



CITY OF HOBART

AGENDA

Economic Development & Communications Committee Meeting

Open Portion

Thursday, 20 June 2019

at 5:00 pm

Lady Osborne Room, Town Hall

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.

ORDER OF BUSINESS

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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**Economic Development & Communications Committee Meeting (Open Portion)
held Thursday, 20 June 2019 at 5:00 pm in the Lady Osborne Room, Town Hall.**

COMMITTEE MEMBERS

Thomas (Chairman)
Zucco
Sexton
Dutta
Ewin

Apologies:

Leave of Absence:

NON-MEMBERS

Lord Mayor Reynolds
Deputy Lord Mayor Burnet
Briscoe
Denison
Harvey
Behrakis
Sherlock

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

2. CONFIRMATION OF MINUTES

The minutes of the Open Portion of the Economic Development & Communications Committee meeting held on [Thursday, 23 May 2019](#), and the Special Open Economic Development & Communications Committee meeting held on [Monday, 20 May 2019](#), are submitted for confirming as an accurate record.

3. CONSIDERATION OF SUPPLEMENTARY ITEMS

Ref: Part 2, Regulation 8(6) of the *Local Government (Meeting Procedures) Regulations 2015*.

Recommendation

That the Committee resolve to deal with any supplementary items not appearing on the agenda, as reported by the General Manager.

4. INDICATIONS OF PECUNIARY AND CONFLICTS OF INTEREST

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

Members of the Committee 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.

5. TRANSFER OF AGENDA ITEMS

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?

6. REPORTS

6.1 Proposed Council Policy - Inbound Requests for Sponsorships File Ref: F19/34793

Report of the Senior Advisor City Marketing, Marketing and Business Engagement Officer and Sponsorships and the Director Community Life of 13 June 2019 and attachment.

Delegation: Council

**REPORT TITLE: PROPOSED COUNCIL POLICY - INBOUND
REQUESTS FOR SPONSORSHIPS**

REPORT PROVIDED BY: Senior Advisor City Marketing and Sponsorships
Marketing and Business Engagement Officer
Director Community Life

1. Report Purpose and Community Benefit

- 1.1. The purpose of this report is to present the proposed City of Hobart Inbound Requests for Sponsorships policy.
- 1.2. The policy provides a framework under which sponsorship requests/proposals will be accepted and evaluated.
- 1.3. The policy, if approved, will ensure that sponsorship applications align with the City of Hobart's strategic goals and community vision and also add value back to the City, through a range of economic, promotional, community and visitation benefits.
- 1.4. The sponsorship policy is designed to ensure that applications are governed in a fair and transparent way to align with community expectations.

2. Report Summary

- 2.1. Currently the City of Hobart receives a number of sponsorship requests throughout the year on an ad-hoc basis.
- 2.2. There is currently no sponsorship policy for the City of Hobart and this makes it difficult to assess applications appropriately and objectively.
- 2.3. It is highly recommended that Council moves to a model where sponsorship requests are accountable for delivering economic value and have ongoing benefits for the City from these relationships, rather than simply funding without measured return.
- 2.4. The sponsorship policy is not designed to replace the grant program, but rather provide a further level of requirement and expectation from larger events, with greater strategic outcomes.
- 2.5. The proposed sponsorship policy defines the types of sponsorships the City will support, eligibility and the expected benefits to the City.
- 2.6. It is expected that the City of Hobart will be provided with an appropriate return on investment. This may include promotion of the City of Hobart's existing programs (for example Doone Kennedy Hobart Aquatic Centre), branding at events and media/advertising opportunities.

- 2.7. Each successful applicant must be able to provide a report to the City at the conclusion of each event providing evidence of economic benefits, attendance and any other KPIs that may have been negotiated.
- 2.8. In the development of this policy, extensive research has been undertaken with other councils throughout Australia.

3. Recommendation

That:

- 1. *The Council approve the City of Hobart Policy: Inbound Requests for Sponsorships (Attachment A).***
- 2. *The General Manager be authorised to make any minor amendments and finalise.***
- 3. *The City of Hobart Policy: Grants and Benefits Disclosure be updated to reflect consistency with the Inbound Requests for Sponsorship Policy.***
- 4. *The Inbound Requests for Sponsorships Policy be made available from the City's website.***

4. Background

- 4.1. On 22 August 2016, Council determined inter alia, that:

A policy be developed around applications seeking commercial sponsorships for the City of Hobart which provides guidelines to organisations which may apply.
- 4.2. Additionally, on 23 January 2017, Council determined inter alia, that:

The Council develop a policy and criteria to enable consistency around the consideration of future requests (for sponsorships).
- 4.3. The Sponsorship Policy (Attachment A) has been established in response to Council's request. The policy defines the types of sponsorships the City will support, assessment criteria, approval process, the return on investment the City expects and the acquittal process.
- 4.4. Currently the City of Hobart receives a number of applications for sponsorship requests throughout the year on an ad-hoc basis. An example of such requests includes the Hobart Hurricanes and the North Melbourne Football Club.

- 4.4.1. In addition, officers have recognised that some of the recipients in the current City of Hobart grant streams may be better suited to a sponsorship arrangement. An example of suitable sponsorships would include the Sydney to Hobart, due to its commercial nature, scale and the level of financial support requested.
- 4.4.2. In 2019, Dark Mofo was transitioned into a formal sponsorship agreement.
- 4.5. The Sponsorship Policy will enable Council to effectively determine which commercial sponsorships the City of Hobart will support and ensure that these align with the City's community vision and strategic goals.
 - 4.5.1. Under the current ad-hoc process, officers prepare a report for Council and requests are presented to Council for a determination.
 - 4.5.2. As there is no formal process for assessment and comparison between requests, each request is considered in isolation from others throughout the year.
 - 4.5.3. This process does not provide for competitive process, nor does it allow Council to benchmark applications against each other to determine the best sponsorship arrangements to support.
 - 4.5.4. The current process can make it difficult for Council to budget effectively. Applications for sponsorship may come in after the annual budget is approved.
 - 4.5.5. The current model does not empower officers to actively negotiate benefits for the City of Hobart.
- 4.6. The City currently has an existing grant program, which has been developed to support a range of programs, including community events, creative programs, venue support, community Christmas events through to waste reduction grants. The Event Grant Partnership can be used for larger financial support as it has a minimum grant award of \$20,000.
 - 4.6.1. The grant program recipients are required to provide branding recognition.
 - 4.6.1.1. However, it is probable that the general public may unaware of the contribution provided by the City to many of these programs.
 - 4.6.1.2. As the grant is not a commercial arrangement the City of Hobart is not actively negotiating benefits to the value of the support provided.

- 4.7. The larger Event Partnership Grants currently supported through the program include the Sydney to Hobart, Wooden Boat Festival and Festival of Voices.
- 4.8. Sydney to Hobart could be transitioned to a sponsorship where greater benefits to the City can be negotiated through a formal commercial arrangement.
 - 4.8.1. The Sydney to Hobart is a high profile event with the ability to provide significant branding exposure.
- 4.9. It is recommended that although the Wooden Boat Festival and the Festival of Voices are of significant scale, that these be left in the current Event Partnership Grant program.
 - 4.9.1. These events are both community events which are largely run by volunteers and not for profit. The intent of these organisations is to encourage community participation and enrichment and this community perspective makes them significantly different to a commercial sponsorship application.
- 4.10. Through the Sponsorship Policy it will be possible to set clear expectations and a return on investment from successful applicants. This will ensure that the City of Hobart derives quantifiable benefits from sponsorships arrangements.
 - 4.10.1. Through the negotiation process with potential applicants, it is possible to further promote the City of Hobart's existing programs and enhance the reach of its activities outside its normal and existing demographics.
 - 4.10.2. Sponsorship benefits, over and above logo recognition and appropriate to the amount being sponsored, will be negotiated by officers, as part of a formal agreement with each applicant.
- 4.11. The sponsorship policy is not designed to replace the grant program, but rather provide a mechanism for those events that are more mature in their life-cycle, larger and are high-profile. These events/activities often request larger funding allocations and the grants program does not have the budget nor the resourcing to manage these more complex relationships.

Research undertaken from other councils

- 4.12. Officers undertook research to determine sponsorship best practice in other councils around Australia.
 - 4.12.1. This research included liaising with a number of other local governments, including City of Melbourne, City of Launceston, City of Perth, City of Brisbane and the City of Sydney.

