



CITY OF HOBART

AGENDA

SPECIAL ECONOMIC DEVELOPMENT AND COMMUNICATIONS COMMITTEE MEETING (OPEN PORTION OF THE MEETING)

MONDAY, 6 JUNE 2016

AT 4.30 PM

THE MISSION

Our mission is to ensure good governance of our capital City.

THE VALUES

The Council is:

about people

We value people – our community, our customers and colleagues.

professional

We take pride in our work.

enterprising

We look for ways to create value.

responsive

We're accessible and focused on service.

inclusive

We respect diversity in people and ideas.

making a difference

We recognise that everything we do shapes Hobart's future.

HOBART 2025 VISION

In 2025 Hobart will be a city that:

- Offers opportunities for all ages and a city for life
 - Is recognised for its natural beauty and quality of environment
 - Is well governed at a regional and community level
 - Achieves good quality development and urban management
 - Is highly accessible through efficient transport options
 - Builds strong and healthy communities through diversity, participation and empathy
 - Is dynamic, vibrant and culturally expressive
-

**SPECIAL ECONOMIC DEVELOPMENT AND COMMUNICATIONS COMMITTEE AGENDA
(OPEN PORTION OF THE MEETING)
6/6/2016**

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<p style="text-align:center">MOTION OF WHICH NOTICE HAS BEEN GIVEN UNDER REGULATION 16 (5) OF THE LOCAL GOVERNMENT (MEETING PROCEDURES) REGULATIONS 2015</p>

- 4. INSTALLATION OF TRADITIONAL CHRISTMAS TREE IN SALAMANCA – FILE REFS: 13-1-9 & 13-25-2**
- 5. CLOSED PORTION OF THE SPECIAL ECONOMIC DEVELOPMENT AND COMMUNICATIONS COMMITTEE MEETING**

**BUSINESS LISTED ON THE AGENDA IS TO BE CONDUCTED IN THE ORDER
IN WHICH IT IS SET OUT UNLESS THE COMMITTEE BY SIMPLE MAJORITY
DETERMINES OTHERWISE**

I, Nicholas David Heath, General Manager of the Hobart City Council, hereby certify that:

1. In accordance with Section 65 of the Local Government Act 1993, the reports in this agenda have been prepared by persons who have the qualifications or the experience necessary to give such advice, information or recommendations included therein.
2. No interests have been notified, pursuant to Section 55(1) of the Local Government Act 1993, other than those that have been advised to the Council.



N.D. HEATH
GENERAL MANAGER

SPECIAL ECONOMIC DEVELOPMENT AND COMMUNICATIONS COMMITTEE AGENDA (OPEN)

Committee Members

Deputy Lord Mayor Christie
(Chairman)

Zucco

Ruzicka

Thomas

Denison

Aldermen

Lord Mayor Hickey

Briscoe

Sexton

Burnet

Cocker

Reynolds

Harvey

**Special Economic Development and Communications
Committee (Open Portion of the Meeting) - O qpd day,
6 June 2016 at 4.30 pm in the Lady Osborne Room.**

PRESENT:

APOLOGIES:

LEAVE OF ABSENCE:

CO-OPTION OF COMMITTEE MEMBERS IN THE EVENT OF A VACANCY

Where a vacancy may exist from time to time on the Committee, the Local Government Act 1993 provides that the Council Committees may fill such a vacancy.

1. INDICATIONS OF PECUNIARY AND CONFLICTS OF INTEREST

In accordance with Part 2 Regulation 8 (7) of the Local Government (Meeting Procedures) Regulations 2015, the chairman of a meeting is to request Aldermen to indicate whether they have, or are likely to have, a pecuniary interest in any item on the agenda.

In addition, in accordance with the Council's resolution of 14 April 2008, Aldermen are requested to indicate any conflicts of interest in accordance with the Aldermanic Code of Conduct adopted by the Council on 27 August 2007.

Accordingly, Aldermen are requested to advise of pecuniary or conflicts of interest they may have in respect to any matter appearing on the agenda, or any supplementary item to the agenda, which the committee has resolved to deal with, in accordance with Part 2 Regulation 8 (6) of the Local Government (Meeting Procedures) Regulations 2015.

**2. BUSINESS EVENTS TASMANIA - ANNUAL FUNDING SUBMISSION - FILE
REF: 13-15-15**

23x's

Report of the Group Manager Executive and Economic Development of 19 May 2016
and attachment.

Mr Stuart Nettlefold, CEO Business Events Tasmania, will make a brief presentation
to the Committee in relation to their funding submission.

DELEGATION: Council

TO : General Manager

FROM : Manager Economic Development

DATE : 19 May 2016

SUBJECT : **BUSINESS EVENTS TASMANIA - ANNUAL FUNDING SUBMISSION**

FILE : **13-15-15** TS:PC (s:_data\economic development\council and committee reports\1_march 2015 onwards\economic development and communications\partner organisations\bet\report for sgc bet mou funding 26052016_final.docx)

1. INTRODUCTION

- 1.1. The purpose of this report is to inform the Council of the performance of Business Events Tasmania (BET) against targets set out in the Memorandum of Understanding (MOU) 2014-2017.
- 1.2. Representatives from BET will present their Annual Funding Submission (Attachment A) for 2016/17 to Council at the Economic Development and Communications Committee. This is to inform a Council decision regarding funding to BET in the upcoming 2016/17 budget.

2. BACKGROUND

- 2.1. Council has supported BET (formerly known as the Tasmanian Convention Bureau) for a number of years. This relationship has been governed by two MOUs to date. 2011-2014 and the recently signed 2014- 2017 (Attachment B).
- 2.2. At its meeting on 12 May 2014, the Council resolved:

That:

1. *The Council authorise the General Manager to negotiate a new memorandum of understanding (MOU) with Business Events Tasmania for the period October 2014-2017 with a further report and draft MOU to be provided for consideration.*
 2. *The Council note Business Events Tasmania's request for an increase in funding to \$100,000 for the 2014/2015 period, as per the current MOU, and the continued achievement of outcomes for Hobart.*
 3. *Due to the Council's own fiscal constraints and noting the effects of CPI, the Council provide funding for Business Events Tasmania at \$92,500 for the 2014/2015 period.*
- 2.3. Council's historical financial contributions to BET are as follows:

- 2015/16 - \$93,300 plus \$6,700 for a feasibility study
 - 2014/15 - \$92,500
 - 2013/14 - \$90,000
 - 2012/13 - \$90,000
 - 2011/12 - \$80,000
 - 2010/11 - \$65,000
- 2.4. The 2014 MOU states that “Annual incremental increases in funding will be considered by the Council on an annual basis”.
- 2.5. At its meeting of the 9th June 2015 the Council resolved:
- 1. The Council note Business Events Tasmania’s (BET) request for an increase in funding to \$100,000 for the 2015/2016 budget, as per the Memorandum of Understanding between the Hobart City Council and Business Events Tasmania, marked as Attachment A to item 5 of the Open Economic Development and Communications Committee agenda of 28 May 2015, and the continued achievement of outcomes for Hobart.*
- 2. The Council maintain funding plus an allowance for CPI at \$93,300 and should BET obtain funding from other sources to carry out a feasibility study for the development of a convention centre at Macquarie Point, the Council contribute the amount of \$6,700 to the study.*
- 2.6. Advice was subsequently provided to the Council that BET had obtained partnership funding for the Convention centre study and hence the remaining \$6,700 was paid to BET for the purposes of the study.
- 2.7. It is noted that BET presented separately on the outcomes of the study to the March Economic Development and Communications Committee meeting.
- 2.7.1. BET also provide a short summary of the study in their attached submission.

Memorandum of Understanding

- 2.1. The current MOU was endorsed by Council on 10th February 2015.
- 2.2. On 18th March 2015, HCC and BET signed a new MOU covering the financial years 2014/15, 2015/16 and 2016/17.
- 2.3. The MOU acknowledges that business events bring significant revenue to Hobart and Tasmania each year, and that Council and BET share common interests and benefits.

