse Tram service through causeway construction, and take steps to reduce losses over this period	Ongoing

People

The Authority are working with dedicated staff in delivering a team culture that supports and delivers a professional service to the community, visitors and quality care to the Clydesdales.

The Board have gained an appreciation of day-to-day operations by taking the time to get to know the staff and their role at the Authority.

1. Transition Staff from City of Victor Harbor to the Authority	
Actions	Target / Indicator
Full time staff potential transfer agreement finalised early 2020	February 2020
Casual Staff transition to VHHTA finalisation.	October 2019
2. Maintain, Develop and Train Excellent Staff	
Actions	Target / Indicator
Develop a clear structure for employment induction process	February 2020
Ensure staff are well equipped to undertake their roles by providing training and updating knowledge through regular staff meetings	Ongoing
Undertake regular Performance Reviews of Horse Tram staff	February 2020
General Manager to Coach/Mentor Horse Tram staff	February 2020
Leadership Opportunities within different sectors of the VHHTA staff team from the horse husbandry role to the maintenance schedule coordinator for the trams.	February 2020
3. Develop an Effective Volunteer Program	
Actions	Target / Indicator
Create a database of volunteers and experience	February 2020
Create appropriate Job description(s) for volunteer roles	February 2020
Creation a Volunteer Policy for the Authority	February 2020
Recruit and maintain an appropriate pool of volunteers to meet the needs of the Authority	February 2020



The Future

The Authority has a bright future with the commitment of the current Government to provide a new causeway, which once built will allow the service to operate into the future, trouble-free. The positioning of the Horse tram is in a prime position to attract tourists and grow its existing business, retain and increase profitability through a commitment to improvement

The Authority will listen and encourage Horse Tram staff, include the community and empower the management to implement the Boards' strategic direction.

DRAFT



General Manager Report

Meeting Victor Harbor Horse Tram Authority
Date 12 November 2019
From Megan Whibley
Subject Proposed Board Meeting and Informal Gathering dates for 2020
Report Number 7.3

Purpose

The purpose of this report is set the dates for meetings in the 2020 calendar year.

RECOMMENDATION

That the Victor Harbor Horse Tram Authority Board endorse the 2020 Board Meeting and Informal Gathering dates listed in the report below.

INFORMATION

At the 17 September 2019 Board meeting, discussion was had around the option of moving the monthly board meetings out to bi-monthly. During this discussion it was proposed that a change to bi-monthly meetings might be more suitable in the new calendar year (2020).

In order to get the dates endorsed and published on the website, listed below are the proposed dates and times of bi-monthly Board meetings for 2020, and proposed dates and times for Informal Gatherings on the alternate months.

With the exception of the April meeting, the bi-monthly meetings follow the same timing format as 2019.

Board Meetings

Date - 2020	Location	Time	Agenda Due on website
Tuesday 18 February	Encounter Room	3.00pm to 5.00pm	Friday 14 February
Wednesday 8 April	Encounter Room	3.00pm to 5.00pm	Friday 3 April
Tuesday 16 June	Encounter Room	3.00pm to 5.00pm	Friday 12 June
Tuesday 18 August	Encounter Room	3.00pm to 5.00pm	Friday 14 August
Tuesday 20 October	Encounter Room	3.00pm to 5.00pm	Friday 16 October
Tuesday 8 December	Encounter Room	3.00pm to 5.00pm	Friday 4 December

Informal Gathering

Date - 2020	Location	Time
Friday 20 March	TBC	2.30pm to 5.00pm

Friday 22 May	TBC	2.30pm to 5.00pm
Friday 24 July	TBC	2.30pm to 5.00pm
Friday 18 September	TBC	2.30pm to 5.00pm
Friday 20 November	TBC	2.30pm to 5.00pm
Christmas gathering (Dec)	TBC	TBC

-) April Meeting – on Wednesday due to room availability
-) December Informal gathering/Christmas celebration

RISK ASSESSMENT

Corporate Governance – As per section 2.4 of the VHHTA Charter,

2.4 Proceedings at Board Meetings

2.4.1 A meeting of the Board must be held at times and intervals as determined by the Board, provided that the Board meets at least six times in every twelve months.

The proposed schedule meets the requirements of the Charter. The risk is assessed as **low**.

Service Delivery – Meetings held every two months may delay decisions that will impact service delivery. This risk can be mitigated by calling Special Meetings as required. The risk is assessed as **low**.

BUDGET IMPLICATIONS

Excluding endorsed budgeted staff resources there are no budget implications in endorsing the proposed Board Meeting and Informal Gathering dates for 2020. Less frequent Board meetings will result in less time by VHHTA and City of Victor Harbor staff in relation to administrative duties associated with Agenda and Minutes preparation.



General Manager Report

Meeting **Victor Harbor Horse Tram Authority**
Date **12 November 2019**
From **Megan Whibley**
Subject **Proposed Price Change for Victor Harbor Horse Tram Annual Membership Passes**
Report Number **7.4**

RECOMMENDATION

1. That the Victor Harbor Horse Tram Authority Board receive and note the report on Proposed Price Change for Victor Harbor Horse Tram Annual Membership Passes.
2. That the Victor Harbor Horse Tram Authority Board endorse the proposed price change for Victor Harbor Horse Tram Annual Membership passes, as detailed in this report.

INFORMATION

Purpose

The purpose of this report is to seek endorsement from the Victor Harbor Horse Tram Authority (VHHTA) Board for changes to Victor Harbor Horse Tram Annual membership pass prices, to better reflect other recent ticket price and structural changes.

Background

At the 17 September 2019 meeting, the VHHTA Board endorsed a new ticket price structure which included 'kids ride free', however the annual membership pass was not considered as part of these price changes.

Commentary

It is proposed that amendments be made to the price of these Victor Harbor Horse Tram Annual Memberships to better reflect other recent ticket structure and price changes. The annual membership price change is proposed as follows:

Ticket	Current price	Proposed new price
Horse Drawn Tram Annual Membership	Adult \$28 Concession (includes Pensioner, Student, Seniors) \$18 Child \$13 Family \$64	Adult \$38 Concession \$25 Child \$0 0-13yrs if travelling with a paying adult (If more than 2 children, then the concession rate applies) Family N/A

The annual membership price was calculated on the basis of it being two and a half times the single ticket price.

RISK ASSESSMENT

Governance - The Victor Harbor Horse Tram Authority Charter, which has been approved by the Minister, gives power to the Authority Board to set, charge and adjust fees for use of the facilities of the Victor Harbor Horse Tram. The risk is assessed as **low**.

Financial Management – This price change should increase the revenue for the VHHTA for sales of annual memberships, however ticket sales of this product are minimal. The risk is assessed as **low**.

Socio Political, Community Issues / Reputation – There is a possibility that changes to the pricing structure may not be amenable to all customers, however ticket sales are minimal with this product. The risk is assessed as **low**.

BUDGET IMPLICATIONS

There may be a slight increase in sales revenue from proposed price changes to this product.