- 4.12.2. These local government authorities, particularly the larger ones, have long established sponsorship policies and guidelines and proven systems for assessment.
- 4.13. Officers contacted each sponsorship officer regarding their respective sponsorship policy/guidelines, their application process, the timing of applications, budgets, acquittal processes and their expectations regarding economic impact and social inclusion. The research also examined the type of requests that each council would and wouldn't support and the common problems experienced.
- 4.14. This research has been used to develop the proposed new sponsorship policy for the City of Hobart, utilising the established methodologies from other councils around Australia, as well as ensuring that the recommendations would be a good fit with the City's current practices.
 - 4.14.1. The City of Adelaide have detailed KPIs included as part of their agreements. In addition to considerable recognition, they also focus on sustainability and business engagement. These all must be measured by the sponsor and reported back to the sponsorship officer upon completion of the event.
 - 4.14.2. The City of Perth has one of the most succinct guidelines available for sponsorship. They previously ran two rounds calling for sponsorship requests, but found that making it more competitive in one round was much more effective in managing budgets and creating benchmarks for the applications they wished to sponsor. The City of Hobart, could in the future, look at running a single sponsorship round and adapt this methodology from the City of Perth.
- 4.15. Officers also consulted with the City of Hobart's community grant officers to ensure that the methodology would complement, but not detract from, our current grants streams.

The Sponsorship Policy

Definitions

- 4.16. As the City of Hobart already has an existing grant program, it is important to determine the difference between a grant and a sponsorship so that it is clear for all applicants.
- 4.17. A grant is made where the Council believes that an event or activity is inherently good for the community. This is where an event or activity is worthy of support without the need for much in return.
- 4.18. A 'sponsorship' is a commercial arrangement in which a sponsor provides a contribution of money or in-kind support, to support an activity, for a certain specified benefit.

4.19. The Australian Tax Office defines sponsorships as receiving something of value (often advertising/naming rights) in return for sponsorship. It is not a gift, and as a result, if the organisation is registered for GST, it must pay GST on the sponsorship received.

4.20. A sponsorship application made to the City of Hobart must be:

A large scale event, festival or activity (including sporting) that is high profile and as a result has the potential for significant promotional leverage (i.e. interstate media/branding opportunities) and significant economic benefit, improve visitation and provide enrichment to the community. As a result, most sponsorship applications will be initiated from well-established proven events.

4.21. A sponsorship is not:

4.21.1. a **partnership** where organisations work collaboratively together to share in the outcomes of an initiative.

4.21.2. a **grant** where non-repayable funds or products are disbursed from one party (grant maker) to a recipient (grant seeker).

4.21.3. a **donation** for which little or no acknowledgement or commercial return is expected.

4.21.4. a **discount** for normal services.

4.21.5. an **endorsement** of any product or service.

4.22. To provide clarity between the existing grant program and the Sponsorship Policy, a simple table has been created for officers to determine whether an application is best suited to a grant or a sponsorship (see Attachment B).

4.23. Organisations will be assisted through the application process and guidance will be provided to applicants. Applicants will be encouraged to speak to either the grants or the sponsorship officers to help them determine which funding stream is most suitable.

4.24. A key delineation between the existing grant program and the proposed sponsorship process is the commercial nature of the event/activity and benefits the city expects from the arrangement. At its heart, grants are designed to support community events. Whereas, sponsorships are a commercial arrangement for events in their maturity that are large scale.

Thresholds

4.25. The City of Hobart has not set a minimum threshold for sponsorship, however, due to the amount of applications received by the City, only those that are commercial in nature and meet the criteria of the Sponsorship Policy will be eligible:

- 4.26. The benefit of commercial sponsorships is that they will:
 - 4.26.1. Provide evidence of economic benefit and return on investment.
 - 4.26.2. Have dedicated staff to ensure that negotiated sponsorship requirements are delivered.
 - 4.26.3. Have the ability to encourage and influence visitation to Hobart and deliver events that enrich and engage a large number of people from the municipality.
 - 4.26.4. Be of significant scale to provide local, national and even international branding opportunities.

Single or multi-year

- 4.27. Applications can be made for single or multi-year funding with a maximum term of three years.
- 4.28. Multi-year sponsorship applications are encouraged. Multi-year agreements provide significant advantages to the City of Hobart. They allow officers to assess deliverables across successive years, make improvements, and develop and further strengthen objectives and outcomes.
- 4.29. Where an event is significant and well-established, it is recommended that event organisers seek funding for multi-year funding. This will provide them with funding certainty and also allow the City to budget appropriately across multiple years.
- 4.30. All successful applicants must undergo an evaluation at the conclusion of each year to determine whether objectives have been met and to determine whether the following years' commitment will continue.
 - 4.30.1. Where a sponsorship is approved by Council for multi-year funding, each subsequent year's funding is delegated to the General Manager for approval.

Cash and In-kind support

- 4.31. The Sponsorship Policy allows applications to be made for both cash and in-kind support, as well as a combination of both.
- 4.32. The City is in a position to provide in-kind support for a large range of services including, but not limited to, equipment hire, venue hire and civic banner bookings.
- 4.33. In the past, much of this in-kind support has been fee waived by individual areas and has often not been acknowledged by event organisers.

- 4.34. The Sponsorship Policy will document the full amount of in-kind requests and cash support across the organisation for these events which will enable officers to negotiate a higher level of recognition.
- 4.35. The total value of the cash and in-kind support will be documented within the sponsorship agreement. Once agreed upon, no further discounts or fee waivers for support will be entered into.
- 4.36. When the City agrees to waive fees for equipment hire there is still wear and tear on the equipment which is a true cost to the Council. The policy allows to negotiate discounts rather than full fee waivers to recover some of these costs.
- 4.37. To reduce the risk of an event not delivering on the terms of the sponsorship agreement, each applicant will receive a proportion of cash funding on approval and the remainder after the event acquittal.
 - 4.37.1. 70% of the funding will be available once the funding is approved, contracts are negotiated and agreements signed.
 - 4.37.2. The remaining 30% is to be paid at the conclusion of the event or activity, to ensure, that in principle, the terms of the agreement have been met.

Return on investment

- 4.38. The sponsorship policy highlights the expected return on investment (ROI) from applicants.
- 4.39. The decision to enter into a sponsorship agreement must be driven by sound business principles and only undertaken if it is likely to produce significant benefit for the City of Hobart.
- 4.40. The City of Hobart will negotiate mutually agreed benefits from successful applicants in exchange for funding. These may include, but are not limited to:
 - 4.40.1. Economic return on investment.
 - 4.40.2. Visitation and event attendance.
 - 4.40.3. Branding and recognition opportunities, including media and advertising.
 - 4.40.4. Complementary tickets and promotional giveaways that the City of Hobart leverage through its businesses or community.
 - 4.40.5. Ability to integrate City of Hobart displays or on-site presence at events.

- 4.41. Upon completion of an event, applicants will be expected to provide a report to officers reflecting on these benefits and other key performance indicators, including, but not limited, to attendance, visitation, and economic benefits.
- 4.42. The City of Hobart's ability to develop mutual benefits through negotiation has been recently illustrated through the development of a three-year Goodwill Agreement with the Hobart Hurricanes.
 - 4.42.1. The agreement was negotiated to provide equal and mutual benefit to both parties.
 - 4.42.2. The primary beneficiary of this relationship was the Doone Kennedy Hobart Aquatic Centre, who provided swim memberships in return for leveraging promotional opportunities, particularly through their family day event.
 - 4.42.3. Additionally, this relationship provided activations for families and children at the Taste of Tasmania, Myer Hobart Christmas Pageant and Salamanca Market.
 - 4.42.4. This activation and joint promotion was over and above the standard branding recognition that can normally be anticipated through grant relationships.

Risk Assessment

- 4.43. Sponsorship officers will supply a risk assessment to the assessment panel and as part of their due diligence. This assessment is to capture all determined risks that may arise as a result of the sponsorship, including, but not limited, to event safety and brand alignment.
- 4.44. Sponsorships will only be entered into where the risk or damage to the reputation of the City of Hobart is perceived as acceptable.
- 4.45. If the assessment concludes that the risks are unacceptably high, the City of Hobart will discontinue consideration of the proposal at this stage, or renegotiate the terms.

Canvassing

- 4.46. Most councils contacted for comment on sponsorships hold a strict view on anti-lobbying or canvassing of elected members of council.
- 4.47. For example, the City of Melbourne has a strict no canvassing rule, noting that any canvassing is strictly prohibited and no consideration will be given to applicants seen to be lobbying/canvassing. Officers recommend that this be implemented in the City of Hobart's policy.
- 4.48. The primary objective of this rule is to ensure an equitable process for all applicants and the expectations of the community are upheld.

