



CITY OF HOBART

# **AGENDA**

## **Special Community, Culture and Events Committee Meeting**

### **Open Portion**

**Monday, 4 September 2017**

**at 4:20 pm  
Lady Osborne Room**

## THE MISSION

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

## THE VALUES

**The Council is:**

<b>about people</b>	We value people – our community, our customers and colleagues.
<b>professional</b>	We take pride in our work.
<b>enterprising</b>	We look for ways to create value.
<b>responsive</b>	We're accessible and focused on service.
<b>inclusive</b>	We respect diversity in people and ideas.
<b>making a difference</b>	We recognise that everything we do shapes Hobart's future.

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## ORDER OF BUSINESS

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**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.**

### **APOLOGIES AND LEAVE OF ABSENCE**

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**Special Community, Culture and Events Committee Meeting (Open Portion)  
held Monday, 4 September 2017 at 4:20 pm in the Lady Osborne Room.**

**COMMITTEE MEMBERS**

Harvey (Chairman)  
Zucco  
Sexton  
Cocker  
Thomas

**Apologies:** Nil.

**Leave of Absence:** Nil.

**ALDERMEN**

Lord Mayor Hickey  
Deputy Lord Mayor Christie  
Briscoe  
Ruzicka  
Burnet  
Reynolds  
Denison

**1. CO-OPTION OF A COMMITTEE MEMBER IN THE EVENT OF A  
VACANCY**

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**2. INDICATIONS OF PECUNIARY AND CONFLICTS OF INTEREST**

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Ref: Part 2, Regulation 8(7) of the *Local Government (Meeting Procedures) Regulations 2015*.

Aldermen are requested to indicate where they may have any pecuniary or conflict of interest in respect to any matter appearing on the agenda, or any supplementary item to the agenda, which the committee has resolved to deal with.

**3. TRANSFER OF AGENDA ITEMS**

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Regulation 15 of the *Local Government (Meeting Procedures) Regulations 2015*.

A committee may close a part of a meeting to the public where a matter to be discussed falls within 15(2) of the above regulations.

In the event that the committee transfer an item to the closed portion, the reasons for doing so should be stated.

Are there any items which should be transferred from this agenda to the closed portion of the agenda, or from the closed to the open portion of the agenda?

## **4      REPORTS**

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### **4.1   The Taste of Tasmania 2017-18** **File Ref: F17/102651; 17/32**

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Memorandum of the Director Community Development of 1 September 2017 and attachments.

Delegation:    Council



City of **HOBART**

## MEMORANDUM: COMMUNITY, CULTURE AND EVENTS COMMITTEE

### The Taste of Tasmania 2017-18

This memorandum seeks the Council's approval for a range of Taste of Tasmania matters, includes observations from the 2016-17 event, recommends an approach to the 2017-18 event, and proposes possible options for the future governance of the event.

At its meeting of 26 September 2016 the Council resolved the following:

*"That: 1. A Council workshop be conducted in October or November 2016 to discuss the ongoing delivery of the Taste of Tasmania subsequent to the 2016 event."*

Accordingly, Aldermanic workshops were held on 8 February and 15 March 2017, facilitated by Rhys Edwards of RDME Consulting, to explore the possible future options for The Taste of Tasmania. An earlier workshop could not be convened due to Aldermanic unavailability, and operational requirements leading up to the 2016-17 event. In summary, the key issues that emerged from the workshops were that:

- The Council is in a difficult position with the responsibility of running a much loved Hobart event, but one that comes at a significant cost.
- Numerous strategies to improve financial outcomes for the Council have not been able to close the financial gap (the cost to council), and given the nature of the event in its current form, the Council continues to be exposed to risk.
- Implementing a new Council owned entity and governance model, such as a Controlling Authority, is an option. Significant progress in transitioning to such an arrangement could be achieved through the increased involvement and 'evolution' of the current The Taste of Tasmania Advisory Group (TAG) in the lead up to the 2017-18 event.

At the 8 February workshop, Aldermen were provided with a summary of patron counts (Myriad Consulting), and patron/market research undertaken by Enterprise Marketing and Research Services (EMRS). This information was made available to Aldermen on the HUB at the time of the February workshop, but is also summarised in the key data and feedback report for the 2016-17 event (**Attachment A**).

### Financial Performance

The financial performance of the 2016-17 Taste has already been reported to the Aldermen via the following means:

- a) Council workshops on 8 February 2017 and 15 March 2017
- b) A memorandum posted to the HUB on 11 May 2017 (Aldermanic Information/General Memos) detailing the Council's organisational quarterly financial results (including the Taste of Tasmania).

The financial results were also provided to Aldermen in the General Manager's response to a Question Without Notice from Alderman Cocker at the Governance Committee meeting on 30 May 2017.

In line with the previous advice provided, the Council's investment in the 2016-17 event as at the end of June was \$1,029,479; this includes an amount of \$133,060 for the Kids in the Park program, and \$68,903 for the two New Year's Eve (NYE) fireworks displays.

Revenue was down by around \$270K due to reduced attendances occasioned by poor weather, together with lower than anticipated bar and stallholder sales, and decreased sponsorship.

