

CM13.1. Draft Aviation Strategy: Scope and Stakeholder Engagement Plan

DATE	30 January 2024	FIL REFERENCE	FIL24/00179
CONFIDENTIAL	No		
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Purpose of Report

The purpose of this report is to provide Council with the Scope and Stakeholder Engagement Plan for the Albury Airport Aviation Strategy 2024-2028.

Background

Our Community Strategic Plan, *Towards Albury 2050*, outlines our commitment and focus on positive economic, social and environmental outcomes to ensure the continued prosperity of Albury and the surrounding region. The Albury Airport plays a key role in delivering on the community's vision to being a nationally significant regional city that is vibrant, diverse, innovative and connected. While Albury Airport is subject to ever-changing local, national and international market forces, there are opportunities for AlburyCity to adopt customised outcomes for the airport that will maximise its contribution to support the community's vision through the development and implementation of a contemporary Aviation Strategy.

In October 2023, Executive received the closing report for the Albury Airport Aviation and Marketing Strategy that was initiated during 2015. This strategy included the following five key focus areas:

- Airline Partners.
- Local Business.
- Passengers.
- Market Intelligence.
- Route Network.

The COVID-19 pandemic had a significant impact on the utilisation of the airport and the subsequent transition has seen utilisation increase beyond pre-COVID-19 levels. It is timely to review and develop a new Aviation Strategy to navigate the impacts relating to the COVID-19 pandemic, the regionalisation trend, significant Government infrastructure spending, impacts to a number of Albury's major industries, supply chain disruption, labour and housing shortages.

During November 2023, the Albury Airport Advisory Committee (the Committee) met to review the draft Scope and Stakeholder Engagement Plan for the revised Albury Airport Aviation Strategy 2024-2028.

Issues

The objective of the Aviation Strategy is to address how aviation through Albury Airport creates sustainable and lasting value for Albury Wodonga and surrounding regions.

This overarching objective encompasses four key themes being Connectivity, Customer, Economic, and Environment. These themes will deliver on the objective by focusing on balancing economic growth and environmental responsibility, while enhancing connectivity and customer satisfaction.

The following expands on these themes and will guide the consultant in developing the Aviation Strategy:

- Connectivity
 - Consider the fundamental purpose of the airport to provide connectivity for both commercial and emergency services.
 - Establish how the airport could develop into a permanent hub for all emergency services for both New South Wales and Victoria.
- Economic
 - Assess how the airport and aviation contributes meaningfully to the economic prosperity of Albury Wodonga and surrounding area.
 - Explore how the airport, airlines and other aircraft operators can create robust networks that service the diverse needs of passengers and businesses that utilise Albury Airport.
 - Detail economic resilience and risk management plans to be employed in the event of internal or external industry volatility.
- Customer
 - Investigate the current and future customers of the airport and aviation services in Albury Wodonga.
- Environment
 - Provide guidelines and a pathway for the airport's transition to environmental sustainability to support the achievement of AlburyCity and community Net Zero targets.
 - Incorporate formal direction on the protection of the airport and surrounding land from obstructive development, including protection of airspace.
 - Provide guidance on asset maintenance and development to reflect short-term requirements, long term capital projects and consistent infrastructure investment cycles.

A detailed delivery program has been developed to guide the formulation of the Aviation Strategy and includes the following phases:

- Phase 1 – Background Analysis
 - Project inception meeting and site visit.
 - Literature review.
 - Benchmarking analysis.
 - Stakeholder Engagement Plan Review and population of techniques and timeframes.
 - Background Report.
- Phase 2 – Stakeholder Engagement
 - Workshops.
 - Survey.
 - One on one meetings.
 - Stakeholder Engagement Report.

- Phase 3 – Delivery of the Aviation Strategy

The Aviation Strategy is to be structured into a report including but not limited to the below:

- **Executive Summary.**
- **Background Report Brief.**
- **Strategic vision for Albury Airport** – This is where the objective is to be addressed with an overarching strategic vision for Albury Airport.
- **Goals** – Drawing on the four themes, what are the goals and associated metrics to demonstrate realisation of the goals. These goals must align with the strategic vision for Albury Airport.
- **Strategic alignment** – This is to include a visual landscape map where the Aviation Strategy will fit into the existing Albury City Council strategic planning landscape.
- **Situation Analysis.**
- **Identification of key engines of growth at Albury Airport.**
- **Key industry drivers.**
- **Economic drivers.**
- **Incorporation of the four themes** – From Attachment 1, into the Strategy and associated plans to execute under each of the themes.
- **Key performance indicators and measurement metrics.**
- **Implementation Plan** – Including responsibilities, prioritisation of activities and target timelines.
- **Risk Analysis** – Including identification of key risks and recommended mitigation controls.
- **Enclosures** – Including but not limited to the reports of each phase.

Proposed Project timelines and budget

The proposed project milestones are outlined below:

1. Request for Tender – April 2024.
2. Tender Award – June 2024.
3. Phase 1 Completion – July 2024.
4. Phase 2 Completion – October 2024.
5. Phase 3 Completion – December 2024.
6. Public Exhibition of Draft Aviation Strategy – February to March 2025.
7. Adoption – April 2025.

The total project budget is \$150,000 split evenly across the 2023/24 and 2024/25 financial years.