- 4.49. These rules will be highlighted in the application guidelines to make it clear for all applicants.
- 4.50. To ensure the City of Hobart upholds the strictest transparency to the community, where canvassing or lobbying has been identified, the applicant may be disqualified and the sponsorship excluded from consideration for approval.
- 4.51. Officers will be required to uphold ethical behaviour when dealing with proposals.
 - 4.51.1. Benefits are not to be accepted by Council or officers, unless it is done so in a capacity that otherwise would have been offered. For example, if Alderman/Councillors would have been invited to an event in a formal manner as a guest, then this would be acceptable.

Consistency

- 4.52. To ensure consistency throughout the organisation, the City of Hobart Policy document titled *Grants and Benefits Disclosure* will need to be updated to reflect the definition of this new sponsorship policy.
- 4.53. Currently this policy incorporates both sponsorship and investment as one and the same contribution, including grants. It is proposed that this terminology be changed to be consistent across the organisation and in turn, in the Annual Report.

Sponsorship requests excluded

- 4.54. Many of the smaller requests for sponsorship are suitable to be progressed through the Community Grants program for assessment and funding.
- 4.55. Officers would like to note that there are some requests that do occur from time-to-time for activities or events that would not fall into a commercial sponsorship arrangement or be suitable for grant funding. These may be civic in nature or may be industry specific, and funding requests may be much smaller.
- 4.56. On receipt of these applications, grants and sponsorship officers will meet to assess and determine eligibility in existing programs, if the application has merit, under the guidance of the Director Community Life. Officers will present the application to Council for funding outside of these programs. This would only happen if the event has exceptional community benefit.

5. Proposal and Implementation

- 5.1. Information on sponsorship will be made available on the City of Hobart website. Applications for sponsorship must be submitted to the sponsorship officers. Consideration will be given to having an online application process through the Council's existing subscription SmartyGrants.
- 5.2. Applicants will be encouraged to work closely with sponsorship officers to determine eligibility, suitability and potential benefits to the City of Hobart.
- 5.3. Assessment of eligible applicants will be completed by a panel of internal officers.
 - 5.3.1. These officers will come from a number of business units and divisions across the organisation.
 - 5.3.2. The panel will provide scores around the assessment criteria, which will be weighed heavily on the economic and tourism benefit to the city.
 - 5.3.3. The panel may also choose to recommend a reduced sponsorship as a result of budgeting limitations.
- 5.4. Once applications have been assessed by the panel, the recommendations will be submitted to the Economic Development & Communications Committee for approval.
- 5.5. A formal contract will be drawn up for successful applicants. The contract will include the agreed negotiated benefits that will need to be met to receive full funding.
- 5.6. Sponsorship officers will manage the relationship with each of the approved organisations to ensure that objectives are being met throughout the contract.
- 5.7. Each successful applicant will be required to complete a report to the City of Hobart at the conclusion of each event to provide evidence of success and outline the economic, social and visitation benefits to Hobart. If a multi-year event, a report must be compiled at the conclusion of each year.
- 5.8. Where the sponsorship is for multi-year funding, each subsequent year of support will be delegated to the General Manager for approval.

6. Strategic Planning and Policy Considerations

- 6.1. The City of Hobart has a vision for the future of Hobart and its community. The objectives of the sponsorship program is to partner together to help achieve these goals, in particular:

We are a city whose economies connect people, businesses, education and government to create a high-quality lifestyle in a thriving and diverse community. Our city is our workshop. We collaborate, embracing ideas, inventiveness and initiative.

Hobart: A Community Vision for our Island Capital, Pillar 4 City Economics

City growth, vibrancy and culture comes when everyone participates in city life

Goal 1 – Economic development, vibrancy and culture

Our communities are resilient, safe and enjoy healthy lifestyles

Goal 4 – Strong, safe and healthy communities

7. Financial Implications

- 7.1. Funding Source and Impact on Current Year Operating Result
- 7.1.1. There is no financial implication to the current year operating budget as a result of this report.
- 7.2. Impact on Future Years' Financial Result
- 7.2.1. Not applicable
- 7.3. Asset Related Implications
- 7.3.1. There are no asset related implications.

8. Legal, Risk and Legislative Considerations

- 8.1. A risk assessment will be undertaken for each proposed sponsorship application to ensure that any perceived risk to the City is acceptable.
- 8.2. Where a risk has been identified as being unacceptable, the sponsorship application will not be considered or re-negotiated.
- 8.3. Sponsorship officers will consult with procurement and legal officers to ensure that sponsorship contracts are legally sound.

9. Environmental Considerations

- 9.1. Events or activities that the City of Hobart supports through sponsorship will be required to support the objectives of the *City of Hobart Waste Management Strategy 2015-2030*. In particular, applicants must outline their commitment to sustainable events, certified compostable food packaging and reducing waste to landfill.

10. Social and Customer Considerations

- 10.1. Sponsored activities or events should not be exclusive to a particular segment, but have broad appeal and can be attended by the general public. If the event is ticketed, tickets must be available to purchase by the general public.
- 10.2. The sponsored activity must not discriminate by way of race, religion, gender or sexual orientation in employment, marketing, advertising practices or within the event itself.

11. Marketing and Media

- 11.1. Each approved sponsorship application will have significant branding opportunities for the City of Hobart, which will be negotiated and outlined in each sponsorship contract.
- 11.1.1. These may include logos on event promotional materials, signage at the event, promotion through social media, websites, advertising and digital promotion, as well as media releases.
- 11.2. The City of Hobart will also promote the relationship through its own media channels including the City of Hobart website and social media pages.

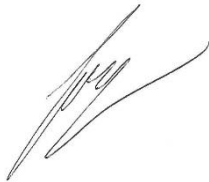
12. Community and Stakeholder Engagement

- 12.1. Officers undertook a broad engagement and consulted with many councils throughout Australia, including the City of Melbourne, City of Launceston, City of Perth, City of Brisbane and the City of Sydney.
- 12.1.1. These local government authorities, particularly the larger ones, have long established sponsorship policies and guidelines and their advice was essential to the formation of this sponsorship policy.
- 12.2. Officers also consulted internally with Community Development Officer - Grants, Community Activation and Grants Coordinator, Manager-Future, Engaged and Active Communities, Manager Inclusive, Resilient and Creative Community, Manager Legal & Governance, Legal Officer, Group Manager Rates & Procurement, Principal Advisor Risk and Audit Systems and Director Community Life.

13. Delegation

13.1. This report is delegated to Council.

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.



Trish Stagg
**SENIOR ADVISOR CITY MARKETING
AND SPONSORSHIPS**



Tim Short
DIRECTOR COMMUNITY LIFE

Date: 13 June 2019
File Reference: F19/34793



Samantha Skillern
**MARKETING AND BUSINESS
ENGAGEMENT OFFICER**

Attachment A: Draft City of Hobart Policy: Inbound Requests for Sponsorships
↓

City of Hobart

Policy

Title: Inbound requests for sponsorships

Category: Community Services and Events

Date Last Adopted: xx xx xxxx

1. Objectives

Ensure that sponsorship applications presented to the City are governed in a fair and transparent way. This policy aims to provide clear definitions, guidelines and procedures for sponsorship.

In particular, this policy covers:

- clarity on types of sponsorships the City is looking to engage in
- how sponsorship applications can be made to the City
- guidance for assessment, approval, and return on investment the City expects.

2. Background

This policy was developed to provide framework for processing of sponsorship requests that the Council receives.

This policy applies to all inbound sponsorship applications received by the City. It does not apply to requests that would be covered by the City of Hobart grants program. Further information on the City of Hobart grants is available in the policy titled Applications for Grants – City of Hobart Grants Program.

This policy does not apply when the City of Hobart is seeking sponsorship. For example, if The Taste of Tasmania was seeking sponsorship for appliances for the festival. These types of sponsorships will be covered under a separate policy in due course.