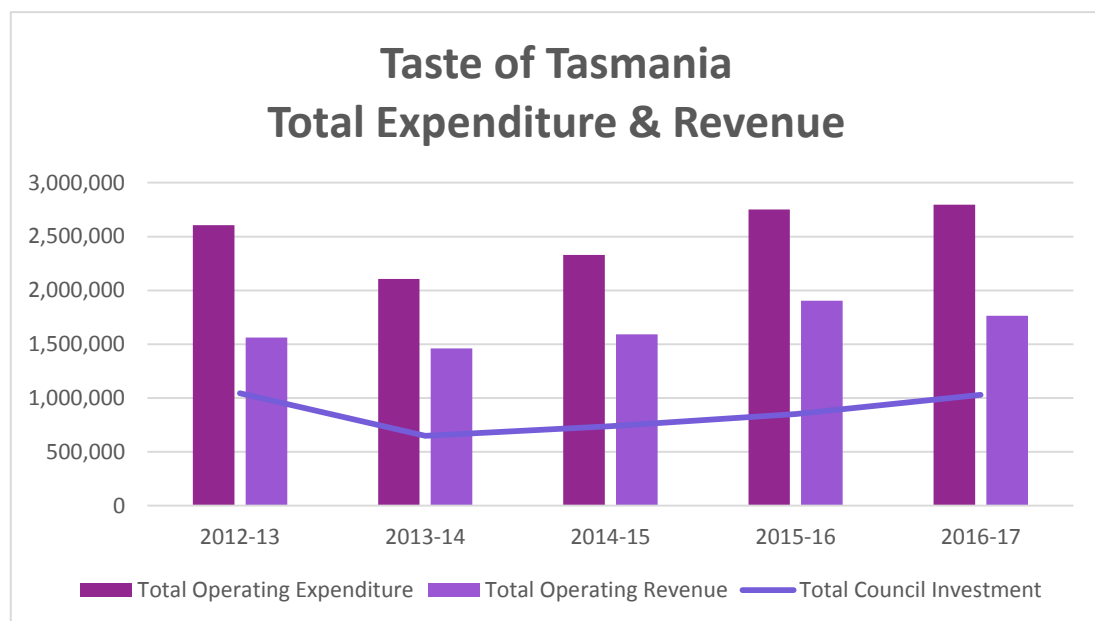
Expenditure also increased due to unforeseen circumstances, including provision of a shuttle bus service, post event market research, additional promotional costs, some additional contractor and staffing costs, and improved sewerage connections and associated corrective maintenance for the provision of toilets on site.

These financial performance outcomes reflect the difficulty in accurately budgeting for The Taste of Tasmania, and need to be considered on the basis that the event has always represented a significant investment for the Council, balanced by very considerable social and economic value for both the City of Hobart and Tasmania more generally, with some 42% of attendees being from out of the State.

The following table provides a summary of the Council's actual investment in the event and its component parts from 2012-13 to 2016-17.

Year	Total Operating Expenditure	Total Operating Revenue	Total Council Investment	Taste of Tasmania	NYE Fireworks	Kids in the Park
2016-17	2,794,589	1,765,110	1,029,479	827,516	68,903	133,060
2015-16	2,752,552	1,902,293	850,259	637,120	65,622	147,517
2014-15	2,328,239	1,591,613	736,626	535,923	60,622	140,081
2013-14	2,106,318	1,459,107	647,211	480,630	59,000	107,581
2012-13	2,604,190	1,560,516	1,043,674	1,043,674	Part of Taste	Part of Taste

*Does not include capital or plant and equipment costs*



Data collected during the 2016-17 event indicates that there was \$3.22 million in gross onsite stallholder turnover. This resulted in a variable site fee revenue of \$322,000 for Council, which represents a 19.87 per cent reduction compared to that collected in 2015-16.

### Bar Operations

Besides the poor weather, a further contributing factor to the reduced revenue was the performance of the Council's bar operations which saw a continuing reduction in sales income. A memorandum providing data on the associated trends in beer sales was presented to the TAG at its meeting of 27 June 2017.

The memorandum recommended that an expression of interest for an exclusive beer sponsorship arrangement that allows for the inclusion of associated craft beer brands (whether these be Tasmanian or nationally produced), be released into the market to enable a wide range of single or group sponsorship providers to submit a proposal.



TAG however, recommended that this expression of interest process ***not allow for the presentation of national beer products***. Limiting the capacity to include national beer brands as part of this expression of interest process may however, reduce the 'attractiveness' of the sponsorship opportunity to major brewing entities.

Cash sponsorship totalled \$171,000, some \$29,000 less than budget expectations. The value of in-kind sponsorship is estimated at least \$200,000.

Feedback from the Council's sponsorship consultant has indicated a low appetite from local businesses to engage in most sponsorship opportunities generally across Tasmania.

In this context, achieving significant additional sponsorship outcomes will be a challenge in the medium term, especially as it will be difficult for an event such as The Taste of Tasmania to partner with national or international food and beverage brands that might want to showcase their products, as Dark Mofo has with its partnerships with Talisker whisky (Scotland), Hendrick's gin (Scotland) and Asahi beer (Japan).

Negative commentary in some media and social media platforms has also influenced confidence in the event and impacted investment appeal in recent years.

Despite a slight decline in NYE ticket sales, income was on budget due to a slight increase in ticket price and the introduction of a 'VIP' premium for up to 500 ticket holders. However, increasing potential offerings in this area, such as by the new Federal MACq 01 waterfront hotel complex, will require the Council to 'sharpen' the attractiveness and competitiveness of its NYE event going forward.

#### 2017-18 Estimates

The approved Council allocations for The Taste of Tasmania and associated activities in the 2017-18 Annual Plan total \$845,152 consisting of:

- Core Taste of Tasmania Function: \$627,592
- Kids in the Park (included separately in the Events Function): \$147,560
- New Year's Eve Fireworks: (included separately in the City Marketing Function): \$70,000

#### Current Governance Arrangements

The current governance arrangements allow for TAG to provide professional advice to City officers, the Community, Culture and Events Committee, and Council. The current membership includes:

Chairman: Lord Mayor Sue Hickey

Stallholder Members:

- Mark Robertson – Lost Pippin and The Lamb Baa
- Fred Peacock – Bream Creek Vineyard
- Natasha Nieuwhof – Goatly Hill Wines

- Vanessa Bagot – Ashgrove, Barringwood & Spreyton
- Guy Robertson – Mount Gnomon Farm

External Members:

- Waterfront Business Community (Richard Latham)
- Destination Southern Tasmania (Melinda Anderson)
- Events Tasmania (Tim Lovibond)
- Tasmanian Hospitality Association (Greg Astell)
- Tourism Industry Council of Tasmania (currently vacant)

Three TAG meetings were held leading up to the 2016-17 Taste event, and nine have been held since that time. This group has been highly effective in strengthening the connection between the Council, stallholders, and the tourism and hospitality sectors, and has provided valuable suggestions and feedback on strategic, promotional, and event delivery opportunities. A stallholder representative from this group (Fred Peacock) also consulted with the interview panel for the new Festival Producer role.

The current Terms of Reference allow for the inclusion of additional Aldermanic members, with the Chairmanship defined as being the Lord Mayor of Hobart.

A further enhancement of this positive governance arrangement is proposed later in this report.

#### Stallholder Fees

Stallholder feedback and sentiments are detailed in Attachment A, but in summary, individual stallholders, and TAG's stallholder representatives at these meetings advised that the current 10% variable levy is the main and significant deterrent for committing to future Taste events.

Forty eight stallholders with a two-year tenure are currently considering participating in the 2017-18 event.

