



Somerset Visitor Accommodation Review



Presented by Lingo PR & Digital
As at October 2024

Executive summary

This Accommodation Supply Gap Analysis and Investment Strategy has been commissioned as the natural progression from Somerset Regional Council's 2023 Tourism Marketing Action Plan. This plan identified a shortage of short-term accommodation stock in the area and the need for greater accommodation supply to capitalise on future growth and demand for tourism accommodation services in region.

With South-East Queensland in a prime location for tourism and economic growth, particularly with the 2032 Olympics looming, Council is well positioned to nurture tourism in region.

This gap analysis provides an audit of accommodation currently within the region, explores key accommodation typologies that are suitable for Somerset and identifies mechanisms that Council can implement to foster accommodation investment in region.

Acknowledgement of country:

Somerset Regional Council acknowledges the Traditional Custodians of the Country. We embrace and promote the Somerset region's heritage to incorporate all cultures, their beliefs and aspirations.

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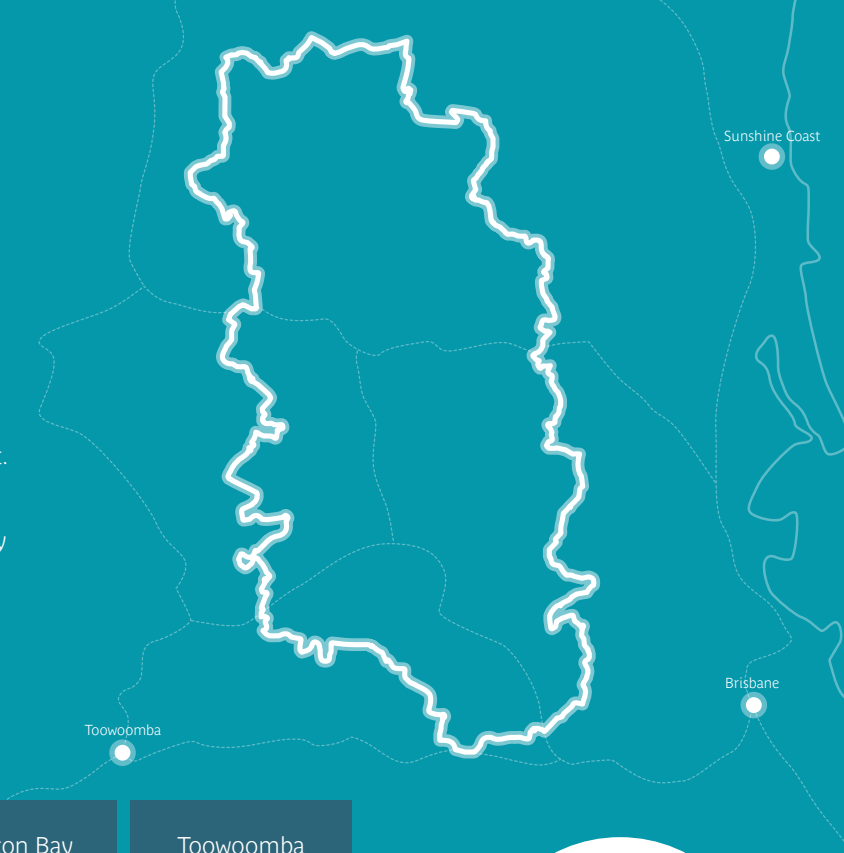
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Somerset at a glance

The Somerset Regional LGA is conveniently located in South East Queensland close to the major tourism nodes of Brisbane, Toowoomba and the Sunshine Coast.

The region is known for its waterways and lakes as well as its unique villages including Esk, Toogoolawah, Kilcoy and Linville.



Top Visiting LGAs

Brisbane City
24.42%

Ipswich City
13.28%

Moreton Bay
12.88%

Toowoomba
11.34%

132,085

Overnight visitors
in 2023*

Somerset Region Accommodation Supply Summary



120

unique properties



1,378

room listings



8,807

beds*



Accommodation supply

The following information has been collated based upon an accommodation audit of available suppliers in region. A variety of methodologies were utilised to conduct this audit including a desktop review of regional accommodation listings and mobility data tracking through Localis Research. Please note a filter was applied to this mobility data with the intention of excluding highway road traffic. The resulting visitation data therefore does not include through traffic in region.



Supply overview

Jan to Dec 2023

An audit of accommodation in the 2023 year across the Somerset Regional Council LGA identified 120 unique properties and a total of 1,378 room listings. This accounted for a total annual bed capacity of 8,807 beds.



120
unique properties



1,378
room listings



8,807
beds*



Average listing
\$248.28



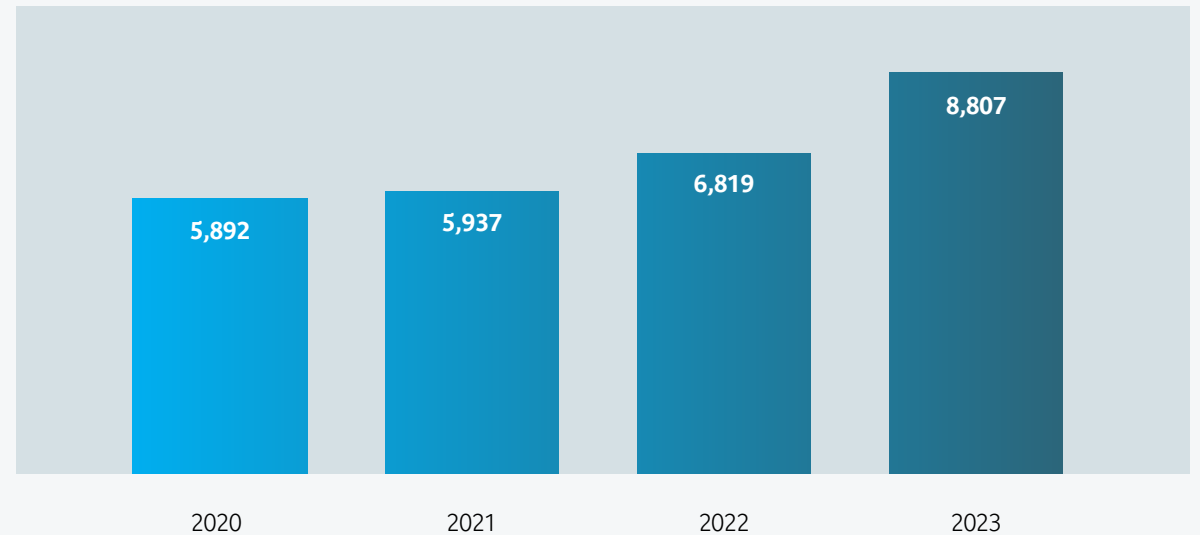
Average review score of
4.94 stars

Regional Comparison (By Month)