3. Policy

Classification

1. Sponsorship is a commercial arrangement in which a sponsor provides a contribution of money to support an activity for a certain specified benefit.
 - i. A sponsorship application made to the City of Hobart must be:

A large scale commercial event, festival or activity (including sporting) that is high profile and as a result has the potential for significant promotional leverage (i.e. interstate media/branding opportunities) and significant economic benefit, improve visitation and provide enrichment to the community. As a result, most sponsorship applications will be initiated from well-established proven events.
2. Sponsorship is not:
 - i. a partnership where organisations work collaboratively together to share in the outcomes of an initiative
 - ii. a grant where non-repayable funds or products are disbursed from one party (grant maker) to a recipient (grant seeker)
 - iii. a donation for which little or no acknowledgement or commercial return is expected
 - iv. a discount for normal services
 - v. an endorsement of any product or service
3. The Australian Tax Office defines sponsorships as receiving something of value (often advertising/naming rights) in return for sponsorship monies. It is not a gift, and as a result, if the organisation is registered for GST, it must pay GST on the sponsorship received.

Eligibility and Applications

4. An application can be made for multi-year funding with a maximum amount of 3-year funding agreements.
5. The total value of the sponsorship request must consider the full value of both cash and in-kind support. In-kind support from the City includes road closure fees, equipment hire, venue hire and other support as negotiated as either a full fee waiver or discounted fee. No further reductions on these in-kind support fees will be entered into after the approval of the sponsorship agreement.

6. To be eligible to receive sponsorship from the City, the applicant must:
 - i. be an Australian legal entity with an Australian Business Number (ABN); this includes incorporated associations, proprietary or public companies and trusts, but not sole traders
 - ii. have submitted the application not less than the prescribed period as outlines in the Sponsorship Guidelines from the event commencement date
 - iii. ensure the funding is not more than 30% of the total cash budget
 - iv. ensure the activity/event is not exclusive to a particular segment, but has broad appeal and can be attended by the general public. This does include ticketed events so long as tickets are available for purchase by the general public.
 - v. ensure the funding is not for retrospective events or activities
7. Sponsorships will not be considered where they:
 - i. conflict with the City of Hobart's strategies, values and mission
 - ii. impede or potentially impede the City of Hobart from carrying out its functions and statutory obligations
 - iii. are applications emanating from Commonwealth, State or local government agencies, schools and government business enterprises
 - iv. are applications emanating from political parties
 - v. are proposals emanating from parties previously found guilty of relevant illegal or improper conduct
 - vi. are applications where the applicant has not correctly acquitted a previous City of Hobart grant or sponsorship, or where the applicant has outstanding debts to the City of Hobart
 - vii. are applicants that have already received funding from the City of Hobart (including in-kind) for the same event within the same financial year. This includes applicants who are currently receiving funds as part of the Major Cultural Organisation Grant
 - viii. are applications that directly benefit an individual or are a fundraiser
 - ix. discriminate by way of race, religion, gender or sexual orientation in employment, marketing, advertising practices or within the event itself
 - x. do not show a genuine readiness or capability to carry out the obligations or expectations of a sponsorship
 - xi. are connected to tobacco, drug companies or products, or excessive use of alcohol
 - xii. are in any way associated with illegal or dangerous activities or practices.
8. The City of Hobart retains the right not to accept sponsorships from any entity for any reason and equally may accept applications that do not meet all requirements in extenuating circumstances.
9. The provision of sponsorship can be advantageous for all parties, however, the City must ensure that the provision of such does not compromise or question the

integrity of City operations or its reputation or interfere with its ability to complete its statutory requirements.

10. In addition to addressing the assessment criteria in point 6, applications must include the following:

- i. details of the activity and overall objectives of the activity
- ii. details of the sponsorship support requested
- iii. the scale of the activity, the number of participants expected and their demographics
- iv. previous event results if applicable
- v. details of the sponsorship benefits to the City of Hobart (return on investment), see point 12.
- vi. the names of other sponsors, proposed or confirmed, involved with the event or activity.

Benefit to the City

11. The decision to enter into a sponsorship agreement must be driven by sound business principles and only undertaken if it is likely to produce significant benefit to the City of Hobart.

12. The City of Hobart has an expectation that it receives a return on investment (ROI) through demonstrated benefits including, but not limited to:

- i. appropriate branding and profile raising opportunities
- ii. ability to be included in high-profile media/advertising
- iii. participation, displays or on-site presence at events
- iv. complementary tickets and promotional giveaways
- v. promoting complementary City of Hobart programs or events
- vi. providing mechanisms for the City of Hobart to reach and engage a large audience.

Assessment

13. The assessment criteria will be weighted with a focus on the economic benefit and the tourism benefit to the city. In particular the criteria will look at the:

- i. ability of the activity/event to contribute to a measurable economic benefit to the City of Hobart and support local business through increased activity in the city.
- ii. ability of the activity/event to contribute to increased visitation within the municipality, or if the activity/event is held outside the municipality, it will provide direct tourism/economic benefits to the municipality.

- iii. degree to which the activity/event assists in the development of an inclusive and strong community and increases participation in city life for all.
- iv. extent to which the activity/event proposes to raise awareness and increase the profile of the City of Hobart.
- v. overall quality and capacity including the quality of the application, the key personnel and their experience, how manageable and organised the project is and the innovation of the project concept to achieve the outcomes they are wanting to.

14. Sponsorship arrangements will only be considered when there is alignment with objectives outlined in the *Hobart: A Community Vision for our Island Capital* and the *City of Hobart Capital City Strategic Plan 2015-2025*.

15. Eligible applications will be assessed by an assessment panel of City of Hobart officers from relevant business units. The panel will score the application on the criteria, taking into consideration risks and proposed benefits. The application, along with the panel recommendation, will then be presented to Committee/Council for final consideration.

16. Full funding is not guaranteed for any application. The panel may approve a sponsorship request, but may recommend to Council a reduced amount.

Successful sponsorships

17. Successful sponsorship applicants will be paid 70% of the approved cash amount prior to the event, with the remaining 30% paid upon completion of acquittal. This agreement may be negotiated on a case-by-case basis if reasonable argument can be made.

18. Successful applicants of a City of Hobart sponsorship will be required to:

- i. enter into a written agreement that will detail the commitment of both parties, including terms and conditions of the sponsorship, delivery obligations, mutually agreed KPIs, reporting, use of corporate identity and termination provisions
- ii. provide a copy of the organisation/event public liability insurance of no less than \$20 million. On occasion, the need for a higher public liability cover may apply
- iii. upon completion of the activity, submit a completed sponsorship acquittal that includes a project report within three months of the project's completion. This includes a detailed summary of the return on the investment made to the City.

19. The City of Hobart expects that an applicant who receives sponsorship must be experienced in event management. Sponsorship by the City of Hobart is not a given, and must be enacted similarly to that of a commercial entity. If an applicant is successful, the applicant must:

- i. proactively manage the sponsorship relationship with the City of Hobart
- ii. ensure that the benefits agreed upon are met
- iii. communicate regularly and provide updates to the City of Hobart
- iv. provide evidence to the City of Hobart of benefits met
- v. proactively update the sponsorship team of any changes in the direction of the event/sponsorship.

Fair dealing

20. To ensure the City of Hobart upholds the strictest transparency to the community, all sponsorship applicants are strictly forbidden to canvass any Elected Member of the City of Hobart. If a determination is made by officers that an applicant has attempted to provide additional information, either directly or indirectly, on any matter in relation to the sponsorship to an Elected Member, the applicant may be disqualified and the sponsorship excluded from consideration for approval.

21. Officers and Elected Members involved in sponsorship management or decision-making must maintain high levels of integrity in all official dealings including:

- i. disclosure of any real or perceived conflicts of interest
- ii. refusal of gifts, invitations to events and functions, or other favours that would otherwise be outside of their normal work
- iii. receiving approaches from organisations that might be interpreted as attempts to obtain influence or advantage
- iv. maintenance of confidentiality in respect to commercial-in-confidence, intellectual property issues, matters under negotiation and any other confidential information

22. A summary of sponsorship proposals will be available to the general public as part of the Council reports available via the City of Hobart website.

Mitigating risk

23. Each sponsorship proposal will be subject to a risk assessment completed by officers of the City of Hobart.

- i. Sponsorships will only be entered into where the risk or damage to the reputation of the City of Hobart is perceived as acceptable.
- ii. If the assessment concludes that the risks are unacceptably high, the City of Hobart will discontinue consideration of the proposal at this stage, or renegotiate the terms.

- iii. Sponsorship agreements will specify that a City of Hobart sponsorship is not a general endorsement of the organisation or its products, and that the arrangement must not be promoted or publicised as such.
- iv. All sponsorship agreements must provide for termination/suspension of the arrangement, should the organisation/activity cease to be appropriate.
- v. Sponsorship agreements will include procedures to recover or withhold financial benefits where there is inadequate delivery of agreed benefits by the other party.
- vi. Every sponsorship proposal will be assessed against the possibility of a real or perceived conflict of interest and may be refused or terminated where, during the life of the sponsorship, any conflict of interest is likely to arise.
- vii. Additionally, should the sponsorship limit the City of Hobart's ability to carry out its functions fully and impartially, sponsorship will be refused or terminated.