- 2.4. It is the intention that by the Council providing funding and support, the City of Hobart is promoted as a destination for business events. This is particularly important because those attending business events are the highest spending type of visitor and the potential exists for repeat visits from such conference and event delegates.
- 2.5. BET believes that increased funding is critical to maintain its exposure as a serious business events destination. To enable BET to secure lucrative high yield visitors to Hobart, \$100,000 is sought for 2016/17.
- 2.6. It is recognised that both parties receive significant benefit from the MOU.
- 2.7. HCC and BET officers have agreed 13 collaborative initiatives to investigate during the period of the MOU, which include a range of work areas such as joint marketing initiatives, opportunities for specific market targeting, collaboration on bid opportunities etc. The MOU also sets out priorities for collaboration from 2014, of which a selection follows:
 - Jointly work to identify targeted business sectors that link to key areas of growth in Hobart and Tasmania e.g. domestic / international education, Antarctic, science and research, arts and culture and food and wine.
 - Building Relationships (in addition to the collaborative initiatives outlined above).
 - Aldermanic and Council officer attendance at BET presentations, seminars or member functions.
 - Consideration of the development of Hobart specific materials to assist in event attraction, which includes the promotion of key Council products (TTIC), venues and attractions.
 - Investigation of social media opportunities and the associated management.
 - Digital presence of TTIC on the BET website and in the 'Meeting & Incentive Planners Guide' to effectively communicate this organisation as a preferred booking agent or venue for off-site business event activity e.g. cocktail party or dinner.
 - Ongoing promotion of the Council's meeting venues/ facilities through familiarisations and bids.
 - Collaboration on bids where appropriate.
- 2.8. The main performance indicator for the MOU is BET delivering against the bid win targets as follows:

Financial Year	HCC Funding	BET Bid Win Targets (\$)	Achieved
2014-15	\$92,500	\$23M	\$39.5M
2015-16	\$100,000	\$23.7M	\$27.3M (YTD)
2016-17	\$100,000*	\$24.4M	

*sought

2.9. Key BET achievements in the financial year 2015/16 are:

- 2.9.1. YTD up until 30th April, BET has secured **61 bid wins** for Hobart, equating to 15,286 delegates, with an estimated economic worth of \$27.3M.
- 2.9.2. There have been **117 actual** events that took place in the current 2015/16 year attracting 26,148 delegates providing an economic contribution of \$41.3M
- 2.9.3. The pipeline at the moment for 2016/17 is 56 events, 15,183 delegates and an economic worth of \$30.3M.
- 2.9.4. The regular exchange of information between both parties.
- 2.9.5. Regular meetings between the Chief Executive Officer of BET and Council's General Manager and Group Manager Executive & Economic Development, as per the MOU.

Annual Funding Submission 2016/17

- 2.10. BET has provided its Annual Funding Submission for the 2016/17 financial year. This document outlines BET's performance to date for the 2015/16 financial year and targets for the upcoming financial year.
- 2.11. As part of the MOU and Annual Funding Submission, BET is seeking increased funding for 2016/17 to a total of \$100,000.
- 2.12. BET has a number of proposed strategies for 2016/17 and onwards. These strategies are mentioned in further detail in the submission, but include:
 - 2.12.1. Re launch of the Tasmanian Ambassador program.
 - 2.12.2. Participation in State trade delegations (it is noted BET participated in the most recent delegation to China in April 2016)
 - 2.12.3. Hosting educational seminars for members through the year.

3. PROPOSAL

- 3.1. The Council notes BET's request for the inclusion of funding in the 2016/17 budget of \$100,000, as per the new MOU and BET's Annual Funding Submission.
- 3.2. The Council notes the immense economic benefit business events bring to Hobart, with recognition largely to the efforts of BET.
- 3.3. Council resolved last year to maintain base funding at CPI (base grant of \$93,300) and to provide extra for the feasibility study, in effect making a total grant of \$100,000.
- 3.4. If Council were to resolve to continue funding at a CPI increase then this would be \$93,300 plus CPI of 1.3% over the last 12 months to March 2016, totalling \$94,420.
- 3.5. It is proposed that Council resolve whether it wishes to increase funding by CPI, or to increase funding as requested, to \$100,000.

4. IMPLEMENTATION

- 4.1. Implementation mechanisms are set out in the MOU.

5. STRATEGIC PLANNING IMPLICATIONS

- 5.1. The MOU between Council and BET meets a number of Strategic Directions, as outlined in the *City of Hobart Capital City Strategic Plan 2015-25*.

1.1 Partnerships with Government, the education sector and business create city growth

1.2 Strong national and international relationships

1.3 An enriched visitor experience

- 5.2. The MOU also meets a number of objectives detailed in the Economic Development Strategy 2013-18:

3.1 Understand the economic drivers for local or regional community (3.1.2 – Visitor Services)

3.4 Establish strategic alliances and relationships with existing or potential businesses or markets both domestic and international

6. FINANCIAL IMPLICATIONS

- 6.1. In the 2015/16 financial year, Council provided \$100,000 of funding to BET from the Economic Development function.

- 6.2. BET is seeking to maintain funding at \$100,000 for 2016/17 financial year, as per the MOU and BET's Annual Funding Submission.

7. LEGAL IMPLICATIONS

- 7.1. The MOU is not legally binding.

8. DELEGATION

- 8.1. Delegation is a matter for Council.

9. CONSULTATION

- 9.1. General Manager

10. CONCLUSION

- 10.1. In the 2015/16 financial year, Council provided annual funding of \$93,300 base funding to BET plus an amount of \$6,700 towards a feasibility study making a total of \$100,000.
- 10.2. Council and BET signed a MOU in March 2015 which outlines a number of collaborative initiatives and targets for the next 3 years.
- 10.3. BET achieved all previous targets, as outlined in the MOU 2011-14.
- 10.4. Council recognises the immense benefit that business events bring to the City, both in an economic sense and as promoting Hobart as a destination of choice.
- 10.5. It is noted that, as per the MOU and BET's Annual Funding Submission, BET has requested inclusion of funding in the 2016/17 budget of \$100,000.
- 10.6. Council must consider whether to increase funding to \$100,000 or to maintain funding at the current level, plus an allowance for CPI, meaning the grant would be \$94,420.

11. RECOMMENDATION

That:

- 11.1. The report TS:lek(s:_data\economic development\council and committee reports\1_new world march 2015\economic development and communications\bet\report for sgc bet m ou funding 28052015_final.docx) be received and noted.*
- 11.2. The Council notes Business Events Tasmania's request for a n increase in funding to \$100,000 for the 2016/17 budget, as per the Memorandum of Understanding, and the continued achievement of outcomes for Hobart.*

11.3. The Council resolves whether to fund Business Events Tasmania in the 2016/17 year by either increasing funding to that requested by Business Events Tasmania (\$100,000) or maintaining funding plus an allowance for CPI (\$94,420).

As signatory to this report, I certify that, pursuant to Section 55(1) of the Local Government Act 1993, I hold no interest, as referred to in Section 49 of the Local Government Act 1993, in matters contained in this report.



(Tim Short)

**GROUP MANAGER EXECUTIVE
AND ECONOMIC DEVELOPMENT**

Attachments

Attachment A: BET Annual Funding Submission 2016/17

Attachment B: HCC and BET MOU (signed March 18th 2015)



Business Events Tasmania

Annual Funding Submission to the City of Hobart for the 2016-17 Financial Year

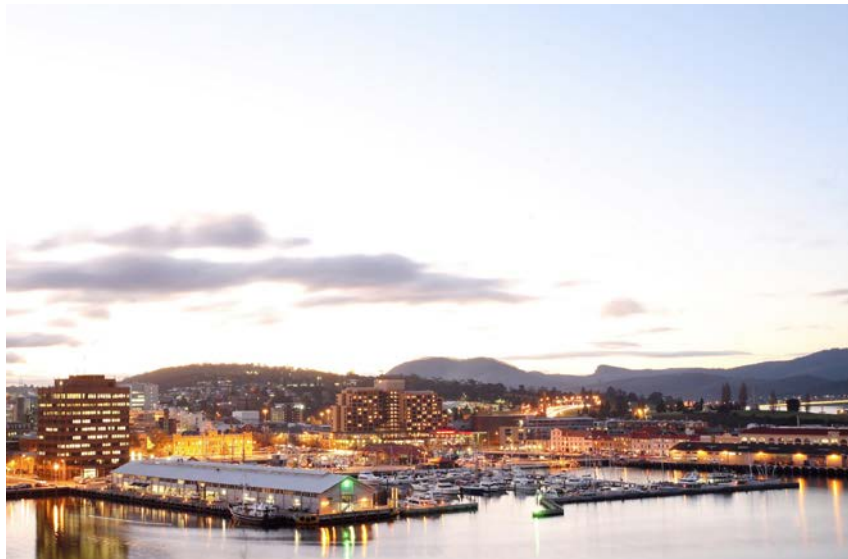


Image: Sean Fennessey

Contact:

Stuart Nettlefold
Chief Executive Officer
(03) 6231 1366
snettlefold@businesseventstasmania.com

Executive Summary

Business Events Tasmania (BET) is the state's peak sales and marketing body for business events; an incorporated not for profit organisation governed by a nine member Board of Directors, funded in part by State and Local Government and a membership base.

The organisations primary role is to identify national and international business events that could be hosted in Tasmania and to prepare comprehensive bids to win those events over other competing destinations.

Hobart, being Tasmania's capital city, major gateway into the state and location of Tasmania's key meetings infrastructure is at the forefront of all BET's sales and marketing activities and as a result is the primary beneficiary of BET's activities.

BET has worked successfully with the City of Hobart (the City) over a number of years and through its current Memorandum of Understanding (MOU) has strengthened its pro-active relationship with the City.

To address the City's on-going infrastructure needs BET partnered with the City and a number of other key stakeholders to progress a pre-feasibility study for a Convention Centre in Hobart. BET used \$10,000 of its annual funding to undertake this critical study which was increased to \$100,000 for the 2015-16 financial year (FY).

BET is appreciative of its annual grant of \$100,000 this current FY which has made a significant contribution to the sales and marketing of Hobart as business events destination and undertaking the pre-feasibility study as outlined above.