Average Monthly Data

Local Government Area	Total Bed Capacity	Listing Count	Unique Address Count	Average Listing Price	Average Review Score
Somerset Regional	804	172	120	\$265.05	4.94
Scenic Rim Regional	2,642	876	532	\$287.29	4.79
Toowoomba Regional	2,240	730	446	\$182.68	4.86
Sunshine Coast Regional	29,394	10,616	5,001	\$365.99	4.7

Somerset Annual Bed Capacity Over Time



Supply breakdown

Volume Of Accommodation By Type

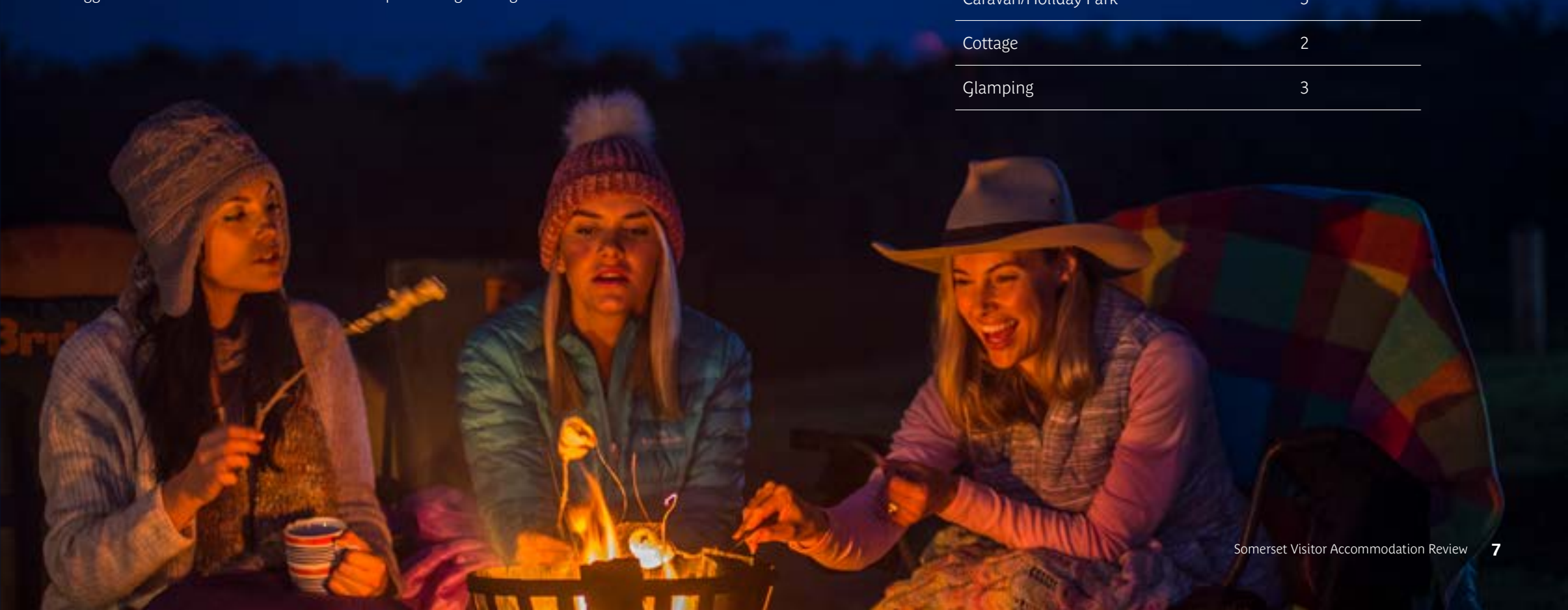
The low number of listings and overall total capacity indicates that smaller, boutique style accommodation experiences make up the majority of the accommodation pool.

A desktop audit and review of regional listings indicates that low quality accommodation (3 star and under) dominates the accommodation pool comprising of motels, campsites and non-self-contained accommodation stocks.

The low proportion of high-quality accommodation is indicative of a lack of investment in contemporary, upscale accommodations and indicates that there is a clear gap in region for this style of accommodation.

A high level of seasonality, high occupancy on weekends and the smaller pool of listings, suggest accommodation stock is not diversified enough in region.

Property Type	Number of Properties
Camp Grounds	15
Hotel	9
Motel/Motor Inn	7
Indoor Lodging	10
Cabins or Self-Contained	3
B&B	2
Farmstay	6
Lodge	2
Caravan/Holiday Park	3
Cottage	2
Glamping	3



Demand for visitor accommodation

The following pages provide an overview of accommodation demand and growth indicators for the Somerset Regional Council LGA. This has been determined by:

- Data from Tourism and Events Queensland
- Data provided by Localis Technologies
- Research of past and potential visitors (605 survey responses)
- Consumer research of the Australian market from Tourism Australia
- Segment profiling using Roy Morgan data supplied by Southern Queensland Country