4. Legislation, Terminology and References

Not applicable.

Responsible Officer:	Director Community Life
Policy first adopted by the Council:	TBC
History	
Amended by Council	Not applicable
Next Review Date:	xx xx xxxx
File Reference:	

6.2 Tourism Strategy
File Ref: F19/69728; F18/137624

Report of the Manager Tourism and the Director Community Life of 12 June 2019.

Delegation: Council

REPORT TITLE: TOURISM STRATEGY

REPORT PROVIDED BY: Manager Tourism
Director Community Life

1. Report Purpose and Community Benefit

1.1. The Council has agreed in-principle to develop a tourism strategy for the City of Hobart subject to consultation with the State Government and appropriate tourism stakeholder groups. This report summarises the consultation outcomes.

1.1.1. The Hobart Community Vision sets the tone to guide any future destination management of Hobart and a tourism strategy would encapsulate externalities and the work that is occurring within the council organisation, and provide the opportunity for the City to clarify its role, consider perceived risks and fulfil a positive vision for the visitor economy.

2. Report Summary

- 2.1. The tourism sector is a very significant contributor to the Tasmanian economy, with record levels of visitor numbers and spending stimulating investment in tourism accommodation and supporting employment across the State.
- 2.2. The direct and indirect contribution of tourism in Tasmania to Gross State Product (GSP) as well as to employment is the highest in the country.
- 2.3. Based on available data it is reasonable to believe that the number of tourists visiting Hobart is likely to continue to grow for the foreseeable future although growth is predicted at lower rates than in recent years.
- 2.4. The literature on best practice destination management identifies the need for destinations to define how tourism as a whole contributes to resident wellbeing and quality of life, in addition to recognising the economic value of tourism.
- 2.5. In Hobart's Community Vision, the City has committed to "showing leadership and demonstrating to communities and stakeholders that the future of Hobart will not be left to chance".
- 2.6. Stakeholders were invited to provide their perspective on the role the City of Hobart has in the visitor economy and their thoughts on a tourism strategy for the City.

- 2.7. Amongst the feedback, the following points were noted:
- 80% of visitors come through Hobart so Hobart is vital to the success of tourism in Tasmania.
 - In the area of accommodation, if visitors can't stay in Hobart, they may choose another destination in another part of the country or overseas. Visitors will consider Hobart / Tasmania as a single decision.
 - Visitor dispersal and the economic benefits for the regions can't occur without Hobart. However, Hobart is more than a gateway, it also needs to be attractive as a destination in its own right.
 - The City needs to continue to reflect the community vision and in doing so, consider how tourism can help advance other City goals.
 - Reactive policies are inferior to proactive, therefore, it is appropriate to consider the growth of the city so it can be managed. In particular, the impacts upon ratepayers, including the cost burden, as well as benefits for ratepayers.
- 2.8. A clear theme that arose from the consultation is that the needs of the ratepayer take priority, however, that a successful tourism industry is not necessarily mutually exclusive of this.
- 2.9. Notwithstanding this, the City's ability to manage tourism was a concern that was raised on a number of occasions.
- 2.10. Other concerns in regard to the development of a tourism strategy that were noted include that the strategy should not be a destination marketing plan, nor an economic development strategy and the strategy should avoid duplication where existing strategies, plans or initiatives already exist.
- 2.11. The Hobart Community Vision states, "We invite visitors and tourists to enjoy our city and recognise their important contributions to city life".
- 2.12. A number of principles that summarise the key themes arising from the stakeholder consultation as well as the Community Vision are proposed to guide development of a tourism strategy for the City of Hobart.

3. Recommendation

That:

- 1. The Council note the stakeholder consultation undertaken and feedback received.***
- 2. The Council endorse the principles that summarise the key themes arising from the stakeholder consultation as well as the Hobart Community Vision and that are proposed to guide development of a tourism strategy.***
- 3. Work commence on developing a tourism strategy.***

4. Background

Tourism and the economy

- 4.1. The tourism sector is a very significant contributor to the Tasmanian economy, with record levels of visitor numbers and spending stimulating investment in tourism accommodation and supporting employment across the State.
- 4.2. The direct and indirect contribution of tourism in Tasmania to Gross State Product (GSP) is the highest in the country - about \$3.03 billion or 10.4 per cent to GSP.
- 4.3. In addition, the direct and indirect contribution of tourism to employment in Tasmania is also the highest in the country - about 15.8 per cent of total Tasmanian employment or around 38,000 jobs.
- 4.4. Of all Tasmanian visitors (December 2018), the vast majority (640,600) visited Tasmania for a holiday, followed by the 'visiting friends or family' cohort (342,700), visitors here for business (230,000) and then the conference or convention market (36,300).
- 4.5. Out of the total number of 1.32 million visitors to Tasmania (December 2018, excluding cruise ship visitors), an estimated 1 million visited southern Tasmania.
- 4.6. Hobart hosts much of the state's tertiary sector and is the main destination for international students in Tasmania. The partnership agreement between UTas and the Tasmanian Government (2015) estimates the international student economy will be worth \$400 million to Tasmania by 2020.

- 4.7. Since 2011, employment levels in the accommodation and food services industries in Hobart have risen by over 26% in line with increased visitation to the city and the state.

Hobart as a destination

- 4.8. For Hobart, Tourism Research Australia is forecasting average growth to be 5.6% (down from 6.7%) from 2021-22 to 2026-27.
- 4.9. In terms of visitor numbers, Hobart and Launceston are expected to grow more significantly in relative terms through greater accommodation capacity and more business travel and events.
- 4.10. In Hobart's Community Vision, the City has committed to "showing leadership and demonstrating to communities and stakeholders that the future of Hobart will not be left to chance".
- 4.11. The literature on best practice destination management identifies the need for destinations to define how tourism as a whole contributes to resident wellbeing and quality of life, in addition to recognising the economic value of tourism.
- 4.12. The United Nations World Tourism Organisation, whose charter is to promote tourism as a driver of economic growth, inclusive development and environmental sustainability, says that tourism is sustainable when it addresses the needs of visitors, the industry, the environment as well as host communities. Further, that sustainable tourism should also ensure a meaningful experience for tourists including promoting sustainable tourism practices amongst them.

What other cities are saying

- 4.13. Australia's two largest cities place a clear value on tourism for its benefits in supporting a range of business sizes and types (including the multiplier effect), building international reputation and economic linkages, and as a lever to advance other important community resources around the environment, cultural activities and smart technologies.

- 4.14. The City of Sydney Visitor Action Plan states:

"Tourism is a priority for the City. It creates jobs, growth and resilience. It increases international knowledge and networks. It contributes to Sydney's national and international reputation as a great place to visit, live, work and invest. Tourism is also important for the success of the City's international and national business networks as over one third of the city's visitors are corporate travellers or here for conferences, meetings or exhibitions.

The benefits of visitors and tourists fall across the economy. Every dollar spent on tourism generates an additional 91 cents in other parts

of the economy – higher than multipliers in mining, agriculture and financial services.

The City is working to enhance tourism infrastructure, assets and branding, partnering with industry and government to develop visitor facilities and attractions, including new hotels and accommodation opportunities, promote the city as a global destination, assist way finding and support a calendar of globally significant events.”

4.15. The City of Melbourne Tourism Action Plan states:

“We support and foster entrepreneurs and enterprises, small and large, helping them to compete in local, national and global markets. We ensure infrastructure and programs are in place to support their success and create a high standard of living for all.

The (action plan) outlines Council’s commitment to ensuring Melbourne’s continued global recognition as a smart, intriguing, clean and green city.

Central to the Plan is Council’s ambition that visitors have the best possible experience of Melbourne and that the visitor economy benefits local businesses and the community.”

Hobart stakeholder consultation

4.16. Stakeholders were invited to provide their perspective on the role the City of Hobart has in the visitor economy and their thoughts on a tourism strategy for the City.

