



CITY OF HOBART

AGENDA

Council Meeting

Open Portion

Monday, 28 March 2022

at 5:00 pm

Council Chamber, Town Hall

SUPPLEMENTARY ITEM

ORDER OF BUSINESS

- 23. Salamanca Market Licence Agreement 3**

The Chief Executive Officer reports:

“That in accordance with the provisions of Part 2 Regulation 8(6) of the *Local Government (Meeting Procedures) Regulations 2015*, these supplementary matters are submitted for the consideration of the Committee.

Pursuant to Regulation 8(6), I report that:

- (a) information in relation to the matter was provided subsequent to the distribution of the agenda;
- (b) the matter is regarded as urgent; and
- (c) advice is provided pursuant to Section 65 of the Act.”

23. Salamanca Market Licence Agreement
File Ref: F22/27528; S33-060-02/38

Report of the Chief Executive Officer of 25 March 2022.

Delegation: Council

REPORT TITLE: SALAMANCA MARKET LICENCE AGREEMENT**REPORT PROVIDED BY:** Chief Executive Officer**1. Report Purpose and Community Benefit**

- 1.1. This report seeks Council approval to provide Salamanca Market licensed stallholders with a 12 month licence commencing 1 July 2022 that effectively continues the terms and conditions of the current Salamanca Market Stallholder Licence Agreement 2017-2022 that expires on 30 June 2022.

2. Report Summary

- 2.1. The 2017-2022 Salamanca Market Stallholder Licence Agreement expires on 30 June 2022.
- 2.2. Having considered the matter, the Executive Leadership Team is proposing to not proceed with the process of negotiating a new Salamanca Market Stallholder Licence agreement at this time in order to allow officers to determine the impacts of the pandemic on stallholders and to provide time for the organisational restructure to settle.
- 2.3. In legal and practical terms, it will not matter if Tasmania's Own Market is required to continue past 1 July 2022, however due to the expiry of the Salamanca Market Licence Agreement it is necessary to renew or extend this particular agreement at this time.
- 2.4. A postponement for any new licence agreement would provide additional time for officers to engage with the Salamanca Market Stallholders' Association (SMSA) and stallholders to develop a new licence agreement that will meet the future needs of stallholders and the market.
- 2.5. It is proposed that the Council endorse a 12 month licence with the same terms and conditions of the existing licence (amended clauses 5 – 9) commencing from 1 July 2022.
- 2.6. The SMSA has been briefed on this matter.

3. Recommendation***That:***

1. ***The Council approve a Salamanca Market Stallholder Licence from 1 July 2022 until 30 June 2023 on the same terms and conditions as the current Salamanca Market Stallholder Licence 2017-22 save for clauses 5 to 9 being amended to make provision for a 12 month period.***

2. *The Chief Executive Officer be delegated the authority to finalise the terms of the licence and do all things necessary to facilitate implementation.*

4. Background

- 4.1. On Wednesday 18 March 2020, the General Manager, using their delegated authority, suspended Salamanca Market for an initial two week period.
- 4.2. As at midnight Wednesday 25 March 2020 and in response to COVID-19, the Tasmanian Government prohibited outdoor markets such as Salamanca Market to operate. As a result, the General Manager authorised Salamanca Market to remain suspended until further notice.
- 4.3. On Wednesday 24 June 2020, the Tasmanian Premier announced a relaxation of restrictions that allowed non-essential markets to operate under strict conditions.
- 4.4. In response, a smaller interim market was created called Tasmania's Own Market (TOM), which has been in operation since 8 August 2020 to date under its own licence agreement. This has afforded the City the flexibility to run a market that could comply with government restrictions.
- 4.5. Throughout the period of the operation of Tasmania's Own Market, Salamanca Market has remained suspended, however the operating term of the Salamanca Market Stallholder Licence Agreement licence 2017-2022 has remained and concludes on 30 June 2022.
- 4.6. The City would normally review the terms of the licence agreement in consultation with the Salamanca Market Stallholders' Association (SMSA) and individual stallholders, and present a draft five year licence to the Council for endorsement.
- 4.7. However, with Salamanca Market suspended and TOM in operation, it has proven difficult to engage as widely as officers would like to. Similarly, more work needs to be done to evaluate the full impact of the pandemic on stallholders and what this might mean for the operation of the market moving forward.
 - 4.7.1. It is proposed to engage an external market research agency to run a stallholder survey in 2022-23. The inaugural stallholder survey was undertaken in 2019 by Enterprise Marketing and Research Services and provided important insights to assist the City plan effectively.
 - 4.7.2. Officers have proposed to reinstate Salamanca Market on 1 July 2022 if the government restrictions have eased and the City is able to run a market in accordance with the terms and conditions of the Salamanca Market Stallholder Licence Agreement.

- 4.8. Having considered the matter, the Executive Leadership Team is proposing to not proceed with the process of negotiating a new Salamanca Market Stallholder Licence agreement at this time in order to allow officers to determine the impacts of the pandemic on stallholders and to provide time for the organisational restructure to settle.
- 4.9. In legal and practical terms, it will not matter if Tasmania's Own Market, is required to continue past 1 July 2022, however due to the expiry of the Salamanca Market Licence Agreement it is necessary to offer a new agreement at this time.

5. Proposal and Implementation

- 5.1. It is proposed to offer licenced stallholders a 12 month Salamanca Market Stallholder Licence Agreement 2022-23 on the same terms and conditions as the existing licence agreement.
- 5.2. Clauses 5-9 would be amended as these clauses refer to the licence agreement term of 5 years.
- 5.3. Officers would commence the negotiation process for a new Salamanca Market Licence Agreement in early 2023.

6. Strategic Planning and Policy Considerations

- 6.1. The delivery of the Salamanca Market aligns with the City of Hobart Capital City Strategic Plan 2019-29, namely:
- 6.2. Pillar 3: Creativity and culture
 - 6.2.1. Support and deliver events, festivals and markets.
 - 6.2.2. Support the activation of City-owned spaces for creative, cultural and commercial initiatives.

7. Financial Implications

- 7.1. Funding Source and Impact on Current Year Operating Result
 - 7.1.1. Upon the reinstatement of Salamanca Market, it is proposed to adjust stallholder fees by CPI and this figure has been included in the proposed 2022-23 budget.
 - 7.1.1.1. This figure is 4.51 per cent for 2022-23.
- 7.2. Impact on Future Years' Financial Result
 - 7.2.1. It is proposed that the site valuation that is a requirement of the Salamanca Market Stallholder Licence Agreement and that was completed in January 2022, be re-evaluated in January 2023 to inform the 2023-24 budget.

7.3. Asset Related Implications

7.3.1. Not applicable

8. Legal, Risk and Legislative Considerations

8.1. External legal advice was obtained confirming the proposed approach.

8.2. Clauses 5-9 detail the licence renewal process timeline and will need to be amended for a 12 month licence.

9. Marketing and Media

9.1. The stallholder licence agreement is not fundamentally changing and instead of a new and different stallholder licence, licenced stallholders are being offered a 12 month licence that is the same.

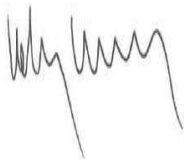
10. Community and Stakeholder Engagement

10.1. The Salamanca Market Stallholders' Association (SMSA) was briefed on 23 March 2022 and no objection has been received.

11. Delegation

11.1. This is a matter for the Council's determination.

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.



Kelly Grigsby
CHIEF EXECUTIVE OFFICER

Date: 25 March 2022
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