Factors driving demand



Domestic OVE in Queensland Country
\$1.6billion
 Up 2.6%



Visitor satisfaction extremely high
4.94 average review score

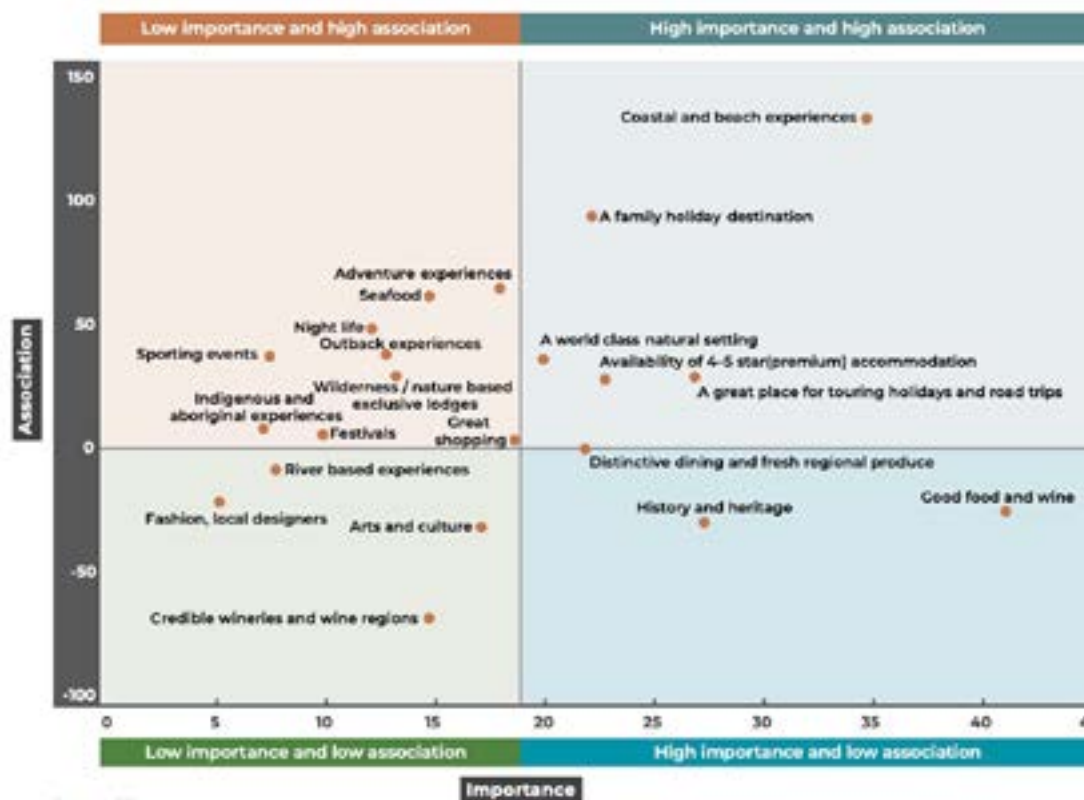


97% of all visitors surveyed said they would return

- Key visitor source locations (Brisbane, Gold Coast and SEQ) are attracting record visitation
- Queensland currently leads the nation in turns of RevPAR and occupancy growth – making it very investment attractive
- Domestic OVE in Queensland Country reached a new record of \$1.6billion (up 2.6%) for the year ending March 2024.
- Visitor satisfaction in region is extremely high – with a 4.94 average review score. 97% of all visitors surveyed said they would return.
- A weakening Australia dollar favours domestic travel.

In 2021, the Queensland Tourism Industry Reference Panel[^] commissioned BDA to review ‘travel importance factors’ for Australians and international visitors. This research identified that Queensland ranked above the Australian interstate average for many of the most important associations. Of these, Somerset is in a unique position to leverage these preferences, particularly travellers preference for “family destinations”, “a great place for touring and road trips”, and an increasing interest in natural settings, history and heritage (particularly relevant for the Brisbane Valley Rail Trail).

Holiday factors by importance and by association with Queensland (for domestic leisure travellers, non-Queensland residents)



Source: BDA

Market preferences and in-destination behaviour

Understanding how markets are attracted to destinations by accommodation choice is an important element in the development of suitable destination product.

People staying in different types of accommodation will have different interests, will want to do different types of things and will plan to visit different types of attractions at different times of the year.

The following pages dig deeper into market preferences for visitors to the Somerset Region by way of preferred accommodation type and the experiences they seek out.

Understanding both factors is key for ensuring the right type of experiences and accommodation types can be curated to foster investment.

To achieve these insights, a survey of visitors who had and had not been prior to Somerset Regional Council was facilitated. Further data by BDA was also analysed.



Market preference for accommodation

A survey of 606 visitors found:

- 80% preferred to book quality accommodation – higher than 3 stars
- Of those that had been before, 39% stayed in a caravan or campsite, 21% with friends or family and 16% in a motel
- 56% used Google as their primary source of research for booking accommodation
- 65% booked direct with the accommodation provider
- 99.7% of those surveyed said they would return
- Self-contained accommodation was the preferred style of accommodation type across those that had
- 46.5% who had not visited before said they did not know much about the region