BET now seeks \$100,000 in annual funding for the 2016-17 FY from the City in recognition of the broad economic and social benefits conferencing brings to the City. This has also been highlighted as an important milestone the current MOU. Increased funding is critical in this highly competitive market place, for Hobart to maintain its exposure as a serious business events destination and to enable BET to secure lucrative high yield visitors to Hobart.

For the 2015-16 FY Hobart has witnessed one of its best ever years in conference activity with 114 business events with over 26,000 delegates (excluding partners) and with an estimated economic worth around \$48 Million.

Business events are an important driver for the Hobart economy and BET looks forward to working with the City to drive high yielding delegates and positioning Hobart as an international city.

This proposal will outline the following:

- Historical Performance- Bids Won (p. 3)
- Current Bid Performance 2015-16 (p. 4)
- Historical Performance – Business Events Held (p. 4)
- Beyond Tourism Benefits (p.5)
- Memorandum of Understanding (p. 6)
- Proposed Funding for 2016-17 FY (p. 6)
- Proposed Strategies 2016-17 and Onwards (p. 6)
- Update on Hobart Convention Centre Pre-feasibility Study (p.7)
- Conclusion (p. 8)
- Appendix One – MOU Collaborative Initiatives (p.9)

Historical Performance- Bids Won

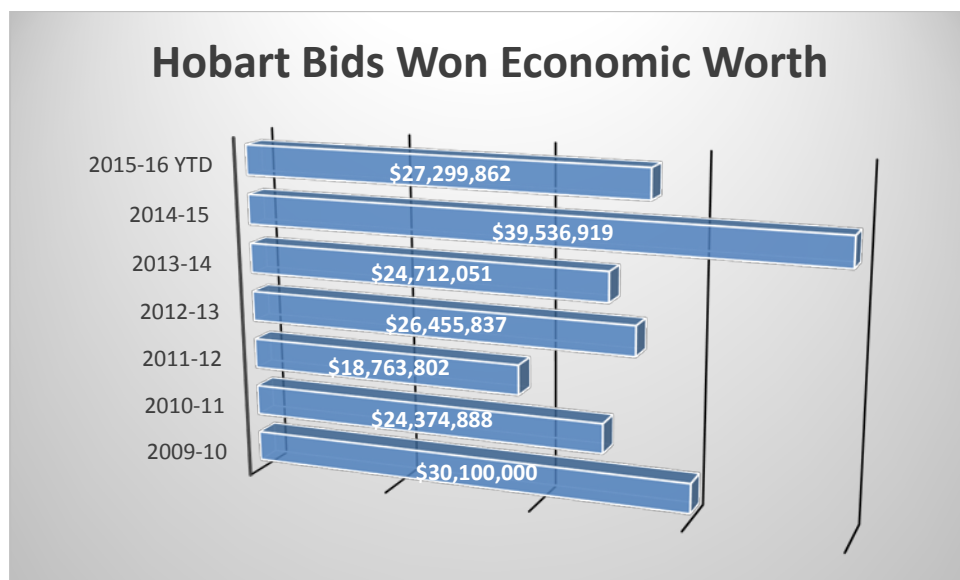
BET's key role is to win business events to Tasmania. This is conducted in a highly competitive environment against other destinations.

Table 1 below demonstrates BET's historical and current bidding performance from 2009 through until April 2016.

Table 1: Hobart – Bids Won Performance- July 1 2009 to April 2016

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16 YTD
Bids Won	81	66	55	73	67	89	61
Delegates	20,689	17,313	11,187	15,603	14,637	19,533	15,286
Economic Worth	\$30.1M	\$24.4M	\$18.8M	\$26.7M	\$24.7M	\$39.5M	\$27.3M

Graph 1: Economic worth of Business Events Won for Hobart July 1 2009 – 30 April 2016



Historical data demonstrated in Table 1 and Graph 1 shows that Hobart had its best year for bid wins in 2014-15 over the last six years. It should also be noted the economic worth for this year was bolstered by a number of conferences that had a longer duration compared to normal. In this instance there were five large conferences over 5 days including the National Bakers Delight Conference which had over 1300 delegates.

2015-16 is shaping up to be a good year for bid activity for Hobart with a number of bids expected to be converted by the end of the FY. It also should also be noted that the above figures don't include referrals/ assists. This is where BET is aware of a piece of confirmed business but hasn't had a direct involvement in the bidding process but may pass on local contact supplier details (e.g. off-site dinner venue) to a conference organiser or work them to help help boost delegate attendance. For the 2015-16 FY there have been 33 referrals with a total of \$7.2M.

Current Bid Performance 2015-16

For the 2015-16 FY (YTD- up until 30 April 2016) BET has secured sixty-one (61) bids wins for Hobart, equating to 15,286 delegates and with an estimated economic worth of \$27.3M. BET is also seeing an increased conversion rate in high yield corporate groups who are looking at Tasmania as an exciting destination compared to traditional destinations such as the Gold Coast.

Some examples of important bid wins in 2015-16 for Hobart are:

Event Name	Expected Attendance
Global Eco Asia-Pacific Tourism Conference 2016	300
2017 Financial Planning Association of Australia Congress	1100
Big 4 Holiday Parks National Conference 2016	300
2017 Australian International Education Conference	1200
Dietitians Association of Australia (DAA) National Conference 2017	650
Mosaic Association of Australia and New Zealand Symposium 2017	200
2016 Bendigo & Adelaide Bank Community National Conference	900
Eli Lilly National Sales Conference 2016	150
Foodland National Conference 2016	200
Genesis Pure High Achievers Incentive 2016	20
Society of Crystallographers in Australia and New Zealand Conference 2016	130
Environmental Health Australia National Conference 2016	200
International Mining Geologists Conference 2017	250
Young Presidents Organisation (YPO) Regional Conference 2016	70
Storage King National Conference 2016	150
22nd International Congress on Modelling and Simulation 2017	1000
Australian Maritime Museums Council (AMMC) Conference 2017	100
RAMS Home Loans National Conference 2016	150
Australian Frontiers of Science Meeting on Antarctic Science 2017	80
Duval Events - Confidential Client - Stryker	230
Telstra Incentive 2016	300
Entrepreneurs Organisation Chapter Retreat 2016	70

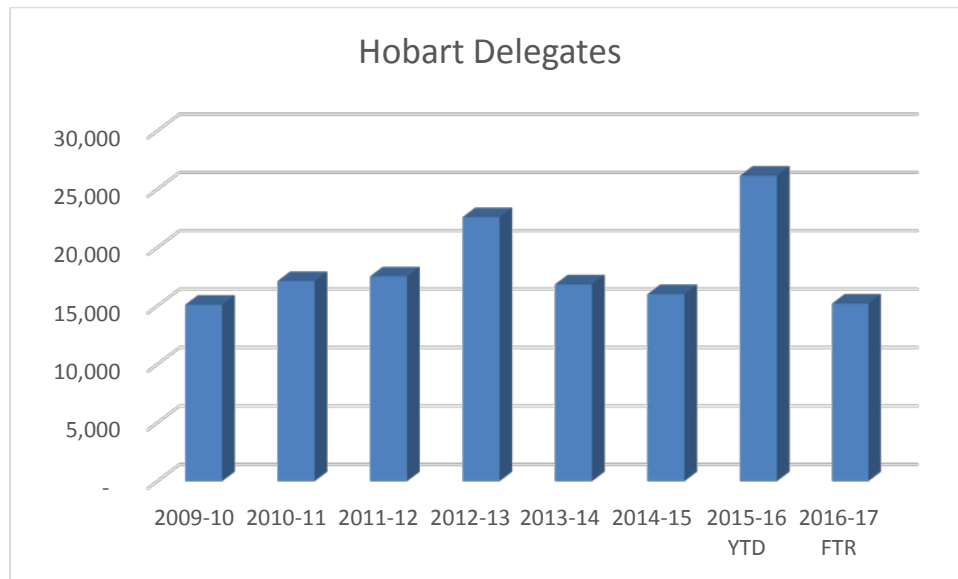
Historical Performance- Business Events Held

Business events held is the actual year in which a conference/ business event is held. Table 2 demonstrates BET's historical performance for business events held from July 2009 through until the current financial year 2015-16 (YTD) and bids won for future business events in 2016-17.

Table 2: Hobart Business Events Held- Performance July 2009 to June 2017

	09-10	10-11	11-12	12-13	13-14	14-15	15-16 YTD	16-17 FUTURE
Actual Events	52	83	73	96	95	99	117	56
Delegates	15,083	17,125	17,521	22,588	16,833	15,999	26,148	15,183
Economic Worth	\$17.5M	\$25.7M	\$26.9M	\$31.1M	\$27.8M	\$23.6M	\$41.3M	\$30.3M

Graph 2: Delegates for Business Events Held in Hobart July 2009 – June 2017



As highlighted in the executive summary and above in Table 2 and Graph 2 this current FY 2015-16 was the strongest year for delegate attendance for business events held in Hobart since 2009 and probably the best ever year for business events sector. It's estimated conference activity for this FY would have generated over 147,000 room nights for the city and surrounds and filled a number of key venues, restaurants, tourism operators businesses, etc.