To assist in securing the most optimal number and range of stallholders at the event, it is the view of officers that the current stallholder fee pricing arrangement requires a rethink for the event going forward.

This view is supported by TAG, who recommended at its 27 June meeting that a proposal be presented to the Council to reduce the variable stallholder site fee from 10% to 5%.

#### Festival Producer – Taste of Tasmania

The newly created Festival Producer - Taste of Tasmania position will be responsible for the development and delivery of the event, and will report to the General Manager through the Director Community Development, and TAG.

Part of the remit of this role is to evolve the event over the next three years, including its long term sustainability. Brooke Webb has been appointed to this role and will

commence on 5 September 2017. Ms Webb has previously held the positions of Festival Producer, Sydney Opera House; Project Manager - Major Events, Sydney Opera House; Senior Producer, Producer and Touring Director, Universal Music Touring Group (North America); and Artistic Director, Cirque Du Soleil.

### Three Year Business Model with Corresponding Financial Plan

The Council at its meeting of 23 May 2016 resolved *inter alia*:

*“That: 1. The Council commission a three year business plan for The Taste of Tasmania, including recommendations for the long term future of the event, with a further allocation of \$30,000 being listed for consideration...”*

The development of a multi-year business plan has been raised previously and would provide clear guidance for staff, stallholders, sponsors and stakeholders connected with The Taste to more effectively plan for the event, and provide greater efficiencies and more positive outcomes through more structured and targeted marketing and promotions in the lead up to the event.

The delivery of this plan will be a key responsibility for the Festival Producer.

## **PROPOSAL**

### The 2017-18 Event

Given the short lead time to December 2017, it is proposed that the Council deliver the 2017-18 Taste of Tasmania essentially in line with the current event format, however with the inclusion of a number of enhancements that include:

- Working collaboratively and creatively with existing stallholders, TAG and Tasmanian food and beverage, and primary industry stakeholders, to achieve the most exciting and balanced range of food and beverage options, which delivers on the brand promise of *Taste of Tasmania – ‘Taste Our Island’™*.
- Working with our programming partner, Music Tasmania to deliver a Tasmanian led program that develops and promotes local music, and celebrates the contribution of Tasmanian music to the national music scene.
- Working with our media and communications partners to deliver a compelling and contemporary marketing and communications strategy that engages existing and new audiences, with an increased use of digital communication channels.

### Governance

Further refinement of the current governance arrangements would optimally allow Aldermen to focus on higher level and more strategic issues associated with the event, and to delegate administration of the operational aspects to City officers.

Any changes to the governance model would also ideally minimise the need to report to both the Community, Culture and Events Committee (currently responsible for the

event), and the Council, and to this end it is suggested that the Chairman of the Community, Culture and Events Committee becomes an ex officio member of TAG, with the ability to act as proxy in the Lord Mayor's absence.

The Council could also if it so wished, make further Aldermanic nominations for membership of TAG (as allowed for under the current Terms of Reference) to increase Aldermanic representation.

Allowance for these provisions has been made in the suggested changes to the current Terms of Reference for TAG (**Attachment B**), with this group continuing to provide expert and stakeholder advice and feedback, with all necessary operational decisions and actions (such as ticket pricing, marketing planning and sponsorship procurement) to deliver the Taste of Tasmania within Council approved budget parameters, delegated to the General Manager. It is also suggested that the current two year term for TAG which would expire at the end of October 2018 be made ongoing.

It should also be noted that until 2014 a Taste of Tasmania Special Committee, established under section 24 of the Local Government Act 1993, operated to oversee the delivery of the event. The committee was constituted by Aldermen only.

#### Stallholder Fees

Given the discussion in regard to stallholder capacity to participate, and in line with advice from TAG, it is proposed that the fixed site fees for the 2017-18 event remain the same as 2016-17 fees, and that the variable site fee be reduced from 10% to 5% of gross stallholder on site turnover. This proposal is reflected in the attached fees and charges schedule for 2017-18 (**Attachment C**).

Given the 'lean' nature of the current budget however, this proposed income loss quantified at \$185,000 could not be made up by savings unless a significant element of the event was cut (such as Kids in the Park), or additional sponsorship income (cash or genuine cost offsets) secured.

It is therefore proposed that additional sponsorship income be sought from the Tasmanian Government, given that hire charges for TasPorts land and Princes Wharf No. 1 amounts to \$145,000. Taking into account cash sponsorship targets, which already include an allowance for \$50,000 in possible Tasmanian government support, it is proposed that a total of \$250,000 in cash and in-kind sponsorship be sought from the Tasmanian Government.

The case for Tasmanian Government investment in The Taste of Tasmania is now more compelling than ever given that it is understood that MOFO will move from Hobart to Launceston in 2019. This will mean that The Taste of Tasmania will be the only major festival staged in the capital city during the peak summer visitor period.

If however, this additional sponsorship/grant cannot be secured, it would mean that the total cost of the event (including Kids in the Park and New Year's Eve Fireworks) to the Council would be in the order of \$1.03 million.

It is proposed that the variable site fee income still be collected using the 'honour' based system applied in 2016-17, featuring a cash and EFTPOS based transactional system with stallholders utilising their own EFTPOS and Point of Sale systems.

#### Securing Additional Stallholders

TAG strongly supports the securing of additional stallholders in addition to the 48 who have indicated an interest in continuing at this year's event, through a curatorial process.

This process would involve a general call for expressions of interest, with event staff working with the TAG stallholders to identify a range of stallholders that would add further value to the product mix and balance at the event.

This work would be progressed with the utmost urgency following Council consideration of this report, and officers are already working to secure a suitable food industry specialist provider to assist with this work, which would also build on the patron focussed food and beverage education experience on site, delivered in part through the SMEG Kitchen.

The marketing and communication campaign for the coming event will reinforce the the now Trademarked and Council owned 'Taste Our Island' brand identity, first developed last year.

