

5.5. DOUGLAS CHAMBER OF COMMERCE RESOURCE AND PERFORMANCE AGREEMENT

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DEPARTMENT People and Community Services

RECOMMENDATION

That Council

- 1. Resolves to contract the Douglas Chamber of Commerce as a specialised service provider under S235(b) of the Local Government Regulation 2012 for specialist business support, with funding of \$50,000 (GST exc) under terms set out in a Resource and Performance Agreement for a period of one year dated from 1 July 2020 to 30 June 2021;**
- 2. Notes that Council staff will develop KPI's for the allocated funding that will focus on strong support for small businesses in the community and supporting economic growth for the shire; and**
- 3. Delegates authority under section 257 of the *Local Government Act 2009* to the Chief Executive Officer, to finalise any minor amendments and execute the Resource and Performance Agreement.**

EXECUTIVE SUMMARY

The Douglas Chamber of Commerce (DCC) is an important industry and advocacy association in the Douglas Shire. Members include representatives from services, industries and professions across the Shire.

Strong support for business development across all industry sectors in the region is particularly important as we rebuild the economy post-Covid.

A unified and collaborative approach to economic development between Council and representative organisations will enhance the region's advocacy to State and Federal bodies and enhance the ability to plan and prioritise for development in the Douglas Shire.

Council has not previously had a Resource and Performance Agreement with the DCC but has provided financial support with ad hoc sponsorship of \$13,000 and in-kind assistance over 2019-20.

It is proposed that Council formalise this arrangement with a Resource and Performance Agreement for a period of one year, with KPIs to be developed through negotiation between DCC and Council to enhance collaborative strategy and planning for the region.

BACKGROUND

The Douglas Chamber of Commerce (DCC) is an important industry association in the Douglas Shire with members representing a diverse range of services, industries and professions.

The DCC undertakes activities to promote the Shire, to advocate for its members and to support business development through education and training.

The DCC is membership funded with a volunteer committee, no paid employees and a small membership base. The DCC has low membership fees to encourage maximum business participation and they have offered free memberships for 2020 to support local businesses during the Covid-19 pandemic.

During the 2019-20 financial year, Council funded the DCC with \$13,000 out-of-round sponsorship and more again in in-kind assistance. This ad hoc approach to financial support means DCC is unable to plan strategically and Council is required to redirect unbudgeted funds.

COMMENT

In the 2019-20 Operational Plan, Council undertook to review its existing Economic Development Strategy 2017-2021. As part of this process, Council invited business leaders from across the Shire to join the DCC, Tourism Port Douglas and Daintree (TPDD), and Council officers as part of an Economic Strategic Review Committee (ESRC) to build a new economic development strategy and action plan. Strong themes to emerge from the committee and associated survey of businesses in Douglas included a focus on building on, and marketing, our environmental sustainability and Indigenous cultures, developing entrepreneurial hubs, diversifying agriculture away from an over-reliance on cane production and diversifying the overall economy from over-reliance on tourism. The business community expressed a strong desire to see Council take a more proactive approach towards, and more direct role in, supporting economic development.

The need to ensure a strong and coordinated approach across the region to economic development from Council, advocacy and industry bodies is even more critical as we begin rebuilding the economy in a post-Covid-19 environment. Council's employment of a specialist Tourism and Economic Development Officer will begin the process of embedding collaboration between Council and industry bodies to inform a unified role in regional strategy and priorities.

The DCC provides critical support to the community in Douglas, with a focus on building small business. Small businesses are facing a challenging environment and the DCC is undertaking activities to promote growth in the local economy. The DCC has been an integral part in the Economic Recovery Subgroup of the Douglas Local Disaster Management Group developing a local response to the Covid-19 pandemic, and has played a key role in initiatives such as the Buy Douglas; Build Douglas campaign.

Business skills development and advocacy on behalf of small business is best directed by those local leaders who have the experience and first-hand knowledge of the issues faced by businesses in the region: the DCC. To strengthen business advocacy and development in the region it is necessary to strengthen the business representative body. Funding assistance for the DCC is needed to build the capacity of the organisation to effectively promote business development in the Shire while they develop the capacity to generate more funds internally through an increase in membership and sourcing grant and partnership opportunities.

PROPOSAL

That Council resolves to support the development of the DCC to provide effective advocacy and assistance for small businesses in the Douglas Shire, through the negotiation and execution of a one year Resource and Performance Agreement for \$50,000.

The proposed Agreement will contain all the terms and conditions applicable in the adopted standard Agreement. Due to the pressing need for a collaborative and strategic approach to rebuilding the economy of the region post-Covid, appropriate KPIs will be negotiated between Council officers and the DCC. Monthly reporting requirements will be implemented to reflect progress against identified milestones to ensure a coordinated approach to economic and business development in Douglas.

FINANCIAL/RESOURCE IMPLICATIONS

The funding for the Agreement has been allocated in the 2020-2021 budget.

RISK MANAGEMENT IMPLICATIONS

Clear terms, conditions and reporting requirements will mitigate the inappropriate use of public funds. Monthly reports and an annual review ensure the objectives of Council will be met.

SUSTAINABILITY IMPLICATIONS

Economic: A strong and coordinated approach to economic development will be essential to rebuild the economy of the Douglas Shire post-Covid.

Environmental: Nil

Social: Business support during this challenging period is important to the social wellbeing of the Shire.

CORPORATE/OPERATIONAL PLAN, POLICY REFERENCE

This report has been prepared in accordance with the following:

Corporate Plan 2019-2024 Initiatives:

Theme 2 - Fostering Sustainable Economic Growth

A robust economy is at the heart of a thriving community and enables investment in environmental protection. While our remoteness is a key attribute, it also presents challenges for attracting new business and investment. We must also meet the challenges of fierce competition in the tourism sector. Council will partner with industry to build, diversify and promote the Douglas economy. Council will design and deliver infrastructure, strategies and services that support the local economy and businesses.

Goal 2 - We will work with partners to promote the Shire as the World's leading sustainable tropical destination and encourage business investment.

Goal 3 - We will develop strategies that seek to diversify the Shire's economic base.

Operational Plan 2019-2020 Actions:

Nil for 2019-2020, proposed initiative for 2020-2021 Operational Plan

COUNCIL'S ROLE

Council can play a number of different roles in certain circumstances and it is important to be clear about which role is appropriate for a specific purpose or circumstance.

The implementation of actions will be a collective effort and Council's involvement will vary from information only through to full responsibility for delivery.

The following areas outline where Council has a clear responsibility to act:

Funder Council often partly funds services, events or community organisations through grants, donations, subsidies and in-kind support. Council will apply robust governance to ensure that such funding is fair and appropriate.

CONSULTATION

Internal: Finance

External: Financial support for the DCC was discussed in the Economic Strategic Review Committee and is a future 2020-2021 Operational Plan Initiative.

The KPIs will be developed in conjunction with the DCC.

COMMUNITY ENGAGEMENT

Nil

ATTACHMENTS

Nil