# Park Lands Event Site Fees

Strategic Alignment - Dynamic City Culture

### Tuesday, 5 September 2023 City Community Services and Culture Committee

**Program Contact:** Jennifer Kalionis, Associate Director City Culture

**Approving Officer:** Ilia Houridis, Director City Shaping

### **EXECUTIVE SUMMARY**

This report responds to the Council decision of 27 June 2023, that Council:

- 1. Amends the Park Land event fee from 1 October 2023 from \$68.50 per 1000 sqm per day to \$60 per 1000 sqm per day reflecting a reduction to 2020 fee levels.
- 2. Seeks a report by September 2023 regarding Park Lands Event Fees Policy with advice around Council's support for long-term events.

Following stakeholder feedback received through the 2023/2024 Business Plan and Budget process, Council reinstated Park Lands Event Site Fees, and amended these fees to reflect rates previously charged in 2020.

In response to the COVID-19 pandemic, the City of Adelaide waived Park Lands Event Site Fees as part of our support for major events to adapt quickly and thrive. Some of these adaptations included growth in size and scale of events, correlating to the demands of COVID-19 health guidelines to ensure safety for audiences and staff.

Major events contribute significantly to Adelaide's reputation as a renowned global Creative City, a tourist destination, rated highly in the Economist Intelligence Unit's Global Liveability Ranking. In 2022/23, almost 200 events were hosted across the Adelaide Park Lands and roads.

The report provides Council with advice on support for long-term events including the proposed reinstatement of multi-year licences and provides background information on the current fees and principles. Further, the report seeks approval for an independent review of Park Lands Event Site Fees for both the Park Lands and roads.

RECOMMENDATION

The following recommendation will be presented to Council on 12 September 2023 for consideration

### THAT THE CITY COMMUNITY SERVICES AND CULTURE COMMITTEE RECOMMENDS TO COUNCIL

### THAT COUNCIL

- 1. Approves an independent review of Park Lands Road Event Site Fees to be considered by Council in the 2024/25 Business Plan and Budget.
- 2. Endorses the provision of multi-year event licences will be reinstated in 2023/24.

Public

# IMPLICATIONS AND FINANCIALS

City of Adelaide 2020-2024 Strategic Plan	Strategic Alignment – Dynamic City Culture Major events contribute significantly to Adelaide's reputation as a renowned global Creative City, a tourist destination, and a highly ranked world liveable city.
Policy	The Adelaide Events Guidelines is the overarching management guideline for the facilitation of events on Adelaide Park Lands and on roads.
Consultation	This report is an undertaking as a response to the outcomes of community engagement for the 2023/24 Business Plan and Budget.
Resource	The City Events Team facilitates event organisers to deliver events safely and effectively, providing a single point of contact for liaison with the external organisation and internal services and charges as required. The independent review of Park Lands Event Fees will be delivered within current
Risk / Legal / Legislative	The <i>Local Government Act 1999</i> enables event licences of up to five years to be issued without public consultation.
Opportunities	An opportunity exists to support events with multi-year licences, providing security of tenure for and clarity for longer term planning. The process of seeking applications for multi-year licenses will result in capturing a range o site location preferences from event organisers, enabling Council to maximise opportunities to program events across the Park Lands.
23/24 Budget Allocation	Not as a result of this report
Proposed 24/25 Budget Allocation	Not as a result of this report
Life of Project, Service, Initiative or (Expectancy of) Asset	Not as a result of this report
23/24 Budget Reconsideration (if applicable)	The independent review of Event Fees will be commissioned through a Request for Quote seeking a preferred supplier. A budget of approximately \$50,000 will be required, with consulting funds of \$50,000 to be utilised from City Culture budget.
Ongoing Costs (e.g. maintenance cost)	Not as a result of this report