Preferred accommodation type of those surveyed



77.6%

3.5 – 4 stars



13.2%

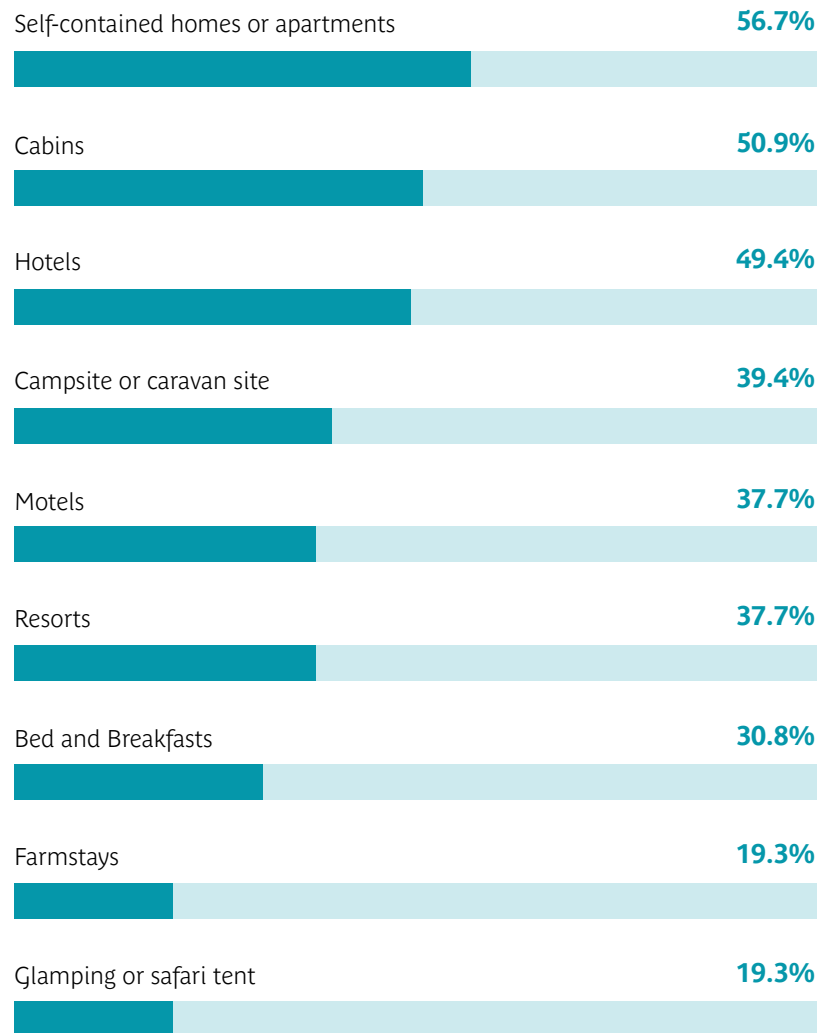
3 stars



9.2%

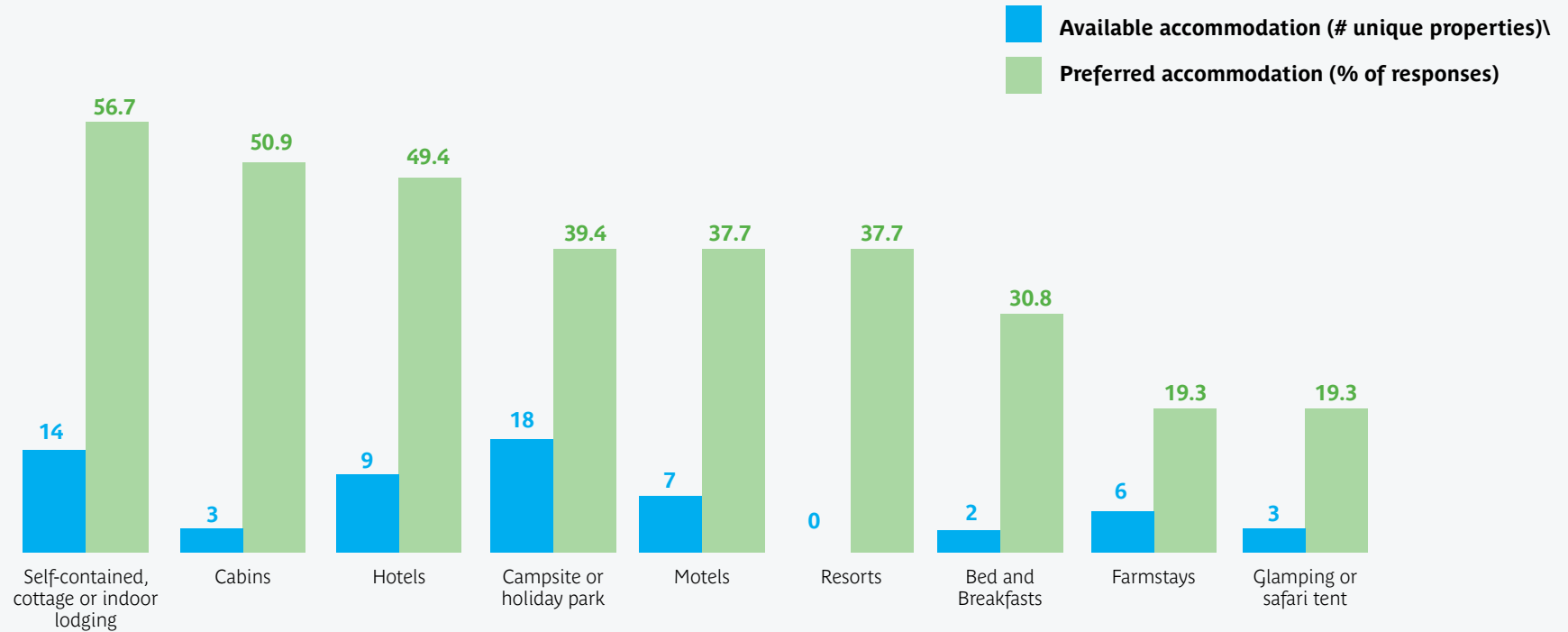
4.5 – 5 stars

Preferred Accommodation Type By Category



Accommodation gap analysis

What is available vs market preferences



Gap analysis key takeaways

Supply of visitor accommodation within Somerset is well below that of surrounding LGAs.

Somerset is in a unique position to capture and convert more of their surrounding drive market into overnight visitors provided there existed an adequate supply of accommodation.

Visitor preferences for self-contained, high quality 3-4 star plus accommodation is not currently being met within the Somerset region.

Existing smaller boutique accommodation styles have limited rooms and therefore are subject to a high level of seasonality. Typically, the smaller accommodation providers will not be able to meet demand over weekends or peak holiday seasons.

There is a clear opportunity for the region to supply more niche, slightly more upscale accommodation options. Quality accommodations will attract a higher spending visitor and meet the needs of the broader holiday/leisure market.

Realities of the current accommodation pool

Strengths

- High occupancy rate Friday to Sunday – indicates strong visitor demand
- Queensland currently leads the nation in turns of RevPAR and occupancy growth – making it very investment attractive
- Visitor satisfaction in region is extremely high – with a 4.94 average review score
- 97% of all visitors surveyed said they would return
- Peri-urban locations are in high demand – close connectivity to major cities
- Villages present a unique experience only able to be replicated by likes of the Scenic Rim and some areas of the Sunshine Coast

Weaknesses

- Low quality accommodation types dominate the current supply pool
- Improving quality supply could be restricted by limited resources of smaller operators
- Attracting larger players to region could be limited due to no office RevPAR data and a lack of existing flagship providers
- High level of seasonality
- Limited jurisdiction of lakes areas
- Limited capacity from some existing operators to expand or lift quality of accommodations

Motivations across providers vary – many want to keep operations at a size to accommodate lifestyle choices.

- High interest in quality, self-contained typologies and those are currently in limited supply

Market preference for experiences

BDA experience preferences

BDA conducted analysis that reviewed travel importance factors for visitors. The highest rated associations were for:

High Importance and High Association With Queensland

1. Coastal and beach experiences
2. A great place for touring
3. Availability of premium accommodation
4. A family destination
5. A world-class natural setting

High Importance and Low Association With Queensland

1. Distinctive dining and fresh regional produce
2. History and heritage
3. Good food and wine

It appears that the Somerset region has what travellers value the most. Specifically:

1. A great place for touring
2. A family destination
3. A world-class natural setting
4. History and heritage

These should be the authentic experiences that Council seeks to own – there is clear demand for these travel factors and it appears, a low association with some of these regionally.

Authentic Experiences Somerset Could Own



Cycling tourism



Nature based experiences



Arts and heritage



Village touring

MARKET PREFERENCES – SURVEY RESULTS

Of those surveyed, preferred experiences overwhelmingly revolved around touring, bush walking and nature, food and watersports.

79% liked touring and day trips

65% liked bushwalking

61% liked wine tasting and dining

32% liked watersports

The main reason those surveyed had visited the region:

27% to visit friends or relatives

20% to caravan or camp

11% to dine at a country pub

11% to ride the BVRT

7% for boating or fishing

2.9% to visit The Condensery

18% of respondents completed an open-ended response for Other.

Of those, there was a consistent theme around wanting a short escape from the city.

RELAXATION
COUNTRY BREAK
Short breakaway
To be in the country
Break away from the city
To walk the BVRT
Romantic escape
Wanted time out of the city
Site seeing

There is commonality between the BDA research and the research conducted specifically for this report, particularly around visitor preferences for touring, nature-based activities and interest in heritage and outdoor activities such as The Brisbane Valley Rail Trail.

In order to develop these experiences, however, accommodation volume, quality and supporting infrastructure needs to be developed.

The Case for Investment

Building the accommodation pool in region would allow Somerset Regional Council to leverage their authentic experiences and consumer trends that are driving domestic visitation, capturing a greater share of the Queensland Country visitation pool.