4.17. Stakeholders consulted include Tourism Tasmania, Destination Southern Tasmania, Australian Cruise Association, Macquarie Point Corporation and City of Hobart elected members. Their feedback is summarised as the following:

- 80% of visitors come through Hobart so Hobart is vital to the success of tourism in Tasmania.
- In regard to accommodation, if visitors can’t stay in Hobart, they may choose another destination in another part of the country or overseas. Visitors will consider Hobart / Tasmania as a single decision.
- Hobart is more than a gateway, it also needs to be attractive as a destination in its own right.
- Visitor dispersal and economic benefits for Tasmania’s regions can’t occur without Hobart.
- The viability of Hobart as a gateway plays a key role in community recovery after a disaster, helping facilitate regional economic recovery through visitation / tourism.

- The City of Hobart will benefit from Tasmania's tourism brand, in particular where there is alignment with the brand values of 'enrichment, authenticity, connecting with nature, quality over quantity'.
 - What's good for the visitor is good for the local and what's good for the local is good for the visitor.
 - The City needs to continue to reflect the community vision and in doing so, consider how tourism can help advance other City goals:
 - heritage protection and promotion
 - Hobart as a walkable city
 - vibrant arts and culture
 - collaboration across local government and support from State Government.
 - Reactive policies are inferior to proactive, therefore, it is appropriate to consider the growth of the city so it can be managed. In particular, the impacts upon ratepayers, including the cost burden, as well as benefits for ratepayers.
 - A better economy, that includes, but is not exclusive to tourism, is generally desirable and provides many benefits for the ratepayer.
 - The hospitality industry is a key beneficiary.
 - Linkages beyond LGA boundaries as well as through wayfinding need to be developed in order to improve the visitor experience.
- 4.18. A clear theme that arose from the consultation is that the needs of the ratepayer should take priority, however, that a successful tourism industry is not necessarily mutually exclusive of this.
- 4.19. The City may need to look at capacity and develop an understanding of what peak capacity looks like and what creates peak capacity.

Concerns expressed by stakeholders

- 4.20. The City needs to focus on the Hobart LGA as its core priority and it is unclear whether the City has the resources to manage tourism.
- 4.21. The tourism strategy should not be a destination marketing plan.
- 4.22. The tourism strategy should not be an economic development strategy.
- 4.23. Biosecurity is a concern.

- 4.24. The tourism strategy should avoid duplication, in particular where existing strategies, plans or initiatives already exist.

What the Hobart Community Vision says

- 4.25. “We are excited about tourism and welcoming people to our city and our island. With these new visitors come opportunities, to encounter new cultures, share our knowledge, and make a living through providing them with products and services. Many of us first came to Hobart on holiday and were so captivated that we never left. But we are afraid of Tasmania’s tourism focusing on quantity instead of quality.
- 4.26. “We love seeing better quality public toilets, taking visitors to Salamanca Market and seeing our heritage buildings preserved.
- 4.27. “People want to spend time in our city because it is comfortable, safe and wonderful. Our visitors feel a sense of friendliness and magic that they miss when they leave.
- 4.28. “We welcome visitors, and we strike a balance between meeting the needs of tourists and the needs of our communities.
- 4.29. “We are a wonderful audience for Hobart’s artists and creatives. We support their work and compel them to progress in their careers, to continually inspire and amaze our city and its visitors.
- 4.30. “We invite visitors and tourists to enjoy our city and recognise their important contributions to city life.
- 4.31. “We manage visitor accommodation so that it does not negatively affect or infringe on the availability of longer-term housing or reduce neighbourhood safety or cohesion.”

Proposed strategy principles

- 4.32. The following principles are proposed to guide development of a tourism strategy and summarise the key themes arising from the stakeholder consultation as well as the Hobart Community Vision.
- (i) The City of Hobart is an inarguable and essential stakeholder in the Tasmanian visitor economy.
 - (ii) Actions to be informed by the Community Vision and the City’s stated commitment to listen to the community and to respect and nurture the Hobart lifestyle and identity.
 - (iii) Achieve City goals through collaboration and partnerships.
 - (iv) Avoid duplication, either within the City of Hobart or with plans or initiatives delivered through other agencies.

- (v) Build upon existing assets and levers to ensure sustainable and accessible benefits.
- (vi) Identify opportunities for immersive experiences that are authentic, capture the imagination, create connection and that acknowledge the tens of thousands of years of Tasmanian Aboriginal history as well as modern history.
- (vii) Focus on quality, innovation, balance, connectivity and/or integration.
- (viii) Be clear and honest about challenges.

5. Proposal and Implementation

- 5.1. There are limits to the degree to which the City can control how many people visit Hobart however through the development of a tourism strategy, the City can clarify its role, consider perceived risks and a positive vision for the visitor economy.

6. Strategic Planning and Policy Considerations

- 6.1. Through the Hobart Community Vision, the community has articulated a number of statements in relation to tourism and these are quoted throughout this report.
- 6.2. In light of the Hobart Community Vision, the City is reviewing the *Capital City Strategic Plan 2015-2025* and the proposed tourism strategy, would be aligned to the corporate strategic plan.

7. Financial Implications

- 7.1. Funding Source and Impact on Current Year Operating Result
 - 7.1.1. It is proposed that the tourism strategy would largely be developed in-house, however, there may be a need for some external specialist support in regards to data or analysis and an allowance of up to \$20,000 has been proposed in the 2019-20 annual budget allocation.
- 7.2. Impact on Future Years' Financial Result
 - 7.2.1. Nil
- 7.3. Asset Related Implications
 - 7.3.1. Nil.

8. Legal, Risk and Legislative Considerations

- 8.1. There are no direct legal, risk or legislative considerations arising from this report.

9. Environmental Considerations

- 9.1. The City's commitments to sustainable practices including waste minimisation, climate change adaptation, improved energy use and smart technologies would be integrated into the development of a tourism strategy.

10. Community and Stakeholder Engagement

- 10.1. Further stakeholder engagement is proposed as the strategy is developed. A stakeholder engagement plan would be prepared.

11. Delegation

- 11.1. This matter is delegated to the Council.

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 TOURISM



Tim Short
DIRECTOR COMMUNITY LIFE

Date: 12 June 2019
File Reference: F19/69728; F18/137624

**6.3 International Relations - Greater Hobart Dragon Boat Team in
Fuzhou
File Ref: F19/75511**

Memorandum of the Economic Development Project Officer and the
Director Community Life of 13 June 2019.

Ms Ann Collidge – President MoCo Dragons will address the Committee
in relation to the item.

Delegation: Committee



City of **HOBART**

**MEMORANDUM: ECONOMIC DEVELOPMENT & COMMUNICATIONS
COMMITTEE**

**International Relations - Greater Hobart Dragon Boat Team
in Fuzhou**

A team of 14 paddlers from Greater Hobart travelled to Hobart's friendship city of Fuzhou (China) to take part in a dragon boat festival 6–7 June 2019.

As a result of the city to city friendship, the Fuzhou Municipal Sports Bureau provided funding (hotels, local transfers and meals) for the team for four nights to support their participation.

The festival itself featured a professional race that stops in eight cities in China. There were 36 professional teams competing for ranking and points and the races were televised nationally in China. Alongside the professional race, a traditional race was organised featuring 13 local teams. The Greater Hobart paddlers combined with local Fuzhou paddlers to create one team.

This was the first time that an Australian team has been involved in the festival thanks to the Hobart-Fuzhou relationship. A reciprocal visit to Hobart is being considered for later in the year.

RECOMMENDATION**That:**

- 1. That the information be received and noted.**

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.



Lucy Knott
**ECONOMIC DEVELOPMENT PROJECT
OFFICER**



Tim Short
DIRECTOR COMMUNITY LIFE

Date: 13 June 2019
File Reference: F19/75511

7. COMMITTEE ACTION STATUS REPORT

7.1 Committee Actions - Status Report

A report indicating the status of current decisions is attached for the information of Elected Members.

RECOMMENDATION

That the information be received and noted.

Delegation: Committee

Attachment A: EDCC Open Status Report - Month ending May 2019

ECONOMIC DEVELOPMENT AND COMMUNICATIONS COMMITTEE – STATUS REPORT

OPEN PORTION OF THE MEETING

May 2019

Ref	Meeting	Report / Action	Action Officer	Comments
1	TERMS AND CONDITIONS FOR USE OF SALAMANCA SQUARE, MATHERS PLACE, COLLINS COURT, WELLINGTON COURT AND ELIZABETH MALL Council, 9/5/2016, Item 15	That terms and conditions of use be created for Mathers Place, Collins Court, Wellington Court and Salamanca Square in the context of the review of the Highways By-Law and the development of a city activation framework, and that the terms and conditions of use for Elizabeth Mall be also reviewed, for presentation to the Council for endorsement.	Director Community Life	Terms and conditions based on the consultant's advice have been trialled in these locations and will be standardised for the beginning of 2019–20.
2	SUPER SIDEWALK SATURDAY Council 6/8/2018 Item 14 CITY CENTRE SUPPORT AND ACTIVATION ARRANGEMENTS Council, 5/12/2016, Item 12 Council, 8/8/2016, Item 16	A further report be referred back to the Committee providing details on potential projects for the reallocated funds from the Super Sidewalk Saturday 2018 budget allocation.	Director Community Life	As projects are considered the Council will be kept informed.

