

7<sup>th</sup> February 2016

Aldermen  
Launceston City Council  
PO Box 396  
Launceston 7250



Dear Aldermen,

**RE: DECISION TO SLASH NEW YEAR'S EVE EVENT FUNDING**

I write to you today on behalf of the Cityprom Board of Directors, to express our disappointment at the recent decision by Aldermen to halve City of Launceston's contribution towards Launceston's New Year's Eve event.

We are deeply concerned with the negative economic and social impact this decision will have for the local community. The reduction in available funding has meant that interested parties have decided not to participate in the Expression of Interest process as the reduction in funding impacts upon the ability of any organisation to deliver a high calibre New Year's Eve celebration to the City of Launceston. The economic benefit of a New Year's Eve event to Launceston is not simply limited to those businesses directly involved in the event, the benefits extend to and include the flow on effect for local retail and hospitality businesses during the week long Christmas/New Year period. Without a New Year's Eve celebration, rate payers of Launceston and visitors to the city and the surrounding municipalities will be forced to look elsewhere within the state, or interstate, to experience a community celebration. Cityprom has been a proud cash sponsor of this event for the past four years, recognising the significance of linking people and visitors to the City during this critical holiday period.

The Festivale Committee is to be commended on providing the City with a high calibre, family friendly New Year celebration which allowed people from all social backgrounds, but particularly families, to enjoy a wonderful and affordable experience over the past five years. As you would be aware, many costs associated with this event were significantly reduced due to the volunteer nature of the organising Committee. The profit figure for New Year on Royal from the 2015

event was \$11,262.82. The event budget did not include staff wages for organisation of the event, estimated by the Committee to be \$20,750 (inc Superannuation) or around 650 hours and of course did not include the value of volunteer hours of a ten member volunteer committee. This would mean that for any organiser to stage a similar event in 2016 with the funding reduction, there would be an estimated **loss** of around **\$9500**. For those that have attended NYOR previously, , I am sure you would acknowledge that the activities on the night were modest and by no means extravagant? The impact of the funding reduction is already evidenced by the fact that Council has not received any expressions of interest to stage an event.

The argument to reduce the funding suggested this event should not receive more than those classified as signature events under COL's event sponsorship program. We would argue that a community New Year's Eve celebration must be treated separately and differently from all other events as it serves a wider community and economic purpose. Furthermore, most New Year's Eve events are funded **solely** by local Councils for example; Hobart, Devonport, Burnie, Geelong, and Ballarat celebrations are all funded by local Councils. These events cost well in excess of \$100,000 to organise so it is difficult to understand why Aldermen feel that a very small contribution of \$40,000 should not continue to be provided, enabling our City, like hundreds of others around Australia, to enjoy a New Year's Eve celebration. Furthermore, we fail to understand the argument "an undetermined organisation, staging an undetermined event, should not just be granted \$40,000"? We agree, surely this is why Council has implemented an Expression of Interest' process?

As some of you may be aware, Cityprom has been in discussions with local company, Vibestown Productions (organisers of Party in the Paddock) to develop a proposal for a New Year's celebration. These discussions involved the delivery of an exciting new concept to the City, one that builds upon the New Year on Royal brand, showcases the strengths of our City, is uniquely Tasmanian and has the potential to attract both intrastate and interstate visitation in the future.

Regrettably, with the funding reduction, Vibestown Productions in conjunction with Cityprom, are no longer in a position to put forward an Expression of Interest for the City's New Year's Eve event.

Aldermen, we urge you to reconsider the economic and social implications of this decision and request that you re-instate the original funding of \$40,000, enabling the City of Launceston to continue to offer a premier New Year's Eve celebration, maximising opportunity for local business and keeping our citizens linked to our wonderful City.

A handwritten signature in black ink, appearing to read 'V. Cahoon'.

Vanessa Cahoon  
Executive Officer  
Cityprom Inc.