The following pages present a deeper dive into the strategy for achieving this, will explore Council's role in creating investment attractive conditions and will identify priority accommodation typologies that will align with the authentic experiences that Council should seek to own.

What Makes a Region Investment Attractive?

For the purposes of this study, we interviewed BEDAs Investment Arm and reviewed investment strategies and research papers relating to the Australian domestic visitor market. This research identified a number of factors that could influence investment decision-making and interest.

Factor One: RevPar Performance

Revenue per available room (RevPAR) is a metric used in the hospitality industry to measure hotel performance as it provides an indicator as to the property's ability to fill available rooms at an acceptable average rate.

RevPAR is calculated by dividing a hotel's total room revenue by the total number of available rooms in the period being measured.

The figure is used by investors to gauge a property's existing performance and as a comparison tool to compare the property with others on the market.

Currently, with the accommodation pool of a small, boutique nature, there is no RevPAR tracking for the Somerset region.

Factor Two: Established Properties

With the cost of construction and increased limitations for financing new builds, larger investors are increasingly seeking out already established properties. Existing properties provide a tangible, known quantity with existing business performance data and visitation history.

With the accommodation pool in Somerset still deemed in its infancy, this presents a challenge and anecdotally indicates that smaller, private investors and players will be required in the short-term to develop properties that may be of future interest to larger investors.

Factor Three: Authentic Experiences

Private investors in the tourism space are increasingly looking for properties that present unique, authentic experiences – giving the property purpose and an individual offering that drives demand.

Somerset has a number of assets in region that can foster the further development of authentic and unique experiences. Namely, The Brisbane Valley Rail Trail, nature-based experiences and village touring.

Factor Four: Peri-Urban Accessibility

Accessible properties close to major nodes and travel infrastructure are key for both investors and attracting visitors. Brisbane is one of the few airports in Australia with no airport curfew and a growing port tourism scene. With Somerset's peri-urban location, there is scope for the right properties to draw in market share from Brisbane.

The Scenic Rim is an excellent example of a peri-urban region with significant tourism appeal and a mix of tourism accommodation typologies to support that demand.

Factor Five: Supporting experiences in region

Investors are looking for properties that have supporting surrounding infrastructure and experiences. Again, Somerset is well positioned here with village communities offering a variety of existing supporting infrastructure although dining experiences would need to grow in order to support future accommodation offerings and growing visitation figures.

Current investment considerations

Acknowledging the research and factors that influence investment, the immaturity of the Somerset Accommodation Pool presents both challenges and opportunities for Council.

Challenges

- When much accommodation currently doesn't exist, there is no way to demonstrate RevPAR and ROI
- Fuel costs and inflation pressure favour the short drive market which could make investment so close to Brisbane a hard sell
- Council would need to be able to demonstrate a sure and reliable supply of local labour and accommodations to support construction and infrastructure projects in region
- A lift in the volume and quality of accommodation pool will consist of working with smaller operators who may not have the financial capacity or inclination to make the required upgrades
- Materials sourcing and labour sourcing in outer lying villages may be an issue
- Dining experiences will also need to develop as the accommodation pool grows

Opportunities

- Leveraging the proximity and per-urban appeal for investors considering Brisbane and surrounding areas
- Readily accessible to Brisbane Airport and Port Nodes for touring and authentic travel experiences
- A number of unique experiences that can be "owned" such as village touring and the Brisbane Valley Rail Trail
- Available parcels of land that might suit activation



Defining councils role

Council's role should primarily focus upon creating and nurturing investment friendly conditions. Specifically by:

PLACEMAKING	LAND ACTIVATION	DEVELOPING DEMAND DRIVERS	SUPPORTING INFRASTRUCTURE	INVESTMENT ATTRACTION
Curating village streetscapes to make them more visually appealing and to encourage longer time spent in villages.	Identify the activation and development of land owned by council for accommodation and mixed-use purposes that will align with and support preferred tourism experiences in region.	Foster the development of assets or regional experiences that will drive demand for accommodation and services in region.	Identify and improve key infrastructure that will attract tourists and improve their experience when in region.	Consider pathways for investment at a local level in the short term and bigger players in the long-term to start an adequate investment pipeline of projects.
Consider incentives or schemes to improve street presentation and nurture heritage facades and “village” aesthetics.	Consider how existing Council assets can be activated further with tourism and mixed use applications in mind.	Curate demand drivers around the preferred experiences identified in this reports market research.	Consider the wider infrastructure required for attracting investment in region – particularly labour, materials and local accommodations for workers.	Develop a plan for educating and upskilling smaller operators to foster their interest in developing the accommodation supply.
Consider the placement of facilities such as toilets, public seating and caravan parking in areas that will promote exploration of villages.		Consider how existing demand drivers could be improved or enhanced to grow tourism in-region.	Invest in accessibility improvements such as footpath quality to connect villages to key operators and attractions.	Advocate for operators looking to lift the quality or volume of their accommodation offering by way of connecting them with grant and funding opportunities.
Use events and marketing to foster foot traffic and create a sense of “place” in villages.				Foster an investment attractive environment through incentives for operators that will enhance streetscapes and a dedicated investment attraction policy.

Priority Investment Opportunities

Through consultation with Council and the research obtained through this accommodation gap analysis including consultation with key industry stakeholders and Brisbane Economic Development Agency (BEDA), a number of priority investment projects have been identified below.

Recreational Facilities | FERNVALE & LINVILLE

There is scope to utilise Council land for multi-purpose recreational uses, specifically in Fernvale and Linville. Enhancing the proposed masterplan at Fernvale, Council could create recreational areas with increased camping and leisure facilities to create a multi-use space that can accommodate community, sporting and tourism uses.

Similarly, the proposed masterplan for Linville should allow for more modern camping and recreational facilities for campers, including a more accessible driveway/entrance and facilities to enhance the use of the Brisbane Valley Rail Trail such as e-bike charging and water stations.



Placemaking | Esk, Linville & Toogoolawah

Placemaking strategies for Somerset's visitor attractive villages of Esk, Linville and Toogoolawah will aid Council's tourism growth goals by enhancing the "authentic" village experiences on offer, promoting the perception of vibrant villages worthy of exploration and ensuring the viability and growth of retail and hospitality trades – essential for driving demand for tourism in region.