#### **RECOMMENDATION**

##### ***That:***

- 1. The report be received and noted.***
- 2. The Council deliver The Taste of Tasmania in 2017-18 in line with the current event format, taking into consideration key patron and stallholder feedback, with a revised approach for future years to be presented to the Council in early 2018.***
- 3. The Council approve the changes to the Terms of Reference for The Taste of Tasmania Advisory Group (Attachment B), that include:***
  - i) an ongoing term of office.***
  - ii) inclusion of the Chairman of the Community, Culture and Events Committee (or the Committee of Council responsible for the oversight of The Taste of Tasmania) as an ex officio member.***
  - iii) all necessary operational decisions and actions (such as ticket pricing, marketing, planning, and sponsorship procurement) to deliver The Taste of Tasmania within Council approved budget parameters be delegated to the General Manager.***

- 4. The fixed stallholders' fees and other charges for the 2017-18 Taste of Tasmania remain the same as 2016-17 fees, and the variable site fee be reduced from 10% to 5% of gross stallholder onsite turnover, as shown in the fees and charges schedule for the 2017-18 event (Attachment C).**
- 5. The variable site fees be collected using the same 'honour' based system applied in 2016-17, featuring a cash and EFTPOS based transactional system with stallholders utilising their own EFTPOS and Point of Sale systems.**
- 6. The loss in income associated with the reduction in the variable stallholder site fee in the order of \$185,000 be offset as part of a formal approach for sponsorship to the Tasmanian Government seeking a total of \$250,000 in cash and in-kind support.**
- 7. The General Manager be delegated the authority to undertake all actions necessary to enact the actions and recommendations detailed in this report, including any amendments to stallholder agreement terms and conditions, as required.**
- 8. The Lord Mayor and the Chairman of the Community, Culture and Events Committee be authorised to make any necessary media statements at the appropriate times.**

*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.*



Philip Holliday  
**DIRECTOR COMMUNITY  
DEVELOPMENT**

Date: 1 September 2017  
File Reference: F17/102651; 17/32

Attachment A: 2016-17 Taste Key Data ↴  
Attachment B: The Taste of Tasmania Advisory Group - Amended Terms of Reference ↴  
Attachment C: Fees and Charges - Taste of Tasmania 2017-18 ↴

## 2016-17 TASTE OF TASMANIA KEY DATA AND FEEDBACK

### WEATHER

The 2016-17 event saw unseasonal high rain and low/modest temperatures.

Day/Date	Rainfall mm (in 24 hours 9am-8.59am)	Temp (9 am)	Temp (3 pm)
Wednesday 28 December	12.6	16.2	17.4
Thursday 29 December	20.8	16.8	18
Friday 30 December	0.2	20	22.9
Saturday 31 December	1.4	17.1	22.7
Sunday 1 January	34.8	15.6	17.3
Monday 2 January	0.2	18.4	17.0
Tuesday 3 January	0	15.4	16.1

The cooler nights, wet weather and lack of sunshine during the day saw a reduction in repeat visitations, as well as a considerable reduction in the consumption of beverages from Council-run bars and stallholders selling beer and cider, with income down as a result. Anecdotal evidence indicated that stall revenue was down, on average, by 22% across all precincts.

### STALLHOLDERS

There was a modest increase in the number of stallholders participating in the Taste 2016- 17 compared to the previous year (from 63 to 68). Some of these stallholders chose to trade in the less expensive sites on the Lawns and Castray Esplanade rather than the premium stalls in the Shed and the Paddock, which resulted in reduced income to the Council.

The Council partnered with the Tasmanian Government to support the participation and promotion of the state-wide representation of food and beverage producers at the event, with a focus on the four Tasmanian regions: North, North West, East Coast and South.

This regional stall make up included: North: 11, North West: 5, East Coast: 2, and South: 50.

### Audit Results – Variable Site Fee

In line with the Council resolution of 26 September 2017, a variable site fee of 10% was applied to gross onsite stallholder sales turnover using an 'honour or self-reporting method'. This arrangement featured a cash and EFTPOS based transactional system with stallholders utilising their own EFTPOS and Point of Sale systems.

As part of this, it was also resolved that the Council's external auditors be requested to advise the Council and the Risk and Audit Panel on best practice end-of- day and end-of-event auditing procedures for individual stallholders.

The Council commissioned an independent audit to be undertaken by Wise Lord & Ferguson (WLF) to review the stallholder returns and the billing process.

The WLF audit found:

- The Council had satisfactorily carried out agreed procedures both prior to and during the event
- There were inconsistencies amongst stallholders in providing required information, which resulted in a delay in the issuance of some invoices
- A review of 20% of stallholders identified that 13% of that sample had fully complied with Council requirements

At the time of writing this report there are three stallholders who still have overdue debts totalling \$18,955 with the Council.

#### Stallholder Sales Turnover

The stallholder income for the 2016-2017 event ranged from \$232,284 to \$12,195, with an average turnover of \$49,216.

The following is a summary of stallholder sales at the event. While this was somewhat the result of highly unseasonal wet weather, this experience is understood to have given stallholders pause to consider if the event is viable for them, given current fee structures.

- One of the highest reported turnovers was in excess of \$200,000
- The lowest reported turnover was in the order of \$11,000
- The Paddock area had an average turnover of \$22,116 (reflecting its lower attractiveness to stallholders)
- The Lawns had an average turnover of \$35,610
- Castray Esplanade had an average turnover of \$22,415
- Stallholders in the main PW1 shed had an average turnover of \$59,383
- Stallholder turnover was down by average 23% on 2015-16
- Three out of 42 repeat stallholders experienced an increase in sales from the previous year, with largest reported growth being 11%

#### Stallholder Feedback

Twenty-seven out of 68 participating Taste stallholders completed an online survey during February and March 2017. The survey sought feedback from stallholders on the efficiency of event layout and delivery, their comments on major impacts affecting their experience of the event, and their suggestions for future events.

Feedback on the operational aspects of the event was for the most part very positive and constructive.

As with all surveys there is a wide variety of responses and views from stallholders. The following issues however are worthy of note:



*Sale of Glasses by Stallholders*

Wine stallholders have indicated considerable negative feedback from patrons who were required to pay \$8 for a glass, plus the cost of the wine for their first purchase, with some patrons not purchasing wine at all as a result. The glasses were introduced to reduce waste and to provide a high quality drinking vessel. Stallholders that sell beer, cider or spirits however sell their product in compostable cups that they can brand, which is seen as unfair by the wine stallholders.

The \$1 rebate provided by the Council to wine stallholders this year went some way to alleviate this concern, but stallholders indicate that the rebate does not adequately cover the staff costs required to sell the glasses or adequately compensate them for the negativity that it causes. The cost to the Council for the rebate was \$12,792.