2016-17 is shaping up to be a good year. It's unlikely this years figures will be matched but it's hoped that we will see simialiar numbers to the previous best year of 2012-13.

Interestingly 2017-18 (although not demonstrated in the above table) is already shaping up to be another stand out year for the sector.

Benefits Beyond Tourism

Importantly there were a number of of conferences that aligned to key industry sectors augmenting economic activity well beyond directly measurable metrics, underpinning knowledge exchange, investment and other positive impacts.

This allows Hobart to position itself as an international city promoting cultural exchange, nurturing research collaboration, fostering innovation, attracting global talent and encouraging trade and investment.

Memorandum of Understanding (MOU)

In March 2015 the City and BET signed a new three year MOU. Within the MOU the primary performance indicator is for BET to deliver growth in conference and business events activity which is to be reported to the Council annually.

The table below demonstrates BET's performance from 2014-15 up until 2015-16 YTD.

Financial Year	HCC Funding	Agreed BET Bid Wins (\$) KPI	Achieved
2014-15	\$92,500	\$23.0 Million	\$39.5M
2015-16	\$100,000 #	\$23.7 Million	\$27.3M YTD
2016-17	\$100,000 *	\$24.4 Million	

\$100,000 granted of which the City allocated \$6,700 to to undertake the Hobart convention centre pre-feasibility study (it should be noted that BET allocated \$10K out of its budget for the study proportioned to the City)

* Identified funding as highlighted in MOU for 2016-17 FY

As can be seen above BET has performed well above the 'Bid Win' performance indicator for the last two years.

Within the MOU a number of collaborative initiatives have been outlined between the respective organisations. Please refer to **Appendix One** for a summary.

Proposed Funding for 2016-17 FY

The annual grant of \$100,000 received from the City during 2015-16 FY has made a significant contribution to selling and marketing Hobart for business events.

As indicated above \$10,000 of BET's current grant was utilised to partially fund (with a number of other stakeholders) a comprehensive pre-feasibility study for a convention centre in Hobart which was released earlier this year (see below for an update.)

BET now seeks funding of \$100,000 for the 2016-17 FY as outlined in its MOU. This funding will be critically utilised to fully sell and market Hobart as a vibrant business events destination.

BET's Proposed Strategies: 2016-17 and Onwards

The following is a summary of proposed BET strategies for Hobart.

Sales:

- Bid Generation and Conversion
- Re-launch of Tasmanian Ambassador Program (formerly Catalyst Program)
- Bid Research Resource
- Ongoing Site Inspections in Hobart
- Hobart Familiarisations
- Attendance at national and international trade shows
- Participation on international trade missions
- In Market Activities

Marketing:

- Marketing Collateral
- Digital Strategy
- Hosting trade media
- Public Relations
- Delegate Boosting/ Pre & Post touring / Return visitation

Membership Activities:

- Member Seminars in Hobart
- Member meets Member

- Networking Functions in Hobart
- Product Development

Update on Hobart Convention Centre Pre-feasibility Study

A pre-feasibility report on a dedicated convention facility in Hobart was recently undertaken by Gaining Edge, a consultancy firm specialising in the convention sector and with extensive experience in the national and international markets.

The City of Hobart along with the Federal Government (Tourism Demand Driver Infrastructure Fund), Tourism Industry Council Tasmania, University of Tasmania, Tasmanian Hospitality Association and Business Events Tasmania jointly funding the study.

The following are KEY POINTS that came from the study:

- Hobart is the only capital city in Australia without a purpose built convention centre and there has been no major addition to Hobart's venue supply since 1987 (besides the Federation Concert Hall).
- A new centre would address the needs of 500-1500 delegate events as well the Antarctic Hub and community hub.
- Hobart is presently not under consideration for many potential national events with over 700 delegates.
- Subject to a number of conditions, a multi-purpose convention facility in Hobart would accelerate the growth of business events and contribute to Tasmania's economic growth.
- Within 10 years of the centre opening, it could potentially contribute an additional \$100 million pa in direct expenditure and around 40,000 extra visitors (excluding partners.)
- This would be a significant contributor to Tasmania achieving its T21 targets over the longer term and driving visitation in off peak tourism periods.
- It would leverage Tasmania's unique tourism strengths, promote local industry and elevate Tasmania's status as a capital city.
- Supported by improving air access and hotel supply, there's enough market potential for Hobart to consider the next stage of assessment.

The NEXT STAGE:

- Site assessment, concept and costs, full financial feasibility study, undertaken with Government and industry consultation.
- While the Macquarie Point development was the catalyst for this process- Hobart also needs to consider other options, including redevelopment of existing facilities and its competitive position within the market over the longer term.
- Private sector engagement is likely to be difficult until a comprehensive feasibility study is undertaken.

To access the full report please go to:

http://www.businesseventstasmania.com.au/sites/betas/files/hobart_pre-feasibility_report_dec_2015.pdf

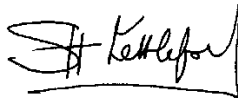
Conclusion

BET has clearly demonstrated that it is actively working with the City, delivering strong results for Hobart and providing an excellent return on the council's investment.

BET now seeks increased funding for the 2016-17 FY totalling \$100,000 pa.

Increased funding is critical for BET to continue its momentum for Hobart and maximise sales and marketing efforts for future growth in the business events sector.

On behalf of the Board, industry members and Hobart businesses that benefit from business events delegates coming to the city, BET sincerely thanks the City for its on-going support and now seeks consideration for approval for an increased grant in 2016-17 and onwards.

A handwritten signature in black ink, appearing to read 'St Nettlefold', enclosed within a rectangular box.

Stuart Nettlefold
Chief Executive Officer
Business Events Tasmania

Appendix One:**MOU between Business Events Tasmania and Hobart City Council July 2014- June 2017****Collaborative Initiatives**

BET and the City agree to investigate collaborative opportunities to work together across all areas of common strategic interest, including:

- Consideration of joint marketing activities to promote the City of Hobart as a destination.
- Consideration of how the Council's Tasmanian Travel and Information Centre (TTIC) can contribute to incentivising and supporting conference and event bids.
- Consideration of whether TTIC personnel could provide a 'meet and greet' service at key conferences.
- The promotion of the TTIC to BET clients as a preferred booking agent for pre and post business event touring, accommodation requirements and experiences.
- Exchange of information with the aim of alerting the TTIC to business opportunities through confirmed business events being held in Hobart.
- Consideration of opportunities for specific international market targeting such as Asia.
- Hobart represented at Asia- Pacific and Incentives Meeting Expo (AIME).
- Collaboration on bid opportunities.
- Collaboration on agreed PR and media opportunities.
- Sharing of images of business events for promotional purposes without copyright restrictions or fees payable.
- Hobart represented (in person or by BET) at strategic bids/ conferences.
- BET to work with City of Hobart meeting venues.
- Half yearly meetings between the CEO of BET and the General Manager of the Council and appropriate staff from the respective organisations which will include an annual review.

Priorities for Collaboration from 2014

BET and the Council have identified the following initiatives as priorities for the first year the new MOU is in place:

1. Jointly work to identify targeted business sectors that link to key areas of growth in Hobart and Tasmania e.g. domestic / international education, Antarctic, science and research, arts and culture and food and wine.
2. Building Relationships (in addition to the collaborative initiatives outlined above)
 - Aldermanic and Council officer attendance at BET presentations, seminars or member functions.
3. Consideration of the development of Hobart specific materials to assist in event attraction which includes the promotion of key council products (TTIC), venues and attractions.
4. Investigation of social media opportunities and its associated management.
5. Digital presence of TTIC on the BET website and in the 'Meeting & Incentive Planners Guide' to effectively communicate this organisation as a preferred booking agent or venue for off-site business event activity e.g. cocktail party or dinner.
6. Ongoing promotion of the Council's meeting venues/ facilities through familiarisations and bids.

7. Collaboration on bids where appropriate.

Exchange of Information

BET and the Council agree to exchange information about planned and proposed initiatives that specifically impact on the other partner.

Communication of sector trends and opportunities as researched by Business Events Tasmania and other national bodies.

Mechanism for Collaboration

BET and the Council will each nominate a senior person to act as the contact / liaison person for the other party. In the first instance, these nominees will be the CEO (Business Events Tasmania) and the General Manager (City of Hobart). Each contact person will endeavour to progress initiatives and overcome barriers to collaborative projects.

Annual Review

A meeting will be held annually between the General Manager (City of Hobart) and the CEO (Business Events Tasmania) to review progress with the MOU and review priorities for collaboration for the following year.

MEMORANDUM OF UNDERSTANDING

BETWEEN

BUSINESS EVENTS TASMANIA

AND

THE CITY OF HOBART

December 2014

Introduction

This Memorandum of Understanding (MOU) is between Business Events Tasmania (BET) and the City of Hobart (the Council). It seeks to build upon the relationship formalised by the MOU 2011-14, facilitating the continued collaboration and information sharing in a planned and informed manner for the period 2014-2017.

