

## **PURPOSE**

This policy sets out a consistent and transparent approach Council will take when considering discounts of fees and charges at Council's Tourist Parks. This policy also provides framework for participation in industry standard promotional activities to ensure alignment with industry norms and best practice for the commercially viable operation of the Tourist Parks.

## **POLICY INTENT**

Council relies on Fees and Charges to fund services and facilities for our community. However, as the Tourist Parks operate as commercial businesses, Council acknowledges it is necessary to participate in industry standard promotional activity in order to ensure prominent market placement in a competitive marketplace.

The main objectives of this policy are to:

1. Establish consistency in the application of discounts at Council's Tourist Parks
2. Enable the Tourist Parks to participate in industry standard promotional activities.

## **WOLLONGONG 2028 OBJECTIVES**

Promote the Wollongong local government area as an event, conference and visitor destination.

## **SCOPE**

This policy applies to all adopted fees and charges for products and services provided to customers at Council's Tourist Parks.

## **POLICY**

### **Discounting and Promotional Pricing**

The maximum discount amount that can be applied to fees and charges at Council's Tourist Parks is 30%. This is included in the annual review of Fees and Charges adopted by Council.

Although Council's general policy is not to offer any discounts in relation to Tourist Park Fees and Charges, Council acknowledges that circumstances arise from time to time where it is appropriate to discount such Fees and Charges.

Such circumstances can include, but are not exclusive, to:

1. Customers that are part of the Tourist Parks' loyalty program
2. Customers that may book large group bookings
3. Customers that may book long stays
4. Customers that may wish to book up to 12 months in advance
5. Corporate, value adding, marketing packages
6. Low season/low demand periods.

The following factors will be considered when determining whether a discount should be provided and form the basis of the decision to discount:

1. Current or anticipated occupancy rates for the period compared to corporate targets (60% cabins and 50% sites)
2. Client booking history or forecast; and
3. Factors of cost, competitors and profit objectives.

#### Loyalty Member Discount

1. To encourage repeat visitation, all customers of Wollongong City Tourist Parks are able to join the Tourist Park Loyalty Program
2. Customers who sign up to the Tourist Park Loyalty Program may have access to specials and discounts up to 10% of the value of each booking after joining (excluding peak season)

#### Other Promotional Activities

Council acknowledges that it is necessary to compete in a commercial environment and undertake various promotional activities.

Such activities can include, but are not exclusive, to:

1. The payment of commissions to third party agents and websites from accommodation payments
2. The donation of accommodation nights for promotional or charitable events including free of charge (FOC) room nights for marketing or agent familiarisations.

#### Third party agents

1. Commissions payable to the third parties in this manner will be up to a maximum of 17% or market rate (whichever is higher)
2. The commission payable to the third party will be over and above any discount otherwise applied to the reservation as per the maximum 30% discount
3. Commercial arrangements that require commissions to be paid on invoice after guest departure will be paid as a fee from operational costs.

#### In Kind Promotions

1. A total of 30 accommodation nights per financial year at each site will be allocated for promotional use at the discretion of the Manager Property and Recreation
2. Each request will be assessed on its individual merit in each period and participation in a prior period does not guarantee participation in a future period
3. Requests may include accommodation nights for promotional activity. Examples include, in-house competitions, contra deals for professional services such as photography or advertising, compassionate donations to charitable causes or for any other purpose that promotes the Tourist Parks in a positive light and as the Manager Property and Recreation deems suitable.

### LEGISLATIVE REQUIREMENTS

1. *Local Government Act 1993*
2. *Competition and Consumer Act 2010*
3. Competition and Consumer Regulations 2010.

**REVIEW**

This Policy will be reviewed every two years from the date of each adoption of the policy, or more frequently as required.

**REPORTING**

## Recording of Transactions

1. All transactions will be recorded in Council's financial system to recognise both income and expenditure and associated GST for each transaction
2. Discounting transactions will be recorded and available for auditing by Council's Commercial Business Manager to ensure all discounting transactions are applied correctly.

**ROLES AND RESPONSIBILITIES**

## All Staff

1. Complying with the Wollongong City Tourist Parks Discounting and Promotions Policy and related procedures.

## Tourist Park Supervisor

1. Reviewing, determining suitability of and authorising one off corporate discounts of up to 10%
2. Creating full and accurate records of approved discounts in the property management system
2. Extracting discount reports on a monthly basis to ensure compliance with Wollongong City Tourist Parks Discounting and Promotions Policy and related procedures
3. Reporting non-compliance with Wollongong City Tourist Parks Discounting and Promotions Policy and related procedures to the Operations Manager Tourist Parks.

## Operations Manager - Tourist Parks

1. Reviewing, determining suitability of and authorising discounts of up to 30%.
2. Creating full and accurate records of approved discounts in the property management system.
3. Extracting discount reports on a quarterly basis to ensure compliance with Wollongong City Tourist Parks Discounting and Promotions Policy and related procedures.
4. Assist the Commercial Business Manager with investigating reports of non-compliance with Wollongong City Tourist Parks Discounting and Promotions Policy and related procedures and providing findings to Divisional Manager.
5. Assess suitability of and formalise proposals for promotional campaigns and entering into commercial arrangements with third party agents for review and approval by the Commercial Business Manager (up to 17%) or Divisional Manager (greater than 17%).
6. Assessing requests for complimentary nights or in-kind promotions and preparing recommendations to the Manager Property and Recreation.

## Commercial Business Manager

1. Reviewing, determining suitability of and authorising discounts of up to 30%.
2. Undertaking regular sample audits of discounts to ensure compliance with Wollongong City Tourist Parks Discounting and Promotions Policy and related procedures.
3. Review and approve requests from Operations Manager - Tourist Parks for participation in promotional campaigns and entering into commercial arrangements with third party agents of up to 17%.

4. Assessing requests for complimentary nights or in-kind promotions and preparing recommendations to the Manager Property and Recreation.

Divisional Manager

1. Reviewing and approving recommendations from Operations Manager - Tourist Parks and/or Commercial Business Manager for complimentary nights or in-kind promotions.
2. Reviewing and approving recommendations from Operations Manager - Tourist Parks for commercial arrangements with third party travel agents greater than 17%.
3. Review any outcomes of auditing process for further investigation.

#### **RELATED PROCEDURES**

1. Wollongong City Tourist Parks Discounting and Promotions Procedure.

APPROVAL AND REVIEW	
Responsible Division	Property and Recreation
Date/s adopted	29 August 2022
Date/s of previous adoptions	29/05/2017; 05/2012
Date of next review	August 2024