There are other models that could be considered including allowing wine stallholders to use their own compostable cups like the other beverage stalls, or utilising a deposit system. Both Mofo and Dark Mofo provide stainless steel cups and enamel plates via a \$10 deposit per item. This requires staff to collect, wash and distribute cups to stalls, which involves significant cost and infrastructure.

*Food/Beverage Ratio*

Approximately 60% of stallholder survey respondents indicated that Council should set a food and beverage ratio, with 30% disagreeing and 10% unsure.

Of the 60% who indicated support for a Council set ratio, around 47% felt that the ratio should be 50/50, with 23% believing that it should be 75/25 food/beverage, and 29% unsure.

Comments on this issue included the suggestion that only the producers of a beverage should be able to sell it in order to maintain the authenticity of the event as well. It was also commented that a higher number of food stalls would be preferable, however they should only be included in the event if they are of sufficient quality, not just to make up numbers or achieve a ratio.

It was also noted that the Tasmanian wine, beer, cider and spirits sector has grown significantly over the past few years and that the stalls are simply reflecting this growth and community interest.

It may be worth considering the layout of food and beverage stalls, to ensure that there is no grouping of alcohol stalls together, as this can give the impression of a larger than actual presence. There was also a view from some beer and cider producers that were grouped together that this may have contributed to their lower than anticipated income.

*10% Variable Site Fee Income*

By far the strongest negative response to any question in the online stallholder survey related to the 10% variable site fee charge that the Council applies on stallholder income.

65% of survey respondents did not believe that the 10% variable fee on their income by the Council was a reasonable charge, while 30% believed that it was, and 5% were unsure.

Stallholders have cited this charge, when coupled with the downturn in business as a result of bad weather and lower repeat visitation, as the main cause for operating losses

during Taste 2016-17. Some stallholders indicated that 25% - 30% of their profit goes on site fees including the variable charge, and this expense would influence their decision to participate in future events.

#### *Site Fees*

A number of stallholders identified site fees as having a negative impact on their participation in the event and possibly precluding innovative and up and coming producers from participating in the event. Due to the scale and duration of the event it is difficult to accurately compare the costs for stallholders to participate with other Tasmanian events.

It should be noted that Taste stallholders are provided with a considerable amount of physical infrastructure and staff support during the event, including a structure, for outdoor stalls.

The investment in stock, storage, travel and accommodation, and staffing required for businesses to participate in the Taste is significant, with staffing particularly impacted upon by public holidays. It should be noted that despite the negative responses and comments, particularly in relation to site fees and the variable levy, 85% of survey respondents indicated that they were planning on participating in the event in the future.

#### *Other Feedback*

In addition to the above research, 20 stallholders participated in a northern and southern open discussion about the event on 9 and 10 May 2017. These sessions were attended by the Lord Mayor and senior events staff.

In particular, stallholders asked for New Year's Eve to be improved with increased patron numbers and theming, an economic benefit study of the event to be commissioned, increased media coverage (and to start this earlier), improved signage for glass sales points, and an increase in Council outlets for patrons to purchase glasses.

Stallholders additionally asked that Council examine introducing a Taste Providore, a shared stallholder site for short term use, large screens to activate 'quieter' areas, value add to the event and stallholders, and a subsidy system for new stalls.

#### *Stallholder Testimonials*

A number of participating stallholders provided the following testimonials that articulate how important The Taste of Tasmania has been to their businesses:

##### *Vineyard Seafood Restaurant*

"My partner (Charlotte Brown) and I have participated in The Taste [of Tasmania] since 2012. In 2012 our first year at the event we teamed up with Seven Sheds Brewery and Barringwood Vineyard to create a truly unique north west coast food and beverage experience for the public to engage with at the Taste, the response to our presence at the event was simply amazing and gave us the inspiration to continue to be part of the event now for the last 5 years.

We had two main objectives for our applications to participate in the Taste. The first was to give north west coast producers the opportunity to have their products showcased to an audience that in the main had never been exposed to the quality produce we had been accessing since 2004 when we purchased the Cable Station Restaurant and

accommodation in Stanley, a multi award winning Agri Tourism dining and accommodation experience that we have built over the last 12 years. The second objective was to put our business and partnering wine and boutique beverage producers into a direct marketing environment where we could engage directly with the key demographics we need to continue growth in our business regional environment.

The Taste [of Tasmania] has delivered immeasurable benefits to our business over the last 5 years and as a small regional and remote business we see the Taste as having a profound impact on our key business in Stanley and now on the east coast of Tasmania at Spring Vale Vineyard where we operate a popup restaurant during the spring and summer months.

Our marketing, advertising and PR budget has at its core, a philosophy of engaging directly with our potential customer, be they visitors from interstate or overseas or Tasmanians who have a food and wine passion for province and authenticity.

The Taste [of Tasmania] has and will continue to be an event that we will support with our very best offering. It is, however, a challenge for regional stall holders to participate given the tyranny of distance and the cost involved in participation. That aside, we validate absolutely the benefits to our medium size privately owned business that the Taste [of Tasmania] provides."

*Don Monk*  
*Graze North West Tas Pty Ltd T/A*  
*Vineyard Seafood Restaurant @ Spring Vale Winery*

Bream Creek Vineyard

"The early Taste of Tasmania events were instrumental in Bream Creek's brand building process and opened many wholesale and retail sales avenues for us.

In return, we were able to use The Taste [of Tasmania] as a means of educating the general public and retailers concerning the attributes of Tasmanian wine and food.

Now, well over 25 Taste of Tasmania events on, we find an increasingly high proportion of interstate and overseas visitors attending the Taste which has opened an enormous array of opportunities for us and other premium Tasmanian wine and food producers. Most excitingly, many enthusiastic restaurateurs, retailers and other members of the hospitality industry visit from interstate and overseas and use The Taste [of Tasmania] as a means of quietly assessing potential wine and food products for inclusion in their own product ranges. This has enabled us to grow our exports from Tasmania and to spread the word about great Tassie products and not just about wine and food, but for tourism and all those things for which Tasmania is developing a well-earned and fabulous reputation.

There is no doubt The Taste of Tasmania has been a very successful vehicle for the development of the Tasmanian wine, food and hospitality sector."

*Fred Peacock*  
*Bream Creek Vineyard*  
*Bream Creek*

Ashgrove Cheese

"The Taste of Tasmania is a wonderful event that is so needed in our community. The Taste is a key element in our overall marketing and brand strategy.