Purpose

The purpose of this MOU is to provide a framework for collaboration and information sharing that will support and enhance the objectives of both organisations with respect to the development and support of business events within the Hobart City Council municipal area.

BET and the Council agree to collaborate for the mutual benefit of both organisations and their stakeholders and for the benefit of Hobart and the State of Tasmania.

It is acknowledged that the two organisations share common interests in being responsive to, and advocating the needs and aspirations of their stakeholders in the interests of a vibrant and successful City.

Business Events Tasmania

Business Events Tasmania is a not-for-profit, membership based organisation. Its primary role is assisting event organisers stage a memorable, cost-effective and successful association and corporate and incentive business event in Tasmania.

Business Events Tasmania's objectives are:

- to secure business events through targeted sales and marketing activities in the Tasmanian, national and international markets, to maximise benefits to the state;
- to increase the awareness of Tasmania as a business event destination of choice;
- to manage the organisation efficiently and effectively;
- to optimise the benefits for BET's four main beneficiaries: members, stakeholders, the Tasmanian tourism industry, and the Tasmanian community.

The City of Hobart

The City of Hobart's Economic Development Strategy (2013-18) is hinged upon 5 strategic objectives, guiding the economic growth and success of Hobart. These can be identified as:

1. Understand the economic drivers for a local or regional community.

2. Understand the weaknesses, vulnerabilities and opportunities within communities.
3. Seek to broaden the economic base and minimise impacts.
4. Establish strategic alliances and relationships with existing or potential businesses or markets, both domestic and international.
5. Create networks within communities to build relevance, engagement and participation.

Context

The Council has for a number of years financially supported BET and its predecessor, the Tasmanian Convention Bureau.

The Council has contributed this support with the knowledge that conferences and business events attract the highest spending form of visitor¹. The Council also recognises the potential such events have to showcase the City of Hobart, generate interest as a desirable tourism destination and thus their capacity to drive future visitation.

The Council recognises BET is a not-for-profit organisation, dedicated to providing business events professionals with independent expert advice and support on holding a business event in Tasmania. BET is also a member representative body that relies on the industry as a whole to deliver satisfactory product and services to win bids for the benefit of Hobart.

It is within this context that the Council seeks to maintain the structure of its working relationship with BET through this MOU (preceding the MOU 2011-14).

Council Funding

To date, the Council's funding of BET has been as follows (plus GST):

2010/11	\$65,000
2011/12	\$80,000
2012/13	\$90,000
2013/14	\$90,000
2014/15	\$92,500

Annual incremental increases in funding will be considered by the Council on an annual basis.

It is the aim of BET to reach \$100,000 in annual funding in 2015/16 from the Council in recognition of the broad economic and social benefits conferencing brings to the City of Hobart (for the 2013-14 FY there were 93 events with an estimated economic worth of \$27.8 million.) From 2016/17 onwards, BET will be aiming for increases in funding in annual increments, in line with CPI.

¹ <http://www.businesseventscouncil.org.au/economic-value.html>

Collaborative Initiatives

BET and the Council agree to investigate collaborative opportunities to work together across all areas of common strategic interest, including:

- Consideration of joint marketing activities to promote the City of Hobart as a destination.
- Consideration of how the Council's Tasmanian Travel and Information Centre (TTIC) can contribute to incentivising and supporting conference and event bids.
- Consideration of whether TTIC personnel could provide a 'meet and greet' service at key conferences.
- The promotion of the TTIC to BET clients as a preferred booking agent for pre and post business event touring, accommodation requirements and experiences.
- Exchange of information with the aim of alerting the TTIC to business opportunities through confirmed business events being held in Hobart.
- Consideration of opportunities for specific international market targeting such as Asia.
- Hobart represented at Asia- Pacific and Incentives Meeting Expo (AIME).
- Collaboration on bid opportunities.
- Collaboration on agreed PR and media opportunities.
- Sharing of images of business events for promotional purposes without copyright restrictions or fees payable.
- Hobart represented (in person or by BET) at strategic bids/ conferences.
- BET to work with City of Hobart meeting venues.
- Half yearly meetings between the CEO of BET and the General Manager of the Council and appropriate staff from the respective organisations which will include an annual review.

Priorities for Collaboration from 2014

BET and the Council have identified the following initiatives as priorities for the first year the new MOU is in place:

1. Jointly work to identify targeted business sectors that link to key areas of growth in Hobart and Tasmania e.g. domestic / international education, Antarctic, science and research, arts and culture and food and wine.
2. Building Relationships (in addition to the collaborative initiatives outlined above)
 - Aldermanic and Council officer attendance at BET presentations, seminars or member functions.
3. Consideration of the development of Hobart specific materials to assist in event attraction which includes the promotion of key council products (TTIC), venues and attractions.

4. Investigation of social media opportunities and its associated management.
5. Digital presence of TTIC on the BET website and in the 'Meeting & Incentive Planners Guide' to effectively communicate this organisation as a preferred booking agent or venue for off-site business event activity e.g. cocktail party or dinner.
6. Ongoing promotion of the Council's meeting venues/ facilities through familiarisations and bids.
7. Collaboration on bids where appropriate.

Performance Indicators

The performance indicators for this MOU between the Council and BET include:

- Demonstrated delivery of growth (as in table below) in conference and business events to Hobart to be reported to the Council annually.

Financial Year	HCC Funding	BET Bid Wins (\$)
2014-15	\$92,500	\$23M
2015-16	\$100,000*	\$23.7M
2016-17	\$100,000*	\$24.4M

* Requested funding

Exchange of Information

BET and the Council agree to exchange information about planned and proposed initiatives that specifically impact on the other partner.

Communication of sector trends and opportunities as researched by Business Events Tasmania and other national bodies.

Mechanism for Collaboration

BET and the Council will each nominate a senior person to act as the contact / liaison person for the other party. In the first instance, these nominees will be the CEO (Business Events Tasmania) and the General Manager (City of Hobart). Each contact person will endeavour to progress initiatives and overcome barriers to collaborative projects.

Annual Review

A meeting will be held annually between the General Manager (City of Hobart) and the CEO (Business Events Tasmania) to review progress with the MOU and review priorities for collaboration for the following year.

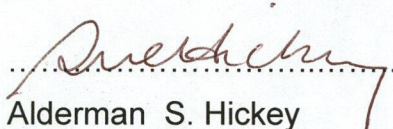
An annual submission and meeting with the Council will also be held. In recognition of the funding support provided by the Council, BET will make an annual presentation to the Council within three months of the end of each financial year.

Duration of MOU

This MOU is valid for the financial years 2014/15, 2015/16 and 2016/17, after which time both parties may agree to renew the MOU.

Legal Standing of Agreement

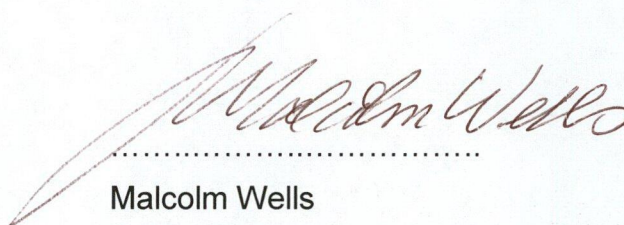
This MOU is a statement of intent. The parties do not wish to be legally bound by the terms of this MOU.

Signed:

Alderman S. Hickey

Lord Mayor

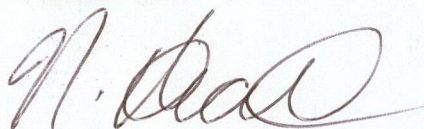
City of Hobart



Malcolm Wells

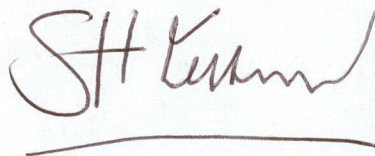
Chair Person

Business Events Tasmania

Witnessed:

Date:

18/3/15



Date:

18/3/15

3. CHRISTMAS DECORATIONS - MULTI-YEAR PLAN – FILE REF: 13-25-2

17x's

Report of the Director Community Development and the Manager City Marketing of
1 June 2016.

DELEGATION: Council

TO : Economic Development and Communications Committee

FROM : Director Community Development

DATE : 1 June 2016

SUBJECT : **CHRISTMAS DECORATIONS - MULTI-YEAR PLAN**

FILE : 13-25-2 :IG:DT (o:\council & committee meetings reports\edcc reports\2016 meetings\6 june - special\christmas decorations 2016-jun16.doc)

1. INTRODUCTION

- 1.1. This report submits a proposal for the City of Hobart Christmas Decorations Program for 2016, as part of the multi-year plan endorsed by the Council in 2015.

2. BACKGROUND

- 2.1. At its meeting held on 13 April 2015, the Council resolved to implement a multi-year plan for Christmas decorations *inter alia*, as follows:

“That: 1. The Council endorse the proposed theme of ‘a fairy tale Christmas’ for 2015, and the adoption of an annual theme in forthcoming years to be used for the following (whilst still retaining the core visual identity):

- (i) New Christmas decorations treatments;*
- (ii) The Hobart Christmas Pageant;*
- (iii) The City of Hobart Carols by Candlelight; and*
- (iv) Christmas campaigns, activations and entertainment.*

- 2. The Council endorse a bespoke, illuminated tree (concept shown in Attachment A to Special item 2 of the Economic Development and Communications Committee agenda of 13 April 2015), to be fabricated in 2015 and installed in Salamanca Square in 2015, 2016 and 2017.”*

Community Survey

- 2.2. A survey undertaken of City of Hobart residents earlier in 2016 has provided feedback on community expectations of the City of Hobart Christmas decorations program.