## DISCUSSION

### Park Land Events Site Hire Fees – Background

- 1. This report responds specifically to the Council resolution on 27 June 2023 that Council:
  - 1. Amends the Park Land event fee from 1 October 2023 from \$68.50 per 1000 sqm per day to \$60 per 1000 sqm per day reflecting a reduction to 2020 fee levels.
  - 2. Seeks a report by September 2023 regarding Park Lands Event Fees Policy with advice around Council's support for long-term events
- 2. As a result of Council's 2023/24 Business Plan and Budget process, which sought and received community feedback, Council reinstated the charging of Park Lands Events Site Fees, and concurrently decreased the event site fee rate from \$68 per thousand square metres to \$60 per thousand square metres, with an undertaking for a report to consider fees and multi-year licences by September 2023.
- 3. The fee structure for events in the Park Lands prior to 2016 was based on projected attendance, combined with a formula that differentiated non-ticketed and ticketed events. This approach worked well for some years however as events in the Park Lands grew in popularity, there was a perception that the fee structure penalised event growth and success.
- 4. This previous event fee formula did not consider the type of event or organiser and did not discount events run by community organisations.
- 5. Prior to 2016, fees did not reflect the value of public land or take into consideration variations in Park Lands event sites. These variations include available infrastructure, proximity to entertainment and main streets and natural and other beneficial features of the site that enhance patron experience. Some sites have higher demand (Central and East) than other sites across the city and North Adelaide.
- 6. In 2016, Council reviewed the charges for events in the Park Lands with the intention to create a new sustainable and equitable formula, based on a single year licence.
- 7. A report by independent consultant, Savills, included in its scope:
  - 7.1. national and international benchmarking of fees in parks and public land in comparable cities
  - 7.2. review of fees for both community and commercial use (including sub-letting arrangements of commercial entities), and
  - 7.3. analysis of supply and demand including exploration of new opportunities to be achieved by 2020.
- 8. The report recommended that Council enable multi-year licencing for events and categorise Park Lands as Premium, Popular and Potential (with Potential since changed to Standard). One aim of this categorisation was to incentivise the use of under-utilised sites in the west and south-west of the city through fee reduction.
- 9. An outcome of this review was the Park Lands Event Site Fee formula that is currently used by City of Adelaide.
- 10. The <u>Adelaide Event Guidelines</u> is the overarching document for the facilitation of events on Adelaide Park Lands and roads. These guidelines are reviewed annually under Chief Executive Officer delegation. This document includes the principles underpinning the current fee structure:
  - 10.1. Promoting City of Adelaide event sites as locations of choice
  - 10.2. Fairness
  - 10.3. Equity
  - 10.4. Sustainability (of both the event and of Council's support for the event).
- 11. To achieve these principles, fees and charges are set in a way that:
  - 11.1. Considers the value of the location
  - 11.2. Considers the size of the event
  - 11.3. Considers the seasonality
  - 11.4. Considers the ability of the event holder to pay, ie commercial ticketed events will be charged more
  - 11.5. Operates from a user pays approach to remediation of damaged parks and other service usage (eg power usage).
- 12. The current fee structure adopted by Council as part of the 2023/24 Business Plan And Budget will be implemented from 1 October 2023. The 2023/24 fee rates can be viewed at Link 2 view <u>here</u>.
- City Community Services and Culture Committee Agenda Tuesday, 5 September 2023

#### Multi-year event licences

- 13. Multi-year event licences, for the use of Park Lands (excluding roads) for periods of between three and five years, were previously issued in 2017 and 2019. All have now expired and have not been issued since, due to the impacts and uncertainties during the COVID-19 pandemic. Events that have previously received multi-year licences can be viewed at Link 3 view <u>here</u>.
- 14. In recent times, event organisers have been advocating strongly for multi-year licences to be reinstated and issued.
- 15. Multi-year licences provide greater certainty to event organisers and Council with regard to organising major events and programming the Park Lands.
- 16. A process for issuing multi-year event licences for Park Lands use is proposed to commence in the second half of 2023. The process will include a robust, public facing Expression of Interest and application process. This will be followed by an assessment process, measured against a set of predefined assessment criteria.
- 17. Consultation will occur across other areas of Council, to ensure future Council projects and works are considered when issuing multi-year event licences.
- 18. Existing and new major events will be invited to apply for a multi-year license and will be required to demonstrate their experience with operating successfully in the Adelaide Park Lands or other public locations. Final recommendations will be presented to Council for approval.
- 19. It is proposed that multi-year licences will be subject to the fees and charges applicable to each financial year of the license. Fees may be affected by the proposed independent review of Park Lands Event Site Fees from 2024/2025 onwards.

#### Review of Park Lands Event Site Fees in 2023/24

- 20. The scope of the proposed review of event fees will include:
  - 20.1. The effectiveness of current fee schedule to meet Council, event organisers and community needs, including review of the current principles
  - 20.2. Benchmarking against other capital cities
  - 20.3. Recognising the value of the Adelaide Park Lands
  - 20.4. Alternative fee models
  - 20.5. New challenges and opportunities to respond to a changed environment since 2016, when the current fee model was set
  - 20.6. Development of fee principles associated with road closure events, considering road hierarchies and transport considerations
  - 20.7. An equitable and considered approach to road closure fees.

#### Next steps

- 21. Continue to apply the Park Lands Event Site Fees approved by Council, from 1 October 2023.
- 22. Administer the process for multi-year licences in 2023/2024.
- 23. An independent review of Park Lands Event Site Fees will be undertaken with a report to Council in Quarter 3, 2023/24.

# DATA AND SUPPORTING INFORMATION

- Link 1 Adelaide Event Guidelines
- Link 2 Park Lands Event Site Fees table.
- Link 3 Table of previous multi-year event licence holders

# ATTACHMENTS

Nil