By providing a unique platform for Ashgrove to connect and communicate face to face with consumers and our peers.

The Taste not only functions as a community celebration and summer ritual, it also specialises in creating a community of employment - of which most is self-funded.

I have met many individuals that have started their own business and who remain self-employed with the help of this event.

Simply, The Taste of Tasmania is economically and culturally important to all of us."

*Anne Bennett*  
*Marketing / Communications Manager*  
*Ashgrove Cheese Pty Ltd*  
*Elizabeth Town*

#### *Continuing Stallholder Participation*

In total, 48 stallholders with a two-year tenure are considering participating in the 2017-18 event, however 39 of these are conditional on either stall fee pricing or set location. This would impact on the Council's capacity to secure the 70 stallholders needed to create the most compelling event offering to patrons. The ratio of alcoholic and non alcoholic beverages to food is currently at just over 60% beverage to around 40% food.

#### Visitation Data and Patron/Market Research

Myriad Consulting was engaged to undertake a patron visitation count and place of origin survey during the 2016-17 event. Visitation numbers provided by Myriad Consulting for each of the seven days of the past three Taste events is provided in the table below.

<b>Date</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>Rainfall mm</b> (in 24 hours 9am-8.59am)
28 Dec	44,397	39,317	<b>30,928</b>	12.6
29 Dec	28,759	36,702	<b>35,426</b>	20.8
30 Dec	33,151	34,997	<b>41,732</b>	0.2
31 Dec	24,368	18,156	<b>20,972</b>	1.4
1 Jan	41,999	34,695	<b>13,423</b>	34.8
2 Jan	41,289	42,285	<b>34,440</b>	0.2
3 Jan	39,222	29,398	<b>30,533</b>	0
<b>Total</b>	<b>253,185</b>	<b>235,550</b>	<b>207,454</b>	<b>70</b>

Myriad Consulting also conducted a brief patron intercept to ascertain patron place of origin, gender, and age with the following tables providing a snapshot of this information.

Place of residence	Frequency	% total sample
Tasmania	2,948	57.9
Interstate	1,731	34.0
Overseas	413	8.1
<b>Total</b>	<b>5,092</b>	<b>100.0</b>

Gender	Frequency	% total sample
Male	2,428	47.7
Female	2,664	52.3
<b>Total</b>	<b>5,092</b>	<b>100.0</b>

Age range	Frequency	% total sample
16-19	129	2.5
20-29	1,140	22.4
30-39	1,143	22.4
40-49	924	18.2
50-59	886	17.4
60-69	637	12.5
70-79	197	3.9
80+	36	0.7
<b>Total</b>	<b>5,092</b>	<b>100.0</b>

As one would expect, the majority of Taste patrons are Tasmanian with the next largest cohort coming from Victoria. Forty seven per cent of patrons attending the event are aged between 16 and 40 years of age, with 48% of patrons male, and 52% female.

Enterprise Marketing and Research Services (EMRS) was engaged by the Council to undertake community market research after the 2016-17 event, in order to ascertain the community's experience and perception of the event. For those respondents who had attended the event, the market research focussed on their satisfaction with the delivery of the event. For those respondents who had not attended the event for some time or ever, the focus of the research was on what kept them away and what would encourage them to attend.

Overall perceptions of the Taste were positive, with:

- 83% of all respondents having a 'positive' perception
  - 44% of which were 'very positive'
- 13% of respondents had a negative perception of the event
- 44% of attendees expecting to find or experience a 'meal/food/beverage', that was 'good quality, new/interesting and Tasmanian'

- 29% of attendees also hoping to find or experience 'good entertainment'
- 85% of respondents felt that the 2016-17 Taste had delivered on this expectation, with 55% saying 'definitely'.

Among those respondents whose expectations were met only 'somewhat' or 'not at all', the main reasons given were:

- 'Too many alcohol stalls/not as many food stalls'
- 'Too expensive/higher prices'
- and that they 'Would like more variety/diverse food/options you can't get elsewhere'

The most frequent incentives identified by both attendee and non-attendee respondents to encourage future attendance at the Taste were:

- 'Better/cheaper prices'
- 'A greater variety of food stalls'
- 'More available seating'
- 'A return to the idea of taste plates/smaller servings'

Recommendations for improving the Taste included:

- 'More food stalls/variety'
- 'Less emphasis on alcohol'
- 'Lower prices/better value for money'

The 'taste plate' suggestion is based on a requirement of all stallholders participating in the event early on in its delivery, where stallholders literally offered a 'taste' from their menu.

Consultation with stallholders indicates that this may not be economically viable, with the cost of preparing, packaging and serving a small amount of food being the same for a larger serving, with less income.

As mirrored in the market research, there was considerable community and media focus on the number of alcohol stalls at the 2016-17 event. While the number of alcohol stalls was higher than the previous year's event, there have been a number of events where the ratio was essentially the same as the 2016-17 event, that is, an almost 50/50 split between alcohol only, and food and beverage stalls (with this latter category including stalls with both food and alcohol).

#### Marketing and Communications:

A contemporary communications and marketing program engaged sponsors, stakeholders, stallholders and the public with the Taste leading up to and during the event.

Marketing and promotions via traditional media platforms included print, cinema, radio and television advertising and articles. Television commercials were broadcast free of cost on the Southern Cross Network within Tasmania and regional Victoria.

Online marketing and promotion include advertising and posts in The Mercury, on Council's website, Facebook and Instagram platforms.

Cross promotional activities in collaboration with Tourism Tasmania such as the 'Tassie Style' campaign were incorporated into the Taste of Tasmania 2016-17, including promotion of the campaign on site, the Kids in the Park cinema and on Facebook.

#### Entertainment & Programming

The Taste provides an opportunity to showcase Tasmanian and mainland talent.

Music Tasmania was engaged to assist with the selection process for all entertainment at the Taste with over 89 Tasmanian performers out of 93, participating in the event.

The Kids in the Park on Parliament House Lawns engaged families and children in creative, healthy and educational activities in a safe and friendly environment. This included a nightly movie screening, cricket, soccer and cooking workshops as well as more traditional circus and event entertainment and activities.

#### Waste Management

Taste stallholders are required to comply with compostable packaging requirements in line with the Council's Waste Management Strategy. An onsite education campaign that included signage and 'Waste Educators' assisted patrons and Taste stallholders with the correct disposal of packaging. As a result of this proactive approach to waste minimisation, a total of 42.7 tonnes of waste was diverted from landfill from the 60.5 tonnes of 'waste' material collected onsite during the event.