- 2.3. The survey was undertaken between 3 and 5 March 2016 by Enterprise Marketing and Research Services (EMRS) using Computer Assisted Telephone Interviewing and asked 400 City of Hobart adult residents a series of structured questions so as to gain a greater understanding of the awareness, perceptions and expectations residents and ratepayers hold towards the Christmas decorations program in the City of Hobart.
- 2.4. A total sample of 400 completed surveys was achieved providing sufficient data to be comfortable with the key findings whilst also enabling a comparison across demographic sub-groups.
- 2.5. On being asked to consider the festivity and appeal of the Christmas decorations, the clear majority (77 percent in total), felt that the decorations make Hobart festive and appealing at Christmas time, 13 percent of whom said “very festive and appealing”.
- 2.6. On being asked to give their level of satisfaction with the City of Hobart’s Christmas decorations, 61 percent in total were satisfied, 15 percent of whom were “very satisfied” and 46 percent “somewhat satisfied”.
- 2.7. As a source of awareness of the Christmas decorations, unprompted, 78 percent reported that they became aware of them by seeing them in the city, and 20 percent found out about them through newspaper articles.
 - 2.7.1. It is noted that the City promoted a number of Christmas related programs through the newspaper including the City of Hobart Christmas Decorations Competition, however, no advertising of the decorations was undertaken. From this, it is deduced that awareness was created out of a combination of media articles and advertising of related programs.
- 2.8. The most positive perception held of the decorations is the traditional red and green colour scheme, 82 percent in total, followed by the Wellington Court tree, 79 percent. 70 percent of respondents held a positive view of the decorations in Elizabeth Mall, designed to appeal to children and families.
- 2.9. The Salamanca Square Christmas tree was the least favourably regarded with 35 percent viewing it positively. 54 percent of respondents had seen reports about this tree in the media, 30 percent discussed the tree with other people, 23 percent heard about it through word-of-mouth and 16 percent saw it on social media.

- 2.10. Somewhat more likely to have a positive perception of the tree were respondents who went and saw the tree, 39 percent.
- 2.11. A significantly higher proportion of those respondents who had seen reports about the Salamanca Square Christmas tree in the media were likely to be dissatisfied at some level with Hobart's decorations overall (38 percent).
- 2.12. 35 percent of respondents provided suggestions on how to improve the decorations program with suggestions including: reuse decorations; more involvement by the community; more of an Australian feel; more festive. A small percentage (5 percent) recommended another big Christmas tree.
- 2.13. In regards to funding of the decorations, 30 percent in total nominated up to \$150,000 per annum as an appropriate annual investment in the City's Christmas decorations. 16 percent nominated between \$150,000 and \$200,000 and 22 percent between \$200,000 and \$500,000.
- 2.14. Respondents were asked whether more priority should be given to decorations outside the city centre and the clear majority, 71 percent, thought that the decorations program should stay focused on the city centre.
- 2.15. The Christmas decorations do not have a large impact on the number of visits to the city centre or the time spent there by the survey respondents, with 78 percent stating that the decorations made no difference.

Proposal in response to research findings

- 2.16. It is felt that given these results, the City's current approach to Christmas decorations is generally in alignment with community expectations in terms of scale, scope, thematic and expenditure.
- 2.17. There are however, opportunities for the 2016 City of Hobart Christmas Decoration Program to positively respond to some of the findings of the community survey.

Thematic

- 2.18. In accordance with the Council's 2015 resolution to adopt an annual theme, the theme for 2016 is proposed to be 'Australian Christmas' utilising Australian themed illustrations and introducing some additional vibrancy to the colour palette. This would directly respond to the feedback from the community survey.

- 2.18.1. The overall traditional visual identity that includes the red and green colour palette would not be diminished, having been resoundingly endorsed through the community survey.
- 2.19. In line with the survey findings, it is proposed that with the exception of civic banners in Sandy Bay once the banner poles have been installed, no new expansion of the Christmas decorations into the suburban retail precincts be undertaken at this time.
- 2.19.1. It is noted that suburban businesses are already able to participate in the City of Hobart Christmas Decorations Competition, which is offered to all organisations in the Hobart City Council municipal area that have street visibility (accessible to the public), including not-for-profit charitable or community services, and shopping centres where individual businesses would be eligible to enter, but excluding residential properties.
- 2.19.2. The competition features four categories in which eligible organisations may enter: retail; service; hospitality/attraction; and not-for-profit charitable or community services/facility.
- 2.19.3. The winners in each of the four categories win a \$1,000 cash donation made by the City to their charity of choice, with the winning organisation to also receive a certificate and trophy.
- 2.19.4. The organisation whose display receives the most number of people's choice nominations wins a further 'People's Choice' cash donation of \$1,000 made by the City to a charity of its choice.

Salamanca Square Christmas Tree

- 2.20. Responding to the tree's positive reception by the trader community in Salamanca Square, whilst addressing the observations and concerns of some members of the community, it is proposed to further activate the tree during the day involving the community. This could include:
- (i) Installing wishing wall structures / elements around the tree and engage with charities / community groups to create opportunities for children and people of all ages to share Christmas wishes and potentially make donations;
 - (ii) In partnership with the community, creating a sound / auditory based experience with a Christmas theme. This might be spoken word or music; and
 - (iii) Installing additional lighting to add to the vibrancy of the tree.

- 2.21. The finalised design proposal for these elements would be submitted to the Council for formal approval, and an inspection opportunity for Aldermen of the Salamanca Square Christmas tree and new associated elements would be arranged prior to installation.

Use of the Salamanca Square Christmas Tree for the ‘Paint the Town Red’ campaign

- 2.22. Correspondence received from Salamanca Square Inc dated 5 February 2016 and 26 May 2016, and showing as **Attachment A** to this report, requests that the tree could be installed for Dark Mofo (10 to 21 June), with red lighting and without the yellow star.
- 2.22.1. The red lighting would correspond with the ‘Paint the Town Red’ campaign that is coordinated through Destination Southern Tasmania.
- 2.22.2. It is noted that as with previous years, the City will be supporting this campaign again in 2016 and will illuminate a number of its assets red including Elizabeth Mall, Salamanca Place and the Railway Roundabout Fountain.
- 2.23. The request to use the Salamanca Square Christmas Tree would cost the Council in the order of \$2,000 in terms of transport, installation and removal costs, a sum that has not been allowed for in the 2015/2016 Annual Plan.
- 2.24. Further to the consideration of the cost, there is the consideration of the purpose of the tree, which was designed specifically as a structurally robust, and unique Christmas tree to fit with the ‘arts and contemporary’ character of the Salamanca precinct.
- 2.25. Removing the star and using the tree in support of the Dark Mofo festival could conflict with the structure’s purpose as a Christmas tree.
- 2.26. Notwithstanding this, there could be some merit in considering an alternative use for the tree, given the tree’s support by the trader community in Salamanca Square and the negative perceptions of the cost of the tree held by some members of the community.
- 2.27. Ultimately, however, the Council would need to determine whether the unbudgeted costs associated with installing the tree for the ‘Paint the Town Red’ campaign are warranted at this time.

Large Scale Traditional Christmas Tree

- 2.28. Although at this time there is no officer proposal for the installation of an additional large artificial or real traditional Christmas tree in the city, this could be further explored.
- 2.29. Aldermen would be aware that there is already a seven (7) metre traditionally styled artificial tree in Wellington Court. This location is optimal given the sheltered nature of the space and given that it can be fully secured at night.
- 2.30. A highly illuminated, larger artificial tree in the order of 11 metres, could cost a minimum of \$50,000 taking into account the purchase of the tree, freight, decorations, lights, a secure base and safety barrier.
- 2.31. Possible locations for such a tree could be in front of the Hobart Town Hall, perhaps in support of the 150th anniversary of the building, or a central park area. The placement of such a tree would however, require overnight security arrangements to minimise possible damage, the cost of which could be in the order of \$24,000 to \$28,000 over a seven week display period.
 - 2.31.1. The Council has recently been approached by a local supplier of Christmas trees and decorations, offering to facilitate the supply of such an artificial tree 'at cost'.
 - 2.31.2. A video of an 11 metre high and 5.4 metre wide (at the base) tree offered by this provider, featuring 7,800 LED lights, being installed and in operation will be presented to the Economic Development and Communications Committee meeting.
- 2.32. A provision for the costs associated with the purchase, installation and security arrangements for this kind of large scale Christmas tree has not been specifically allowed for in the 2016/2017 budget estimates.