These villages present excellent opportunities for enhanced placemaking. This might involve:

- Improvements to existing footpaths to allow for better accessibility and ensuring connectivity of village spaces to local accommodations and facilities
- Plantings and vegetation to enhance the "village" flavour of the streetscapes
- Shopfront improvements by way of fascias and fronts to improve visual presentation and enhance the heritage and village nature of the streets
- Funding and resourcing for local pop-ups and tenancy regeneration initiatives
- Interpretive art pieces in each village and throughout the Brisbane Valley Rail Trail to activate all spaces and create a single touring piece connecting the villages and local assets



Case Study: Nolans Block

Located in Crows Nest, the centuries old heritage building Nolans Block was reimagined as a regional tourism attraction with help from Toowoomba Regional Council's Heritage Incentives Scheme.

Council approved \$10,000 towards the redevelopment of the site, specifically for the refurbishment of the building's frontage to retain its heritage feel and provide an appealing, connected village attraction.

The block has now been given a new life and houses 8 unique shops offering a patisserie and cafe, a European inspired restaurant, homewares store, fashion boutique, antiques store and more.

Since its inception, the Heritage Incentives Scheme has approved over \$135,000 in heritage conservation works.

Priority Investment Opportunities

Land Activation

There is scope to activate Council owned land in Toogoolawah and Esk to facilitate mixed use developments encompassing accommodation, dining and retail.

Land activation usually involves a lease or tender for sale style arrangement where the land is either sold at an incentivised rate (refer to our case study in this report on Walhalla Star Hotel) or leased to a commercial tenant.

It is recommended that Council looks to audit key villages to identify sites that might be suitable for activation. Anecdotally, sites may include the Fernvale Recreation Grounds, the main street of Linville or The Condensery in Toogoolawah.

Leases typically are in one of three forms:

- Council carries out the development in line with the tenant's design requirements and recovers the cost through a higher rent.
- The tenant carries out the development to the agreed design and the cost is reflected in a lower rent.
- The tenant carries out the development to the agreed design and is reimbursed by council. Rent is then set with no consideration of development costs.

The Condensery is a strong regional asset that has excellent scope to be activated and become a flagship demand driver for tourism in region.



Case Study: Howard Smith Wharves

As part of their 2012 investment strategy, Brisbane City Council identified a number of CBD locations suitable for activation, one of which was Howard Street Wharves.

In August 2013, Brisbane Lord Mayor Graham Quirk formally called for proposals to develop the 3.43-hectare Howard Smith Wharves site.

The tender process was managed by Savills.

The successful proposal was made by HSW Consortium who were offered a 99-year lease for the land.

The \$110 million dollar project was funded to the tune of \$70million from US-based fund manager, PGIM Real Estate, leaving Australian banks with a limited exposure to the prized project.

BCC is expected to receive more than \$528 million as part of the 99-year lease terms.

The development has been such a success, Council has more recently supported increased visitation by increased public infrastructure and citycat access to the site.

Priority Investment Opportunities

Land Activation | MOUNT GLEN ROCK

Mount Glen Rock presents one of Council's largest opportunities for a tourism demand driver in region. The 127 hectares of freehold property was purchased by Council in October 2020 with the intention of utilising the area for recreation and nature-based activities. Council is also the trustee for the adjoining 81 hectares of reserve land surrounding Mount Glen Rock.

Once completed, the site will offer hiking trails and other suitable recreational opportunities.

As identified earlier in this report, there is a strong demand for authentic, nature-based tourism experiences in close proximity to Brisbane. It is recommended that progressing the plans for Mount Glen Rock remain a high priority for Council as the increased visitation that this asset will attract, will prove critical for attracting further investment in the region's accommodation pool.

Government funding should be sought to expediate forward momentum for this project.

Council should undertake an audit of existing tracks and trail infrastructure available within region to determine future investment priorities.



Case Study: Currumbin Eco-Parklands

Activation of the Currumbin Eco-Parkland project delivers on a commitment by the Queensland Government, to protect an important and unique 148-hectare parcel of land at Currumbin.

A \$31 million dollar investment plan will unlock the eco-tourism potential of the land and transform it into the one of the largest eco-parks in Australia.

Upon completion the park will feature:

- A koala rehabilitation centre
- Tracks, trails, boardwalks
- Nature play area and greenspaces
- Walking trails, lookouts and picnic areas

Priority Investment Opportunities

Asset Activation | BRISBANE VALLEY RAIL TRAIL

The Brisbane Valley Rail Trail is a significant tourism asset for the region that should be leveraged further to grow visitation and nurture future accommodation investment.

While still largely in its infancy, there is scope to activate the trail to develop its potential as a major tourism driver for the region.

Activation strategies might include:

- Council to prioritise support for events and initiatives that seek to activate the trail
- Incentives for event organisers to utilise aspects of the rail trail

- Clustered events around Rail Trail village points (such as markets in Esk)
- Like the case study below, consider ways to activate the trail further either with art or heritage related installations.

Consideration should also be given as to how the trail can be used to further enhance the operations of local businesses in region.

An education program should be developed for local business operators to educate them on the value of the trail, identify ways they can leverage their association with the trail and nurture complementary services and products so as to create an authentic “rail trail” experience for visitors.



Case Study: The Great Victorian Rail Trail

The Great Victorian Rail Trail in Victoria's High Country runs from Tallarook to Mansfield and can be explored on foot, bike or horse.

As the trail crosses multiple local government areas and involves a high number of stakeholders, a Memorandum Of Understanding was established between all parties, to ensure all were working towards a common goal and to clearly delegate rights and responsibilities.

The trail now has one central source for marketing but a diversity of groups and players who all work together to deliver a seamless, cross LGA experience for visitors.

As a group, it was identified that the trail needed a broader tourism appeal to manage seasonality and reach a diverse group of visitors. As such, an art trail was also implemented throughout the trail.

Local event organisers and community groups are also incentivised by way of funding and grants to foster the activation of the trail and its wider use as a tourism asset.

A photograph of a swimming pool area. In the foreground, a blue swimming pool with a white tiled edge is visible. Two people are sitting in lounge chairs on a green lawn next to the pool. The person on the left is wearing a white shirt and shorts, and a hat. The person on the right is wearing a bright orange shirt and shorts. There are two large beige umbrellas on either side of the chairs. In the background, there are lush green trees and a white building. The overall scene is bright and sunny.

Preferred accommodation typologies

The following accommodation typologies should be prioritised for the region. These typologies align with market demand and the authentic experiences that the region should be seeking to own.

Boutique hotels with dining options



Star rating
4 – 5



Style
Luxury



Key markets

Luxury travellers, couples, international travellers



Facilities

Onsite manager, onsite restaurant, high level of finishes, onsite reception, quality social spaces such as a bar or lounge area



Possible locations

Esk and Toogoolawah

There is currently no flagship premium accommodation provider in the Somerset region. Toogoolawah presents a premium opportunity for a property of this nature which could be supported by surrounding infrastructure such as The Condensery and the dining and gallery experiences also on offer within Toogoolawah.