The following table shows the total weight in kilograms of the different materials diverted from landfill, as well as the increase in successful waste diversion at the Taste over the past five years.

	<b>Recyclables</b>	<b>Compostables</b>	<b>General Rubbish</b>	<b>Cardboard</b>	<b>Oil (Litres)</b>
<b>2016-17</b>	23,680	9,580	17,690	6,450	3,000
<b>2015-16</b>	21,150	10,480	19,900	7,360	2,200
<b>2014-15</b>	31,940	12,230	35,090	7,790	2,166
<b>2013-14</b>	29,190	10,450	27,480	4,920	2,285
<b>2012-13</b>	32,020	7,120	34,860	5,750	2,360





## The Taste of Tasmania Advisory Group

### Terms of Reference

#### Scope of The Taste of Tasmania Advisory Group

To contribute to the development of a three year business plan that will result in recommendations to the Council regarding the future of The Taste of Tasmania event. ~~The three year business plan will be managed by an external contractor on behalf of the Council.~~

#### Role and Scope of the Advisory Group

The role of The Taste of Tasmania Advisory ~~Reference~~ Group ('the Group') is to provide advice to the City of Hobart on matters associated with The Taste of Tasmania, including ~~related to stallholder focused issues at The Taste of Tasmania.~~

The Group will contribute to the development of a three year business plan for The Taste of Tasmania.

The Group will build external stakeholder engagement and support.

Group members will be positive ambassadors for the event and may from time to time be requested by the Council to make a formal statement in the media regarding the event.

#### Delegation of the Advisory Group

The ~~Group~~ Group does ~~would~~ not have any formal decision making delegations on behalf of Council, and cannot direct City officers to undertake actions, with all delegation authority resting with the ~~normal~~ Committee and Council processes.

~~The Group cannot direct Council officers to undertake actions.~~

The Group does ~~would~~ not have delegated authority on budgetary, procurement or policy decisions, or have any direct involvement in the stallholder application selection process.

All programming, policy, financial and operational decisions are to ~~would be~~ undertaken in accordance with the Council's delegations register, by full Council, the relevant Standing Council Committee, or under the delegation of the General Manager.



### Membership of the Advisory Group

The Group shall be chaired by the Lord Mayor of Hobart and consist of a maximum of five (5) stallholder representatives, ~~in addition to~~ peak body representatives from the festival and events sector, and tourism and hospitality industry, as well as the Chairman of the Council's Community, Culture and Events Committee (or the Committee of Council responsible for the oversight of the Taste of Tasmania) as an ex officio member, and and other Hobart City Council Aldermen as formally nominated by the Council, ~~and will be chaired by the Lord Mayor of Hobart.~~

The stallholder membership of the Group ~~will~~ occur through an expression of interest process.

Peak body membership is to be at the invitation of the Council.

Should a member resign their position from the Group, an additional expression of interest will be instigated to fill the vacant position.

Meetings ~~will~~ take place on a monthly basis, ~~or can be and~~ additional meetings can be called if specific subject/s are required to be discussed out of round.

### Term of Office

The term of the Group will be ongoing unless formally dissolved or modified by the Council. ~~will be established for an initial trial period of two (2) years.~~

### Administration

The Group will be chaired by the Lord Mayor of Hobart, or by the Chairman of the Council's Community, Culture and Events Committee (or the Committee of Council responsible for the oversight of the Taste of Tasmania) as proxy.

Secretarial and ~~other~~ administrative support will be provided by the Community Development Division.

The Group will meet every month, with additional sub-committee meetings, on-site visits, workshops and working groups convened if / as required.

The meeting will be minuted and the minutes will be circulated ~~issued~~ to all current Taste of Tasmania stallholders.

### Group Agreement

Actively work in partnership throughout the process to ensure that concerns and aspirations are consistently understood and considered.

### Conduct of meetings

A quorum for the meeting will ~~be where there is~~ consist of at least one Alderman and three (3) other Group members ~~present~~.

It will be the responsibility of any member who will be absent for a meeting to advise the Chairman in writing prior to the meeting of their absence and may nominate a proxy to attend in their absence.

| Members of the Group ~~would be~~ required to declare any conflict of interest relating to meeting agendas prior to the commencement of each meeting.

Where there is a resignation of a Group member it will be made in writing to the Chairman.

**Proposed 2017-18 Fees & Charges: 345 - Taste of Tasmania**

Account Number	Description	2015-16 Actual excl. GST	2016-17 Budget excl. GST	2016-17 YTD excl. GST	2016-17 YTD Budget excl. GST	2017-18 Estimate excl. GST
345.7370.2279.000	The Taste of Tasmania - Other Fees	-86,955.46	-15,000.00	-40,279.80	-15,000.00	
345.7370.2279.735	The Taste of Tasmania - Equipment Hire	0.00	0.00	-7,007.91	0.00	
345.7370.2279.914	The Taste of Tasmania - Variable Levy	-401,895.54	-390,000.00	-322,141.93	-390,000.00	
345.7370.2279.991	The Taste of Tasmania - Other Fees: Stalls	-67,174.04	-11,458.00	-3,238.24	-11,458.00	
345.7370.2402.991	The Taste of Tasmania - Commercial income: Stalls	-411,860.97	-448,407.00	-357,834.38	-448,407.00	
<b>345 - Taste of Tasmania</b>		<b>997,665.01</b>	<b>862,865.00</b>	<b>730,500.24</b>	<b>862,865.00</b>	<b>591,260.12</b>
Change from 2016-17 to 2017-18						-31.48%

