

Public

Contact Officer:
Anthony Spartalis, Acting Chief
Operating Officer

MOTION ON NOTICE

Councillor Arman Abrahamzadeh will move a motion and seek a seconder for the matter shown below to facilitate consideration by the Council:

'That Council administration:

1. Notes the permanent closure of five Adelaide CBD based night-time entertainment venues over the December 2023- January 2024 period.
2. Requests Lord Mayor and/or Acting Council CEO to meet with relevant stakeholders (ie Business SA, AHA, Adelaide West End Association, Consumer and Business Services and others) to discuss challenges facing the night time economy.
3. Requests Council Administration to compile this feedback and present it to Council before the end of March 2024, exploring a variety of options to assist the sector including consideration of a business assistance package in the 2024-25 Budget; and seeking state government assistance.'

ADMINISTRATION COMMENT

1. The environment for night time entertainment venues across Australia has been changing over many years and has challenged traditional business models. These changes accelerated at the start of COVID-19 and have been exacerbated recently by cost of living pressures, a decline in consumer spending on alcohol, competition from major festivals and events, and increasing rents and public liability insurance costs.
2. This is reflected in the recent decline in nighttime expenditure over the past 6 months. Quarter four 2023 nighttime expenditure was down 7% on the same period in 2022, consistent with global and national trends. In 2023 the Australian live music industry saw record revenue of \$690.5 million, an increase of 12% on the 2022 financial year result. Major concerts and festivals saw revenue jump 400% in the first full post-pandemic financial year, and net distributable income from royalties paid to songwriters and publisher members, affiliates and rightsholders increased by 11% to \$595.2 million. However, nationwide more than 1,300 small to medium live music venues and stages closed and crowds at nightclubs are almost half that before the start of the pandemic.
3. The City of Adelaide currently supports night time entertainment venues through initiatives such as Adelaide's West End Independent Live Music Venue Support program (\$24k), its Arts and Cultural Grants, promotion of live music events in What's On eDMs and sponsorship of Good Music Month (\$50k) that supported artists and live music venues to deliver 341 gigs over the month. Additional work such as the Mainstreet upgrade of Hindley Street will further support these businesses.

4. The City of Adelaide also works closely with the State Government, Music SA and the Adelaide UNESCO City of Music Office regarding policy levers, promotion campaigns, activations and funding opportunities to optimise outcomes for live music venues and artists.
5. The South Australian Music Development Office has recently partnered with Adelaide Fringe to invest \$50,000 into the SA live music scene with a program that supports 20 small to medium independent live music venues during Adelaide Fringe 2024 and has committed \$850,000 to the 'See it LIVE Music Activation Fund' that aims to support small, dedicated live music venues in SA and sustainability in the state's live music industry.
6. In consideration of the Committee and Council dates, and the assumed availability of the key stakeholders, a timeline of a report to Council in March 2024 is not feasible to undertake meaningful stakeholder consultation and development of a robust approach to supporting the sector. Should Council adopt this motion Administration will progress a meeting of relevant stakeholders to discuss the challenges and opportunities associated with the nighttime economy and undertake an analysis of this information to inform a suggested approach to supporting the sector, with a report coming back to Council for consideration in April 2024.

Should the motion be carried, the following implications of this motion should be considered. Note any costs provided are estimates only – no quotes or prices have been obtained:	
Public consultation	Consultation and engagement with key stakeholders will be undertaken directly with them. No public consultation process will be undertaken.
External consultant advice	Not applicable.
Legal advice / litigation (eg contract breach)	Not applicable.
Impacts on existing projects	Undertaking stakeholder consultation and developing a proposed approach to report back to Council will impact internal resources to the value of approximately 30-40 hours.
Budget reallocation	Not applicable.
Capital investment	Not applicable.
Staff time in preparing the workshop / report requested in the motion	30-40 hours approximately.
Other	Not applicable.
Staff time in receiving and preparing this administration comment	To prepare this administration comment in response to the motion on notice took approximately 4.5 hours.

- END OF REPORT -