Risk

- **Business Risk** – Transitioning to a new Aviation Strategy can offer significant opportunities for growth which inherently comes with some risk. One of the main challenges is financial viability. The new Strategy may require additional investment in infrastructure, technology, workforce arrangements, and marketing initiatives. This can be mitigated with detailed financial planning and a phased approach in spending. Additionally, another common business risk is the uncertainties related to passenger demand and airline partnerships, potentially impacting

revenue streams. This can be mitigated with effective stakeholder engagement and formalised partnerships.

- **Corporate Risk** – Reputational risks associated with misalignment to the future Australian Government Aviation White Paper and not meeting community needs. This can be mitigated through effective and ongoing stakeholder engagement and dialogue with Australian Government policy writers.
- **WHS and Public Risk** – Regulatory risks are pertinent in an industry that is heavily regulated and complex in operation. Costs associated with implementing mandated changes and time-consuming administration may impose both financial implications and interruptions during execution. These risks can be managed through shared resource investment across the organisation to deliver the required effects.
- **Environmental Risk** – Including a focus on Net Zero aligns with the *Towards Albury 2050* Community Strategic Plan, more specifically *An Enhanced Natural Environment, 2.1. Albury is zero emission and climate resilient city*, which is critical to ensuring Environmental risks are appropriately mitigated from the short to long term.
- **Delivery Program Risk** – Once finalised, the Aviation Strategy will inform future capital or operational expenditure which will be identified in One Year Operational Plans or Four-Year Delivery Programs. There is a risk that due to timing of completion of the Aviation Strategy, recommendations requiring completion and funding in 2024/25 will need to be considered at a quarterly budget review.

Community Engagement

The Albury Airport Advisory Committee has considered and had significant input into the scope and Stakeholder Engagement Plan for the development of the Aviation Strategy. At its meeting on 22 November 2023, the Committee endorsed the Strategy aim, scope and Stakeholder Engagement Plan. The minutes of this meeting were received and noted by Council at its meeting on 11 December 2023.

Throughout the development of the Aviation Strategy, stakeholder engagement will be critical to inform the direction of the Strategy whilst maintaining touch points for the community and interested parties. To support this approach a methodical Stakeholder Engagement Plan will be employed in the following format:

- **Preliminary Phase: Community Awareness:** The purpose of this phase is to inform the community and airport stakeholders of the Aviation Strategy revision. This will be achieved through utilising a range of engagement channels including Albury City Council's social media. Adopting this approach enables Council to measure the level of interaction around the Aviation Strategy revision. This phase is complete once the Request for Quotation (RFQ) to conduct the project is released to market.
- **Phase 1: Commercial Orientation:** The purpose of this phase is to generate market interest in undertaking the project. The RFQ will be released via an online tender portal for interested vendors to view. Additionally, owned social media platforms and print media (Sydney Morning Herald and Border Mail) will advertise the RFQ for more reach beyond the tender portal's subscribers. This phase is complete once the RFQ period closes.
- **Phase 2: Stakeholder Engagement:** This is the most crucial phase. The purpose of this phase is for the successful consultant to conduct a thorough stakeholder engagement as part of the Aviation Strategy project. It is anticipated the vendor will conduct a series of surveys, interviews

and workshops to inform the Aviation Strategy. This phase concludes when the project has been completed.

- *Phase 3: Strategy Familiarisation:* The purpose of this phase is to inform all stakeholders on the revised Aviation Strategy. This will be done through a combination of formal reporting and social media releases. This phase will conclude once the promulgation of information is completed.

Engagement will be delivered in line with the International Association of Public Participation (IAP2) principles to achieve effective, equitable and inclusive engagement. The stakeholder engagement processes will ensure that both internal and external stakeholders are aware of the project, market interest is generated, and the outcomes of the Strategy are promulgated widely. Contained within Attachment 1 is the proposed Stakeholder Engagement Plan.

The Stakeholder Engagement Plan techniques and more detailed timeframes for each engagement activity will be further developed by the consultant engaged to develop the Aviation Strategy.

Options

1. That Council endorse the proposed Albury Airport Aviation Strategy scope and Stakeholder Engagement Plan. **Recommended.**
2. That Council request changes to the Albury Airport Aviation Strategy scope and Stakeholder Engagement Plan. **Not Recommended.**

Conclusion

The Albury Airport is a vital asset for Albury and the surrounding communities. It directly enhances physical connectivity beyond the region contributing to economic and social benefits as well as playing a key role in emergency response.

A redeveloped Aviation Strategy will allow AlburyCity to consider the impacts relating to the COVID-19 pandemic, the regionalisation trend, as well as recent technological, legislative and strategic changes in the aviation industry.

Building on the foundation laid out in the previous Albury Airport Aviation and Marketing Strategy, this revised initiative aims not only to achieve a growth in passenger throughput but also to address crucial aspects such as the customer experience, environmental sustainability, improved connectivity, and overall economic growth.

AlburyCity intends to appoint a consultant to partner with the Airport Operations Team in the delivery of this project. The Background Analysis, Stakeholder Engagement and Strategy Development will occur throughout 2024 with the adoption of the final Aviation Strategy scheduled for March 2025 following its public exhibition.

Recommendation

That Council endorse the Albury Airport Aviation Strategy scope and Stakeholder Engagement Plan.

Attachments

1. Aviation Strategy - Stakeholder Engagement Plan (DOC24/7303).