With no existing properties of this type, however, attracting a larger scale investor may not be initially feasible. Based upon this, the following two case studies provide examples of highly successful properties that were first brought to market by small players with the support of their respective local Councils.

Case Study: Walhalla Star Hotel | Victoria

Once one of Australia's richest towns and the sleepy village of Walhalla is located in regional Victoria, 2.5 hours from Melbourne. Now home to just 20 residents, the town was a quiet hobby village with no connection to electricity, mobile phone or internet service until Council was approached by a private investor wanting to create a replica of the old Star Hotel in town.

Council sold the land to the investor at an incentivised rate and lobbied in support of the development (particularly as there was initially high opposition to the investment). The motel is now one of the most recognised tourism properties in Victoria and is internationally brochured.

The motel offers 12 rooms with private bathrooms plus an onsite restaurant and licensed lounge area. Visitors can take accommodation packages that include dinner and breakfast. The motel offers EV charging facilities, is wheelchair accessible and receives international media attention due to its village like atmosphere and stunning streetscape.

Council would need to consider its legislative obligations before pursuing a similar course of action.



Case Study: Hazeldean Estate | Scenic Rim QLD

Located in the Scenic Rim, Hazelwood Estate was a privately owned 30-hectare polo and wagyu cattle farm. In 2020, the owners at the time successfully secured \$1.8million through the State Government's Attracting Tourism Fund which was supported by Scenic Rim Council.

The funds allowed the property to be developed which included three luxury pavilions, 16 eco cabins, a refurbishment of the existing homestead and development of a restaurant and cocktail bar and cellar door.

The project was completed in late 2021 and was recently sold to Northern Escapes Collection (owned by Morris Group).

Now named Beechmont Estate, the property is a flagship provider in region and attracts more than 20,000 visitors annually.



Motel refurbishments



Star rating
4



Style
Modern and comfortable motel rooms



Key markets
Business travellers, families, holiday/leisure makers



Facilities
Modern and comfortable finishes, onsite parking, close proximity to villages



Possible locations
Esk, Toogoolawah and Kilcoy

Case Study: The Berry View Motel | NSW

Once a tired 1950s style drive-in motel, The Berry View motel has been freshly renovated with a popular mid-century facelift and now attracts visitors just to stay for a photographic opportunity. The renovation saw the construction of additional deluxe suites and an infinity edge swimming pool for guests. The motel offers a total of 13 rooms plus onsite parking.

The on-trend retro look features eye catching doors and chic, light filled rooms. The motel is located within the popular tourist down of Berry, NSW and has regularly been featured in national media stories.



Council owned recreational spaces

Star rating
3

Style
Self-contained camping and caravan facilities

Key markets
Holiday and leisure makers

Facilities
Recreation facilities such as BBQs, hot showers and modern toilet amenities, amphitheatre and meeting/ community rooms.

Possible locations
Fernvale, Linville

Case study Coonalpyn Caravan Park | SA

Coonalpyn Caravan Park is a Council owned and operated space that adopts a self-managed approach to onsite facilities.

To deliver this, Council has installed a payWave system for the purchase of power at the powered caravan sites. The fee associated with the powered site is \$15/ per night.

Upon successfully completing the payWave transaction, patrons are supplied with power to their chosen site. If a patron wishes to extend their stay beyond the initial period, patrons simply payWave again for another night's accommodation.

Unpowered sites are offered free of charge.

The grounds also offer "Pay as you use" shower units that also utilise the payWave system. Once activated, patrons have access to a designated 5 minute shower which can be extended with another payWave transaction.

This could be a feasible solution for the likes of Fernvale or Linville to better manage camping areas without the cost of and need for an onsite manager.

There may be some compliance work that needs to be explored around such a concept, however, particularly with regards to the sale of power for the sites.

Under section 88 of the National Energy Retail Law, any individual that sells energy must hold a retail authorisation of an exemption from the Australian Energy Regulator, when operating in the National Energy Customer Framework jurisdictions (Queensland, NSW, ACT, and Tasmania).

Should Council be interested in a similar system, retail power exemptions would need to be further explored.



Eco pods or cabins



Star rating
4 – 5 stars



Style
Luxury self-contained eco cabins



Key markets
Luxury or green travellers, couples



Facilities
Sustainable buildings, views or natural surrounds, self-contained, EV charging facilities.



Possible locations
Lake areas, on-farm or close to village locations and attractions.

Case Study: Wanderpods | Scenic Rim QLD

Wander Pods are fully self-sustained pod style cabins that are strategically placed in stunning nature-based locations. There are currently Wanderpod cabins in the Scenic Rim (QLD) and Kangaroo Island (SA). The pods are designed to connect visitors with the surrounding country so feature visually stunning aspects and blend sustainable construction with luxury finishes. The Pods are fully off grid with the goal of zero-waste stays and can sleep between 2 and 4 people. The pods are designed to immerse visitors in nature, so no TVs or entertainment devices are available within the pods.

The Wander Pod in the Scenic Rim is housed on The Overflow Estate. The owners behind this property successfully secured funding for the pods as part of the Queensland Government's \$25 million Growing Tourism Infrastructure grants program. From the program, \$1.33 million was invested towards the construction of the 5 sustainable pods on the property.



Themed self-contained accommodation



Star rating
3.5 – 4.5



Style

Quality and unique accommodations, themed to align with country experiences or the rail trail.



Key markets

Couples, families, holiday travellers.



Facilities

Themed experience, self-contained facilities with onsite parking.



Possible locations

Toogoolawah, Linville

Drawing upon the uniqueness of the Brisbane Valley Rail Trail, Somerset has a number of locations that could suite stationmaster inspired cottages or carriageway themed accommodations. These could be refurbished carriageways although we suspect newly constructed dwellings would be more cost effective.

The region's rail history presents a unique opportunity to create rail themed accommodation styles that will service and cross promote the Brisbane Valley Rail Trail.

The station at Linville for instance could incorporate boutique accommodations to complement the proposed masterplan for Linville, support visitors along the Brisbane Valley Rail Trail and share excess demand for accommodation on weekends as experienced by the Linville Hotel.

Case Study: Nambucca Valley Train Carriages | NSW

Built brand new and modelled from Great Eastern Rail Carriages from the 1800s, these self-contained carriages offer an ensuite bathroom, kitchen and balcony.

The accommodation is located 200m from the North Coast Railway line and was themed to align with this positioning. Two carriageways are available with onsite parking.



An aerial photograph of a coastal region. In the foreground, a dark asphalt road curves through lush green hills. A white motorhome is driving on the road. The middle ground shows a large, calm bay or inlet surrounded by greenery and some buildings. In the background, there are rolling hills and mountains under a clear blue sky with a few wispy clouds. The lighting suggests a bright, sunny day.