Fee Description	2015-2016 Fee incl. GST	2016-2017 Fee incl. GST	Pricing Method	Last Changed (type New Fee if applicable)	Proposed Fee 2017 - 2018 incl. GST	Fee includes GST (Y/N)	GST \$	Unit	% Variation	Estimated Quantity	Estimated Income excl. GST	Comment
<b>Stall</b>												
5% variable stallholder fee levy			10% of stallholder gross income	2015/2016	\$0.00						\$185,000.00	2016-2017 Fee excl. GST - 5%
Shed Premium Double Stall	\$18,498.00	\$18,498.00	Partial Cost Recovery	2013/2014	\$18,498.00	Y	\$1,081.04	per stall	0%	2	\$33,632.72	
Shed Premium Single Stall	\$8,593.00	\$8,593.00	Partial Cost Recovery	2013/2014	\$8,593.00	Y	\$781.18	per stall	0%	0	\$70,308.38	
Shed Premium Corner Single Stall	\$9,327.00	\$9,327.00	Partial Cost Recovery	2013/2014	\$9,327.00	Y	\$847.91	per stall	0%	3	\$25,437.27	
Shed Standard Double Stall	\$14,678.00	\$14,678.00	Partial Cost Recovery	2013/2014	\$14,678.00	Y	\$1,334.39	per stall	0%	0	\$0.00	
Shed Standard Single Stall	\$7,393.00	\$7,393.00	Partial Cost Recovery	2013/2014	\$7,393.00	Y	\$669.39	per stall	0%	13	\$87,017.32	
Shed Standard Corner Single Stall	\$8,584.00	\$8,584.00	Partial Cost Recovery	2013/2014	\$8,584.00	Y	\$780.39	per stall	0%	7	\$54,925.46	
Shed Additional Counter Space	\$3,148.00	\$3,148.00	Partial Cost Recovery	2013/2014	\$3,148.00	Y	\$286.00	per stall	0%	4	\$11,440.00	
Paddock Double Stall	\$13,847.00	\$13,847.00	Partial Cost Recovery	2013/2014	\$13,847.00	Y	\$1,258.82	per stall	0%	0	\$0.00	
Paddock Single Stall	\$6,307.00	\$6,307.00	Partial Cost Recovery	2013/2014	\$6,307.00	Y	\$573.39	per stall	0%	6	\$34,401.84	
Lawns Double Stall	\$7,240.00	\$7,240.00	Partial Cost Recovery	2013/2014	\$7,240.00	Y	\$658.18	per stall	0%	2	\$13,163.64	
Lawns Single Stall	\$3,087.00	\$3,087.00	Partial Cost Recovery	2013/2014	\$3,087.00	Y	\$280.64	per stall	0%	19	\$53,320.84	
Food Van	\$2,741.00	\$2,741.00	Partial Cost Recovery	2014/2015	\$2,741.00	Y	\$249.18	per stall	0%	4	\$9,967.28	
Back of House Structure	\$728.00	\$728.00	Partial Cost Recovery	2015/2016	\$728.00	Y	\$66.00	per stall	0%		\$0.00	
Additional Refrigeration (1/8 cool room)												
P/W1 purpose built cool rooms - per week	\$396.16	\$396.53	Partial Cost Recovery	2016/2017	\$399.53	Y	\$36.32	per unit	0%	5	\$1,816.05	
Sculley Sink - per week	\$83.88	\$84.59	Partial Cost Recovery	2016/2017	\$84.59	Y	\$7.89	per unit	0%	1	\$78.90	
Waterside Fence - per piece per week	\$42.45	\$42.81	Partial Cost Recovery	2016/2017	\$42.81	Y	\$3.89	per panel	0%	25	\$973.00	
P/W1 Food Kiosk - per week	\$1,825.14	\$1,840.65	Partial Cost Recovery	2016/2017	\$1,840.65	Y	\$167.33	per unit	0%		\$0.00	
Umbrella with stand only - per week	\$117.23	\$118.23	Partial Cost Recovery	2016/2017	\$118.23	Y	\$10.75	per unit	0%	5	\$537.40	
Bean Bag - per week (minimum of 20)	\$12.13	\$12.50	Market Pricing	2016/2017	\$12.50	Y	\$1.14	per unit	0%	200	\$2,272.00	
Table and Bench Set Hire - per week (minimum of 20)	\$38.40	\$40.00	Market Pricing	2016/2017	\$40.00	Y	\$3.64	per unit	0%	200	\$7,272.00	

## **5 MOTIONS OF WHICH NOTICE HAS BEEN GIVEN**

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### **5.1 City of Hobart Christmas Carols** **FILE REF: F17/104161; 13-1-9**

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Alderman Zucco

#### **Motion**

“That an URGENT report be prepared for Council to reconsider conducting a major Christmas Carols event at either St David’s Park, The Botanical Gardens or any other possible site in the Hobart Municipality. The report includes options and indicative costings for an event to be held for the 2017 Christmas period

That the already approved community events continue as planned.

That a further report be prepared for the Beaumaris Zoo site to be used as an outdoor entertainment venue, including the Carols and other the scale of events which could be accommodated on the site.

The report also includes infrastructure/site improvement requirements and indicative costings.”

#### **Rationale:**

“Over the past years the Christmas Carols have created much controversy from sites to costs to the ratepayers. We are the Capital City of Tasmania and on reflection the City should have a major Christmas carols event for its ratepayers.

I ask that the report provide options for an event in 2017 and I firmly believe there is ample time to do so.

It is time the HCC found the appropriate home for the carols and that the HCC provide adequate funding for a major event including some smaller community events in future years.

Beaumaris Zoo, located on the Queens Domain, has a rich and varied history of use from Aboriginal occupation (pre-European settlement) through use as a quarry, parkland, zoo, Navy oil storage to the present day where it is used intermittently for small events and tours. The most notable aspect of the site is as the place where the last captive Thylacine died in 1937. This gives the site national and even international prominence.

In 1992 the City resumed the site from the Commonwealth and undertook the removal of the oil storage tanks in 1996. Since that time the City has undertaken works to conserve heritage structures, installed

interpretative gates and conducted an EOI process for a future use. This saw a proposal for a wildlife rehabilitation centre selected but not succeed due to funding constraints.

Since the City rehabilitated the site, there has been a number of successful events, tours and art installations but predominantly the site has remained closed to public use. Currently, the City is planning the development of the City to Gardens Way, a high quality shared-use track that will bring people through the site as part of the main route to the Royal Tasmanian Botanic Gardens. As a key recommendation of the Queens Domain Masterplan 2013, funding for the track is included in the City's Capital Works Program commencing in 2018/19.

Over the years there has been interest expressed by a range of stakeholders that the site would provide opportunities for outdoor entertainment with the possibility of parts of the site catering for different scale events. This is reflected in the Queens Domain Masterplan."

**The General Manager reports:**

"In line with the Council's policy in relation to Notices of Motion, I advise that the matter is considered to be within the jurisdiction of the Hobart City Council as it relates to a proposed Council event and the use of a Council owned property."