Ref	Meeting	Report / Action	Action Officer	Comments
3	NORTH MELBOURNE FOOTBALL CLUB - COMMUNITY ENGAGEMENT PARTNERSHIP REQUEST Council, 23/1/2017, Item 15	That the Council develop a policy and criteria to enable consistency around the consideration of future requests.	Director Community Life	A report on this matter is listed on the agenda.
4	TIMOR-LESTE RELATIONSHIP UPDATE Council, 03/06/2019, Item 14 Council, 23/4/2018, Item 18 Council, 4/12/2017, Item 18 Council, 7/8/2017, Item 15	That the Council note the proposed project for the village of Balibó in Timor-Leste, as outlined in the report marked as item 6.1 of the Open Economic Development and Communications Committee agenda of 23 May 2019, and a detailed report on the costs and implementation of the project be provided to the Council for consideration.	Director Community Life	Officers are progressing this matter.
5	SISTER CITY VISIT TO L'AQUILA AND UTAS STUDY TOUR TO FRIEBURG, CAMBRIDGE AND GOING GLOBAL CONFERENCE, LONDON Council, 2/10/2017, Item 25	To further strengthen the sister-city relationship with L'Aquila, the Council provide in principle approval for the opportunity to sponsor, in conjunction with UTAS and the Abruzzese Association, a young person of Abruzzese descent to have the opportunity to study in L'Aquila for a period of time. (i) A further report be provided detailing how such a proposal could work and the associated cost.	Director Community Life	Complete There has been no response from L'Aquila despite continued efforts from staff and the Abruzzese Association community members. Officers will continue to progress and will advise the Committee in due course.

Ref	Meeting	Report / Action	Action Officer	Comments
6	MARKETING GRANTS Council 4/6/2018 Item 13	That Officers further investigate the application of the Shopfront Improvement Grant Program on a precinct basis with a further report to be provided as soon as practicable.	Director Community Life	Officers are progressing this matter with a report to be written after the 2019 grant round, so that more detail is available for the report.
7	MEASUREMENT SYSTEM, INTERNATIONAL RELATIONSHIPS Committee, 21/02/2019, Item 6.1 Council 4/6/2018 Item 15	That the item be deferred to enable further investigation into what other key organisations such as RMIT and ACELG have done in terms of considering the measurement of the value of international relationships in the last 5 years and this be reported back to the Committee.	Director Community Life	Information will be brought back to the Committee in July.
8	CHRISTMAS DECORATIONS 2018 Council, 4/6/2018, Item 14	Officers to investigate and provide a report on how the City's Christmas Decoration Program can align with the City's Zero Waste to Landfill Strategy, including utilising the Art from Trash and other relevant programs when disposing of decorations.	Director Community Life	The Activation and Christmas Programs Officer has commenced. As such this investigation and ensuing report will be developed pending an initial audit of assets that the city hold (including for the Pageant) that may need to be disposed of.
9	KUNANYI/HOBART VISITATION POLICY AND STRATEGY Council, 4/02/2019, Item 11 Council, 22/10/2018, Item 13	<ol style="list-style-type: none"> 1. The Council agree in principle to develop a tourism strategy for the City of Hobart subject to consultation with the State Government and appropriate tourism stakeholder groups. 2. The scope of the strategy be reported back to the Council. 	Director Community Life	A report on this matter is listed on the agenda.

Ref	Meeting	Report / Action	Action Officer	Comments
10	INTERNATIONAL RELATIONS – POTENTIAL VISITS TO SISTER / FRIENDSHIP CITIES IN THE CURRENT TERM OF ELECTED MEMBERS Council, 01/04/2019, Item 13	A further report be prepared that includes a strategic review and status updates of current sister and friendship city relationships.	Director Community Life	A report will be provide to Committee in July 2019.
11	EXPLORATION OF NEW INTERNATIONAL RELATIONSHIPS Council, 01/04/2019, Item 12	That a report be provided to investigate potential relationships between the City of Hobart and cities in India, Nepal and Fiji and other countries with established communities within Hobart.	Director Community Life	Officers are investigating the scope of this project.
12	CONNECTED HOBART SMART CITY FRAMEWORK AND ACTION PLAN Council, 01/04/2019, Item 15	That: 1. The Framework and The Action Plan for the Connected Hobart program, marked as Attachments A and B to item 6.3 of the Economic Development and Communications Committee agenda of 21 March 2019, be adopted (in-principle) to enable a period of public consultation to occur commencing on 2 April 2019. 2. The General Manager be delegated the authority to complete The Framework and The Action Plan work post the public consultation period, with a final report to be provided to the Council in July 2019 for formal adoption of the program documents.	Director City Innovation	Following endorsement by Council, final public consultation will now occur. A public forum is scheduled for 26 June and a subsequent report will be provided to Committee in July 2019.

Ref	Meeting	Report / Action	Action Officer	Comments
13	Projected Population and Economic Growth Model Council, 01/04/2019, Item 11	That a report be prepared into the development of a usable model of projected population and economic growth of the Greater Hobart region. This modelling tool is to be integrated into Hobart City Council planning, infrastructure, strategy development and decision-making.	Director Community Life	Officers are examining a potential model and will provide a report to the Committee in August.

8. RESPONSES TO QUESTIONS WITHOUT NOTICE

Regulation 29(3) *Local Government (Meeting Procedures) Regulations 2015*.
File Ref: 13-1-10

The General Manager reports:-

"In accordance with the procedures approved in respect to Questions Without Notice, the following responses to questions taken on notice are provided to the Committee for information.

The Committee is reminded that in accordance with Regulation 29(3) of the *Local Government (Meeting Procedures) Regulations 2015*, the Chairman is not to allow discussion or debate on either the question or the response."

8.1 Economic Development & Communications Committee - Action Plan
File Ref: F19/23722; 13-1-10

Memorandum of the Director Community Life of 12 June 2019.

8.2 Smart Cities - Digital Infrastructure
File Ref: F19/34993; 13-1-10

Memorandum of the Director City Innovation of 7 June 2019.

Delegation: Committee

That the information be received and noted.



City of **HOBART**

Memorandum: Lord Mayor
Deputy Lord Mayor
Elected Members

Response to Question Without Notice

ECONOMIC DEVELOPMENT & COMMUNICATIONS COMMITTEE - ACTION PLAN

Meeting: Economic Development &
Communications Committee

Meeting date: 21 February
2019

Raised by: Alderman Sexton

Question:

Can an action plan for the Committee be investigated using as a reference guide the United Nations 17 point Sustainable Development Goals?

Response:

An investigation into the potential of an action plan for the Economic Development and Communications Committee has been conducted. The findings are as follows:

Economic Development Guiding Principles and proposed work plan

The Council on 23 July 2018 endorsed "A community vision for our island capital" which is the seminal document for the City from which the new 10 year strategic plan will be developed.

Council on 9 July 2018 endorsed the Economic Development Guiding Principles which are a strategic guide for the Economic Development Unit. These principles were directly derived from the City's community vision. Officers are currently developing a work plan from these principles to guide the Council's economic development activities. Subject to consultation with the Economic Development and Communications Committee (EDCC), it would be logical for this work plan to inform the action plan for the committee relating to economic development.

The United Nations 17 Sustainable Development Goals and the City of Hobart Vision

The United Nations 17 Sustainable Development Goals (SDG's) "provide a shared blueprint for peace and prosperity for people and the planet, now and into the future." They are:

1. No poverty
2. Zero hunger
3. Good health and well-being
4. Quality education
5. Gender equality
6. Clean water and sanitation
7. Affordable and clean energy
8. Decent work and economic growth
9. Industry, innovation and infrastructure
- 10.Reduced inequalities
- 11.Sustainable cities and communities
- 12.Responsible consumption and production
- 13.Climate action
- 14.Life below water
- 15.Life on land
- 16.Peace, justice and strong institutions
- 17.Partnerships for the goals

Inherently, the City of Hobart Vision, whilst not directly referencing the 17 Sustainable Development Goals (SDG's), contains many of the goals when envisioning what Hobart should be like in the future. For example climate action, good health and well-being, decent work and economic growth were all strong themes that emerged in the vision

Review of the Capital City Strategic Plan and associated measurement system

The draft Capital City Strategic Plan 2019-2029 is currently being developed for the Council's consideration and community engagement. To ensure that the City delivers on this plan, a new, contemporary strategic measurement system will be developed.