Community Activation

- 2.33. In conjunction with the community, it is proposed that an activation program be developed for the city centre that has, as its aim, the ability to encourage people to visit and to participate in the available activities, thereby influencing the number of visits and the length of time spent there.
 - 2.33.1. Current programs such as the Hobart Christmas Pageant have been successful in bringing people into the city centre.

- 2.34. It is proposed that community groups would be offered the opportunity to be involved, and this might take the form of choirs, workshops, presentations and other entertainment.

2.34.1. The City of Hobart has, for many years, coordinated a parcel minding and gift wrapping service. Charities are invited to provide the service in the Elizabeth Mall in return for a gold coin donation. In previous years, the Salvation Army, Bravehearts, Oak Tasmania, Council on the Ageing and Rotary have participated.

Collins Court

- 2.35. With the installation of new lighting infrastructure in Collins Court, it is proposed that this is programmed so that it is a further enhancement to the city centre Christmas experience. It is also possible that some activation may occur in this space.

City Centre Brand - 'Hello Hobart'

- 2.36. At its meeting held on 9 May 2016, the Council endorsed a new brand for the city centre, 'Hello Hobart'. This brand is central to the new marketing strategy for the city centre that is now being implemented.
- 2.37. The strategy is heavily targeted to encouraging dialogue, using social media, to engage with the consumer on a personal level. 'Hello Hobart' social media communications will feature heavily as part of the Christmas marketing mix.
- 2.38. The strategy provides opportunities for individual businesses to directly participate in city centre marketing, whilst also delivering marketing benefits for the city centre as a destination.

Hobart Waterfront Festive Lights

- 2.39. The Council, at its meeting held on 11 April 2016, approved funding for colour capable lighting for the cardinal lights in Mawson Place. The installation work is planned to be completed and the system operational by Christmas 2016.
- 2.40. New red LED cards for the Salamanca Place floodlights have been sourced for use for Dark Mofo. These may also be activated as part of the Christmas decorations program subject to the red colour being considered appropriate for Christmas. A determination will be made after their use at the Dark Mofo event.

- 2.41. Contractor issues have delayed the reinstallation of the suspended lighting in Kennedy Lane which was removed to allow for the new Salamanca Square toilets. This is being progressed and should be resolved well before Christmas.

Town Hall Facade Lighting

- 2.42. A new system of colour capable, programmable LED facade lighting of the Hobart Town Hall is expected to be installed by the end of November 2016.
- 2.43. The new lighting would include in-ground and projected flood lights as well as lights across the facade of the Town Hall.

Budget 2016

- 2.44. The Council has previously endorsed a year-by-year incremental change to the city centre decorations program through the introduction of an annual theme. This allows replacement items to be updated with new graphics whilst ensuring that the overall visual identity remains traditional and suited to families and children.
- 2.45. It has also previously been noted that it is necessary to ensure an annual budget is made available to replace damaged items, and in order to accommodate improvements in products and/or technology which may provide for improved design, safety and/or energy outcomes.
- 2.46. This year, fabricated items such as the planter box panels and tree surrounds will require replacement as they have reached the end of their usable life.
- 2.47. The community survey has reinforced the direction set by the Council in relation to the Christmas decorations budget.
- 2.48. The proposal for 2016 would ensure that expenditure not exceed the upper limit (identified within the survey at \$150,000) for replacement items, new items and the operational costs of installation and removal.

- 2.49. The table below details the proposed expenditure for 2016 based on current cost estimates. In this it is assumed that all other decorations have previously received endorsement by the Council and are being reused.

Budget Item	\$ Cost Estimate
Christmas theme – illustrator	2,000
Town Hall wreaths/garlands – replace baubles and permanent cable covering	2,400*
Conifers in pots (inc. + 1 Mathers House)	400
Town Hall foyer Christmas Tree	1,000
Tree surrounds – replace 3 in Elizabeth Mall	7,000*
Pole surrounds – strip graphics and reskin – Elizabeth Mall	16,500
Mall Booth skin	3,000
New civic banners	8,000*
Planter box panels – fabrication	8,000*
Planter box panels - skin	7,800
Customer Services entry door vinyl (incl print, installation, removal)	4,000
New Christmas decorations for Customer Services tree	800*
New decorations for Wellington Court tree	2,800*
New street banner for Collins Street	600*
Replacement soldier	700*
Liverpool Street - new pole surrounds	15,000*
Liverpool Street planters and vinyl skins	6,000*
Fairy lights in Mather's Lane	2,000
Salamanca Square lights and wishing wall structure (estimated value of possible works only and subject to detailed design and costings)	12,000*
Civil Works project management - installation and removal	50,000
Total decorations budget (* denotes capital expense)	150,000

3. PROPOSAL

- 3.1. In accordance with the Council's 2015 resolution to adopt an annual theme, the theme for 2016 is proposed to be 'Australian Christmas' and will introduce a number of Australian themed illustrations to new decorations treatments.
- 3.2. Responding to the tree's positive reception by the trader community in Salamanca Square, whilst addressing the observations and concerns of some members of the community, it is proposed that the Salamanca Square Christmas tree be again displayed, but include the following additions:
 - (i) The installation of wishing wall structures / elements around the tree, and engage with charities or community groups to create opportunities for children and people of all ages to share Christmas wishes and potentially make donations;
 - (ii) The development of a sound / auditory based experience in partnership with the community; and
 - (iii) The installation of additional lighting to add to the vibrancy of the tree.
- 3.3. It is further proposed that the finalised design proposal for these elements be submitted to the Council for formal approval, and that an inspection opportunity for Aldermen of the Salamanca Square Christmas tree and new associated elements be arranged prior to their installation.
- 3.4. It is proposed that an activation program for the city centre in conjunction with the community also be developed with its aim to encourage people to visit and to participate in the activities offered.
- 3.5. With the installation of new lighting infrastructure in Collins Court, Mawson Place and the Town Hall facade, it is proposed that this is programmed so that it is a further enhancement to the city centre Christmas experience.

4. IMPLEMENTATION

- 4.1. The City of Hobart Christmas decorations program is a program of the Community Development Division's City Marketing Unit delivered in collaboration with the Project Services Unit, Civil Works Unit, Community Inclusion Unit, Events and Salamanca Market Unit and the Parks and Recreation Unit.

5. STRATEGIC PLANNING IMPLICATIONS

- 5.1. This initiative aligns with the following Future Directions in *Hobart 2025 Strategic Framework*:

FD1 - Offers opportunities for all ages and a city for life;

FD2 - Is recognised for its natural beauty and quality of environment;

FD4 - Achieves good quality development and urban management;

FD6 - Builds strong and healthy communities through diversity, participation and empathy; and

FD7 - Is dynamic, vibrant and culturally expressive.

6. FINANCIAL IMPLICATIONS

- 6.1. Funding Source(s)

6.1.1. The total capital cost of the proposed 2016 Christmas decorations program is \$63,300, the operating deliverables cost would be \$36,700 and the projected Civil Works installation and removal operating cost would be \$50,000.

- (i) A provision for operational costs in the order of \$86,700 has been included in the City Marketing Function of the draft 2016/2017 budget estimates.
- (ii) \$70,000 has been allocated to Christmas decorations in the asset replacement budget for 2016/2017.

- 6.2. Impact on Current Year Operating Result

6.2.1. The City Marketing Function remains within budget.

- 6.3. Impact on Future Years' Financial Result

6.3.1. It is proposed to allocate \$86,700 for the capital and operating costs of the 2016 Christmas decorations program in the City Marketing Function of the 2016/2017 budget estimates.

- 6.4. Asset Related Implications

6.4.1. New asset costs of \$63,300 are expected.

6.4.2. The project is expected to incur additional annual depreciation of \$6,330 per annum.

6.4.3. No write off is likely to be incurred for the disposal of old or redundant decorations in the 2016/2017 financial year.

7. SOCIAL IMPLICATIONS

- 7.1. The City of Hobart Christmas decorations program would create a focus for festive season celebrations for families with young children and the wider community in the city centre and Salamanca Square.

8. COMMUNICATION AND MEDIA IMPLICATIONS

- 8.1. It is considered important that the City is able to respond to the Salamanca Square Christmas tree's positive reception by the Salamanca Square trader community, whilst acknowledging the observations and concerns of some members of the community.
- 8.2. The proposal for the tree contained within this report seeks to achieve this.
- 8.2.1. It is acknowledged, however, that returning the tree to Salamanca Square may cause some of the negative public debate from 2015 to reoccur and consequently, a communications plan will be prepared.
- 8.3. It is noted that the general direction set by the Council in terms of the overall theme and budget has been validated through the community survey and that specific survey findings are being addressed in the proposals contained within this report.
- 8.4. The survey identified that the Christmas decorations, in themselves, were not motivating the number of shopping or social visits to the city centre. Notwithstanding this, the survey found that the clear majority of respondents felt that the decorations make Hobart festive and appealing at Christmas time, and contained within this report is a proposal for community-led activities to enhance the Christmas experience in the city centre and Salamanca Square.

9. DELEGATION

- 9.1. This matter is delegated to the Council for consideration.

10. CONSULTATION

- 10.1. The Executive Manager City Design, Manager Community and Cultural Programs, Senior Architect and Asset Systems Analyst have been consulted in the writing of this report.