Advocate. Educate. Innovate.

Developing a holistic plan for the future.

Key actions for moving forward with accommodation investment in region.

Recommendations for moving forward

With accommodation in region in its infancy, Council will need to consider both a short-term and long-term approach to improving supply within region.



Short-Term

Private Investors



Long-Term

Larger-scale
investment groups

As flagged throughout this report, in the initial stages, Council will be relying on smaller, players and innovators to grow the accommodation pool in the short term and this means their skill level and financial capabilities may be limited.

It is recommended that Council looks to implement an investment strategy with a focus on advocacy, education and innovation as the means for widening and improving the accommodation pool.



Advocate. Educate. Innovate.

Recommendations and actions to foster tourism investment in region.

Advocate

- Develop a succinct case for investment using RevPar, occupancy and visitor data combined with ownership of the region's authentic experiences
- Engage with brokers and key investment groups including BEDA
- Investigate the merit in creating a peri-urban investment Council with appropriate SEQ Local Government authorities (e.g. Scenic Rim, Lockyer Region, Moreton Bay, etc.) through the Council of Mayor's SEQ
- Advocate for investment in region through the establishment and use of investment specific marketing tools (for example - www.investscenicrim.com.au)

Educate

- Educate existing and potential local operators on new opportunities in the agritourism/ on-farm space
- Guide and support operators wanting to improve their accommodation facilities and capabilities through information sessions, EOI programs and a concierge service to connect them with funding and grants
- Develop a mentoring program in partnership with Queensland Country Tourism for business owners interested in developing events, services or enhancements for the Brisbane Valley Rail Trail
- Develop mentoring and education programs for existing local business owners around the opportunities of the Brisbane Valley Rail Trail. The first step in this program will be the Rail Trails and Tourism Conference being held November 2024

Innovate

- Proactively welcome investment and future visitation by addressing infrastructure issues
- Adopt a curatorial role to key Council villages to attract more dining and retail experiences
- Develop a placemaking plan and budget including funding for business owners to improve their facias and fronts to create a sense of place and appeal with a strong heritage / village feel
- Allocate funds in the tourism budget for placemaking – specifically events and activities to ensure sustainable streetscapes – villages that thrive and are vibrant, are visitor attractive and accordingly have longevity.
- Undertake an audit of existing tracks and trail infrastructure available within region to determine future investment priorities
- Audit land and/or property in region to identify sites that might be suitable for activation, particularly around the Condensery in Toogoolawah, areas in Linville and the Fernvale Recreation Grounds
- Seek to incorporate a ten-year investment action plan as part of any future Destination Management Plans for the region. Investment specific actions to be incorporated include nominating land holdings for activation and priorities for progressing demand drivers in region such as Mount Glen Rock and the Brisbane Valley Rail Trail
- Draw upon learnings from the Great Victorian Rail Trail to develop an MOU and work with stakeholders to drive development of the assets

APPENDICIES

Documents Reviewed:

Brisbane Valley Rail Trail (BVRT) Visitor Research Program – Phase 2 Report,

The Service Innovation Alliance, December 2023.

Deloitte 2023 Tourism Market Outlook,

Deloitte Access Economics, September 2023.

Moreton Bay Regional Council Investment Attraction Policy, Moreton Bay Regional Council, Version 3, May 2022.

Next Generation Tourism Planning: A Guideline For Planners In Queensland, Queensland Government, 2017.

Outback and Southern Queensland Country Tourism Region: Perfect For Tourism Investment,

Queensland Government Department Of Tourism, Innovation and Sport, 2022.

Queensland Country: Destination Management Plan Towards 2032, Krista Hauritz Tourism, June 2024.

Shaping SEQ: South East Queensland Regional Plan 2023, Queensland Government Department of State Development, 2023.

Somerset Economic Development Strategy, Somerset Regional Council, December 2022.

Somerset Investment Prospectus: Somerset Regional Council, December 2022.

Somerset Region: Accommodation Pre-Feasibility Study, EarthCheck Pty Ltd, December 2015.

Somerset Regional Council Esk Racecourse, Showgrounds and Golf Course Master Plan, CPRGroup 2019.

Somerset Regional Council Linville Masterplan, Somerset Regional Council, drafts A and B, October 2022.

Somerset Regional Council Master Plan Report: Fernvale Recreation Grounds, August 2021.

Somerset Regional Council Mount Glen Rock Master Plan: Background Research Report,

Otium Planning Group Pty Ltd, October 2021.

Somerset Regional Council Tourism Marketing Action Plan 2023, Lingo PR and Digital, March 2023.

Somerset Region Planning Scheme, Somerset Regional Council, Version 4, December 2021.

Southern Queensland Country Regional Snapshot, Tourism and Events Queensland, September 2023.

Tourism Investment Monitor 2022 – 2023, Australian Trade and Investment Commission Tourism Research Australia, Commonwealth of Australia, February 2024.

Towards 2032: Reshaping Queensland's Visitor Economy To Welcome The World, Queensland Tourism Industry Reference Panel, June 2022.

Consultation Schedule:

Accommodation Operators and Suppliers:

Esk Caravan Park

Rail Trail Refuge

Walhalla Star Hotel

Northern Escapes Collection

EcoStructures Australia

Regional Tourism Agencies

Queensland Country (formerly Southern Queensland Country)

Brisbane Economic and Development Association

Local Government & Industry Associations

Peri-Urban Councils of Victoria

Somerset Regional Council

Mansfield Shire Council Victoria

Consumer Research and Data Sets

Consumer Research

For this report, an online survey was conducted amongst visitors that had and had not visited the region prior. This research was conducted to achieve the following objectives:

1. Determine interest in the Somerset Region as a visitor destination
2. Understand motivations for visiting Somerset specifically and also domestic travel in general
3. Understand consumer sentiments for their time in region
4. Identify preferred accommodation typologies

A total of 606 survey responses were received using an online survey platform. Survey respondents were sourced from Facebook advertising, through the Experience Somerset consumer database and via a small promotion via the Queensland Country industry newsletter.

Data Sets

* Localis Research Geofence, 2023 data set for visitation and bed supply in the Somerset Regional Council LGA.

Domestic Tourism Snapshot, year ending September 2023, Tourism and Events Queensland.

Australian Accommodation Monitor Summary 2022 – 2023, STR Global, September 2023.

Somerset Region Roy Morgan Data for 1 January 2023 – December 2023, Roy Morgan for Southern Queensland Country, January 2024.

This report was prepared by Lingo PR and Digital Pty Ltd, October 2024.

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