Given that a number of elected members have raised the Council's approach with regards to the SDGs a broader discussion is warranted with regards to SDGs, the strategic plan and its measurement system.

Conclusion

Accordingly a work plan for the Economic Development Guiding Principles will be brought back to EDCC for consideration in the second half of 2019; and the United Nations 17 Sustainable Development Goals will be considered with a further report to be presented to the Council in due course.

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
DIRECTOR COMMUNITY LIFE

Date: 12 June 2019
File Reference: F19/23722; 13-1-10



City of **HOBART**

Memorandum: Lord Mayor
Deputy Lord Mayor
Elected Members

Response to Question Without Notice

SMART CITIES - DIGITAL INFRASTRUCTURE

Meeting: Economic Development &
Communications Committee

Meeting date: 21 March 2019

Raised by: Lord Mayor Reynolds

Question:

Can an update be provided on *Ten Gigabit Adelaide* as an infrastructure investment model for potential use in the rollout of Hobart's Smart City program?

Response:

Ten Gigabit Adelaide is a high speed (10x NBN) fibre optic network that is being rolled out across the City of Adelaide.

The network is specifically designed for businesses and organisations located in the City of Adelaide, and is intended to give City-based businesses a distinct competitive advantage. It is envisaged this will, in turn, help to retain and attract new businesses to the City of Adelaide, create jobs, drive innovation and investment, and generate significant economic, social and financial returns for the City and the local community.

The City of Adelaide partnered with TPG Telecom as the official network provider to implement the first and most visible element of *Ten Gigabit Adelaide*: the delivery and installation of a fibre optic network across the City of Adelaide with up to 10Gbps data transfer capability.

Businesses that are in one of the *Ten Gigabit Adelaide* connected buildings will be able to choose from the latest business data capabilities, applications, services and tools from multiple retail providers. For instance, business-to-business connectivity, secure corporate network links enabling remote access, voice and video communication systems, high speed and direct connection to the internet / ISP services and direct cloud connectivity.

TPG Telecom is installing the fibre optic network via ducts and pits in the ground and then connecting fibre optic cables direct to individual buildings. Businesses can then purchase a service, or several services, via the *Ten Gigabit Adelaide* network access points, with the comfort of knowing each one is independent and will provide secure, reliable and symmetrical 10Gbps performances.

The project was 3.5 years in the making following extensive consultation with the business community and identification that internet congestion was a key issue impacting business productivity. It focused on resolving technology-enabled business and economic outcomes and is now recognised as an international blueprint.

An independent economic assessment by the South Australian Centre for Economic Studies at the Adelaide University on the project during the business case design forecast approximately \$70 million per year in economic growth and more than 2500 new jobs in the first 6 years. That forecast was primarily based on the Chattanooga (Oklahoma) city revitalisation model which was largely internet only.

City of Adelaide have reportedly exceeded initial economic forecasting and have recently seen significant investments from the large institutional investors back into the Adelaide CBD with commercial incentives dropping from approximately 40% in the 20's. The scope of the project was 1,000 buildings and 3,500 businesses and the initial target of registering 1,000 buildings was reached in just nine weeks.

The essence of the project is simple: through one strand of 10 GB fibre, services can be broken up into different 1Gigabit/second modules. That means that if a business needs different types of connectivity they can choose what they need. It is also future proofed in the way that over time as the core infrastructure is replaced, it will increase from 10 GB/s to 50 or 100. It is the core infrastructure that determines the ultimate speed, not the fibre itself.

For example, a business may need 2Mb/s of cloud connections, 3Mb/s of business to business connections, 1Mb/s of Voice and Video connection and 1Mb/s of Internet. Through this design each of these connections (services) will not interfere with each other therefore greatly enhancing the overall quality of service.

No matter what is happening on the internet, the connection to cloud services will not be effected, nor will the business to business connection like a radiographer transferring a medical image to a hospital. Nor will a video link beaming quality video content from a University to students.

In summary, the project has taken the idea of a gigabit city to a new level by focusing on economic, business and investment attraction. It also has the potential to resonate well with the Arts and Culture community by providing valuable connectivity services and digital infrastructure to the city for other projects.

Potential benefits for the City:

- Local economic growth;
- New job creation;
- Business retention;
- New business attraction;
- Reduced future costs of the City's own communication requirements;
- Fundamental infrastructure needed to deliver a variety of smart city projects:
 - intelligent traffic flow
 - autonomous vehicles
 - artificial intelligence
 - smart lighting
 - smart waste
 - wayfinding
 - CCTV
 - security
 - free wifi;
- Increased global competitiveness; and
- Makes connected buildings more attractive to tenants.

By the numbers

- City of Adelaide contributed \$12 million;
- TPG was provided a 25-year lease to commercialise;
- Uses City of Adelaide pits and pipes;
- City of Adelaide gets access to 300 end points;
- City of Adelaide gets revenue from each service sold;
- Established Lot 14 – a 14 ha innovation precinct site;
- 2.3 million connected sessions;
- 15 terabytes of data download;
- Projects completed:
 - Smart lighting trial (motion sensing, light harvesting)
 - Smart Bins trial
 - Night-time economy initiatives
 - People movement analytics - 20-30,000 / day; and
- Data economics insights via a business investor dashboard.

Private sector investment in public infrastructure is an opportunity for potential use in the delivery of *Connected Hobart*. Such a model may provide faster delivery, greater efficiencies and accountability, cost effectiveness, financial discipline, future revenue, market competition and improved risk allocation.

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.

A handwritten signature in black ink, appearing to read 'Peter Carr', with a stylized flourish at the end.

Peter Carr
DIRECTOR CITY INNOVATION

Date: 7 June 2019
File Reference: F19/34993; 13-1-10

9. QUESTIONS WITHOUT NOTICE

Section 29 of the *Local Government (Meeting Procedures) Regulations 2015*.
File Ref: 13-1-10

Elected Members may ask a question without notice of the Chairman, another Elected Member, the General Manager or the General Manager's representative, in line with the following procedures:

1. The Chairman will refuse to accept a question without notice if it does not relate to the Terms of Reference of the Council committee at which it is asked.
2. In putting a question without notice, an Elected Member must not:
 - (i) offer an argument or opinion; or
 - (ii) draw any inferences or make any imputations – except so far as may be necessary to explain the question.
3. The Chairman must not permit any debate of a question without notice or its answer.
4. The Chairman, Elected Member, General Manager or General Manager's representative who is asked a question may decline to answer the question, if in the opinion of the respondent it is considered inappropriate due to its being unclear, insulting or improper.
5. The Chairman may require a question to be put in writing.
6. Where a question without notice is asked and answered at a meeting, both the question and the response will be recorded in the minutes of that meeting.
7. Where a response is not able to be provided at the meeting, the question will be taken on notice and
 - (i) the minutes of the meeting at which the question is asked will record the question and the fact that it has been taken on notice.
 - (ii) a written response will be provided to all Elected Members, at the appropriate time.
 - (iii) upon the answer to the question being circulated to Elected Members, both the question and the answer will be listed on the agenda for the next available ordinary meeting of the committee at which it was asked, where it will be listed for noting purposes only.

10. CLOSED PORTION OF THE MEETING

RECOMMENDATION

That the Committee resolve by majority that the meeting be closed to the public pursuant to regulation 15(1) of the *Local Government (Meeting Procedures) Regulations 2015* because the items included on the closed agenda contain the following matters:

- commercial information of a confidential nature that if disclosed is likely to prejudice the commercial position of the person who supplied it.
- information provided to the Council on the basis that it be kept confidential.

The following items are listed for discussion:-

- | | |
|--------------|--|
| Item No. 1 | Minutes of the last meeting of the Closed Portion of the Council Meeting |
| Item No. 2 | Consideration of supplementary items to the agenda |
| Item No. 3 | Indications of pecuniary and conflicts of interest |
| Item No. 4 | Committee Action Status Report |
| Item No. 4.1 | Committee Actions - Status Report
LG(MP)R 15(2)(g) |
| Item No. 5 | Questions Without Notice |