11. CONCLUSION

- 11.1. A survey undertaken of City of Hobart residents earlier in 2016 has provided feedback on community expectations of the City of Hobart Christmas decorations program.
- 11.2. In summary, the general direction set by the Council in terms of the overall theme and budget has been validated through this survey.
- 11.3. The survey identified that residents prefer traditional decorations, prefer the traditional colour palette of red and green, believe that the emphasis of the decorations program should remain on the city centre, and support an annual budget commitment of up to \$150,000.
- 11.4. The survey identified that the Christmas decorations, in themselves, were not motivating the number of visits to the city centre or the time spent there by the survey respondents. Notwithstanding this, the survey found that the clear majority of respondents felt that the decorations make Hobart festive and appealing at Christmas time.
- 11.5. The survey identified that the media around the Salamanca Square Christmas tree had negatively influenced perceptions of the tree as well as perceptions of the decorations program overall for some people.
- 11.6. The 2016 decorations program aims to directly respond to the findings of the community survey.
- 11.7. The Council has previously endorsed a year-by-year incremental change to the city centre decorations program through the introduction of an annual theme. An annual incremental change helps to keep the program fresh and supports the annual need to replace damaged decorations or items that have reached the end of their usable life.
- 11.8. The 2016 Christmas decorations program would retain, in the majority, the traditional colour palette of green and red, with a selection of the bespoke graphics updated to reflect the 2016 theme of 'Australian Christmas'.
- 11.9. The proposed emphasis for the 2016 Christmas decoration program would be retained in the city centre, namely, Elizabeth Mall, Wellington Court, city centre streets, including the newly redeveloped Liverpool Street, the Council Centre and the Town Hall, and Salamanca Square, and would be supplemented by civic banners in North Hobart and in Sandy Bay, if the banner poles proposed as part of the redevelopment are available.

- 11.10. The community would be engaged in activation planning for Salamanca Square and the city centre to encourage visitation, in particular the number of visits and time spent there.
- 11.11. With the installation of new lighting infrastructure in Collins Court, Mawson Place and the Town Hall facade, it is proposed that this is programmed so that it is a further enhancement to the city centre Christmas experience. It is also possible that some activation may occur in the Collins Court space.
- 11.12. Where the design remains current and it is safe to do so, existing decorations would be reused.

12. RECOMMENDATION

That:

- 12.1. The report : (o:\council & committee meetings reports\edcc reports\2016 meetings\6 june - special\christmas decorations 2016-jun16.doc) be received and noted.*
- 12.2. The Council endorse the introduction of an 'Australian Christmas' theme for some elements of the 2016 City of Hobart Christmas Decoration Program.*
- 12.3. The Council endorse the display of the existing Salamanca Square Christmas tree, including the following additions:*
- (i) 'Wishing wall' structures / elements installed around the tree;*
 - (ii) A Christmas themed sonic or aural experience to be developed in partnership with the community; and*
 - (iii) Additional lighting;*
- and that the finalised design proposal for these elements be submitted to the Council for formal approval, prior to fabrication.*
- 12.4. An inspection opportunity for Aldermen of the Salamanca Square Christmas tree and new associated elements be arranged prior to their installation.*

12.5. The operational cost of the City of Hobart Christmas decoration program, in the order of \$86,700, be attributed to the City Marketing function within the draft 2016/2017 budget estimates.

As signatory to this report, I certify that, pursuant to Section 55(1) of the Local Government Act 1993, I hold no interest, as referred to in Section 49 of the Local Government Act 1993, in matters contained in this report.



(Iris Goetzki)

MANAGER CITY MARKETING



(Philip Holliday)

DIRECTOR COMMUNITY DEVELOPMENT

Attachment A: Correspondence from the Salamanca Square Inc dated 5 February 2016 and 26 May 2016 (2)



5 February 2016

Mr Philip Holliday
Hobart City Council
GPO Box 503
HOBART 7001

Dear Philip,

Salamanca Square

Salamanca Square Inc. held a meeting recently at which it was agreed I should write to you to express the group's appreciation of the recent works in Salamanca Square on public toilets and the installation of the Christmas tree on the grassed area at the eastern end of the Square.

We are supportive of the re-installation of this attraction during the Winter Solstice, say early June 2016 when the lighting in the structure will be better appreciated by all. The yellow star could be removed for this installation. We support the structure then remaining in situ into the future with the star and decorations added in December each year.

There has been some comment around getting the installation higher off the ground, however this is something for the designer.

With the toilets now complete we are also interested in how the stage over the toilets will be used and whether power and sound is available at this location.

The new CEO of The Mercury, Mr John Webster (John.Webster@news.com.au) attended our last meeting and would, I am sure, be interested in having input into the future use of the stage.

During a recent event we discovered the GPO on the light standard in front of the Salamanca Bakery was not operational. It would assist the future use of the Square in this could be upgraded to a 15 AMP GPO as required by some events from time to time.

Thank you and Council for your continued support of Salamanca Square and we look forward to working with you into the future.

Yours sincerely
Salamanca Square Inc

Matt Jensen
Chairman

Salamanca Square Inc

Level 4, Office 21, 33 Salamanca Place, Battery Point Tasmania 7004
Secretary: nigelb@stratacomplete.com.au Tel: 03 6224 8366

SALAMANCA SQUARE

26 May, 2016

The Lord Mayor
Hobart City Council
Town Hall
HOBART 7000

Dear Lord Mayor,

Christmas Tree in Salamanca Square

We received with concern a proposal for a cut tree to be displayed in Salamanca Square over Christmas.

This group is not supportive of cutting a live tree for this purpose and it is something which would be open to attack from some and to damage.

Being the Arts Precinct of Hobart, this group supports the tree which was installed last Christmas and, in previous correspondence to Phillip Holliday, suggested it be erected for Dark MoFo 2016 with red lighting without the yellow star. It could remain on site to be decorated appropriately for Christmas 2016.

We understand the tree caused negative reaction from some, however from the point of view of the Square, it was all publicity; perhaps not so for Council.

The only other thought we had was for an appropriate live tree to be planted in the Square which could be decorated each year. Traders have certainly been enthusiastic in the past for Christmas fairy lighting to be installed for Christmas in the deciduous trees in Salamanca Square and a decorated live tree could compliment that.

There is not support for a cut live tree.

We look forward to working with Council into the future to add life into the important public asset which is Salamanca Square.

Yours sincerely,
Salamanca Square Inc



Matt Jensen
Chairman

Salamanca Square Inc.

Level 4, Office 21, 33 Salamanca Place, Battery Point Tasmania 7004
Secretary: nigelb@stratacomplete.com.au Tel: 03 6224 8366

MOTION OF WHICH NOTICE HAS BEEN GIVEN UNDER REGULATION 16 (5) OF THE LOCAL GOVERNMENT (MEETING PROCEDURES) REGULATIONS 2015
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**4. INSTALLATION OF TRADITIONAL CHRISTMAS TREE IN SALAMANCA –
FILE REFS: 13-1-9 & 13-25-2**

ALDERMAN ZUCCO

That a report be prepared that provides options for Council to consider the installation of a traditional Christmas tree in Salamanca Square for the 2016 season.

The report canvas various options for this to occur and in particular the Council officers liaise with Norske Skog regarding this proposal with an intent to discuss options for a potential sponsorship arrangement that may provide Council with an appropriate tree for this purpose

Rationale:

As Council is well aware the establishment of a bespoke sculpture tree created significant adverse publicity for Council. After visiting a number of Australian cities prior to and during the Christmas season, in particular the City of Melbourne which has traditional Christmas trees throughout the city over the festive season that have overwhelmingly been embraced by the public, I am of the view that the City of Hobart should revert to installing a traditional tree in Salamanca Square.

The public outcry against the sculpture in Salamanca Square was a sad distraction from what should have been a joyous build up to the festive season. It is our duty as a Council to admit that we could have done better and that in 2016, we will do so and go back to a traditional tree.

Some years ago Council sought Christmas trees from various businesses. I have had some preliminary discussions with Arnold Willems the Fibre, Supply and Logistics Manager from Norske Skog who has indicated he would gladly discuss this proposal and would be interested in pursuing discussions with Council regarding a sponsorship or similar arrangement.

To counter any adverse reaction about the current sculpture and its future use, perhaps it could be installed in a more fitting location, perhaps near the Art School on the waterfront.

cont.../

Item No. 4 continued

The General Manager reports:

“That in accordance with clause 5 of the Notices of Motions procedures, I provide the following qualification as to whether the substance of this Notice of Motion resides within the jurisdiction of the Hobart City Council:

The matter resides within the jurisdiction of the Hobart City Council as it relates to the City of Hobart’s Christmas decorations program.

5. CLOSED PORTION OF THE SPECIAL ECONOMIC DEVELOPMENT AND COMMUNICATIONS COMMITTEE MEETING

The following items were discussed:-

- Item No. 1. Indications of Pecuniary and Conflicts of Interest
- Item No. 2. Horse and Carriage Business – One Year Review - File Ref: 10-6-1
 LG(MP)R 15(2)(c)