

Attention Gary Oakey

I refer to the meeting on 24 April 2013 with Dean Gorddard and Garry O'Dell from Hunter Valley Wine Country Tourism (HVVCT) in relation to the exhibition of the discussion paper entitled "the Lower Hunter over the next 20 years" and advise as follows:

1. You indicated that the format of the document is based on that used for the Sydney Region planning discussion. This may part explain the lack of any significant discussion about tourism. However, on a more positive note, you indicated that the original Lower Hunter Regional Strategy (LHRS) was a model for NSW. It is appropriate that the new Strategy is also a model including tourism as major activity integrated with State's Tourism initiatives in the Visitor Economy Taskforce (VET) recommendations and the outcomes of HWCT Destination Management Plan and the Cessnock Council Vineyard Vision.
2. As discussed, Hunter Valley tourism is a significant economic factor for the region providing jobs and income and the following data provides an indication of this. In June 2011, the Hunter Valley Research Foundation conducted an Economic Impact Analysis of wine tourism spending and investments in the Hunter Valley. The key findings, relevant to regional planning considerations are:
 - Direct tourism spending accounted for an estimated \$285.71 million
 - Indirect spending (flow-on or tertiary spend) estimated at \$227.1 million
 - Total impact from tourism & wine spending and investments - \$520.6 million
 - 1,862 jobs directly generated
 - 949 indirect jobs supported

More details of this analysis can be provided.

3. The NSW State government initiated a review of tourism in 2012 through the VET to double overnight visitor expenditure to NSW by 2020. The VET report highlighted the need to renew and revitalise regional destinations through a new way of thinking. A Destination Management Planning approach was identified as the catalyst to harnessing the potential of local visitor economies; and helping to establish a systematic planning framework to build a depth and quality of experience for visitors and local communities to enjoy.

The Hunter Valley, like the majority of regional destinations in NSW over the last decade, has been on focused generating demand through marketing rather than equally focusing on the supply side to foster the destination experience. The significant growth in new product in the region has developed organically over the last decade without the benefit of an alignment to a long term sustainable destination management planning framework. The Hunter Valley needs a Destination Management Plan. Following the recommendations of the VET report, Destination NSW is likely to only focus its regional funding on destinations with a DMP from 1st July 2013.

The Hunter Wine Country DMP covers the Cessnock and Singleton LGA areas and will be completed by the end of June 2013. The key financial partners of the project are HVVCT, Cessnock City Council, Singleton Council and Hunter Wine Industry Association (HWIA).

This will have spatial and access issues for the LHRS.

4. Both HVVCT and the HWIA have worked with Council to develop the Vineyard Vision Document. This document was adopted by Council in 2012 to guide the development of the

area and it is important that the Vineyard Vision Document is used in the review of the Lower Hunter Regional Strategy.

In relation to housing in the area, the Vision noted that further permanent residential development should be limited to the areas identified in the Vision noted the potential for the extension of the Vintage. This matter has been discussed at length with the Department of Planning and Neil McGaffin highlighted the importance of the Vineyard Vision as a Strategic Planning document to integrate with the review of LHRS.

5. For many years, the two peak bodies of HVWCT and HWIA have been operated and governed separately but share an overlap of membership and speak to similar audiences with different voices on common ground for example the Council's Vineyard Vision exercise. The first step was established through the forming of a joint marketing committee which succeeded in implementing a unified brand marketing strategy. This move was welcomed by state government agencies such as Destination NSW who were frustrated by a duplication of marketing approach. To further integrate this relation there is a pending amalgamation of HWCT and HWIA.

Once completed this new entity will be the major peak tourism and wine industry association in the Hunter Valley. This is important for future consultations associated with the review of the LHRS.

We appreciated the time to discuss this matter with you and look forward to further involvement with the review to further enhance the profile and management of tourism.