

ORDINARY MEETING	10
21 DECEMBER 2023	

MAJOR EVENTS SPONSORSHIP APPLICATION – CAIRNS AMATEURS 2024-2026

52/1/16 | #7291749

RECOMMENDATION:

That Council:

1. Enters into a three year funding agreement with Far North Queensland Amateur Turf Club Inc to the value of up to \$225,000 (ex GST), comprised of \$75,000 per annum, to support the Cairns Amateurs from 2024 to 2026 under Council's Major Events Sponsorship program;
2. Resolves in accordance with section 235(b) of the *Local Government Regulation 2012*, it is satisfied that the event provider is a Specialised Supplier and that they be added to the Sole Supplier Register for the remainder of the 2023/24 financial year; and
3. Delegates authority to the Chief Executive Officer in accordance with the *Local Government Act 2009* to finalise any and all matters relating to the above.

INTERESTED PARTIES:

- Far North Queensland Amateur Turf Club Inc (FNQATC)
 - David Goodman (president)
 - Arabella Kullack
 - Mark Quinn
 - Colette Phillips
 - Victoria Jennings
 - Spencer Browne
 - Stacie Galeano
 - Hudson Fox
- Tourism Tropical North Queensland (TTNQ)
- Tourism Events Queensland (TEQ)

Note: The identification of interested parties is provided on a best endeavours basis by Council Officers and may not be exhaustive.

EXECUTIVE SUMMARY:

Far North Queensland Amateur Turf Club Inc (FNQATC) have applied to Council seeking Major Events Sponsorship of \$285,000 (ex GST) cash over three years to support the Cairns Amateurs Carnival from 2024-2026.

Council Officers have assessed the application against the relevant assessment criteria for Major Events Sponsorship. The event performed well in this assessment, aligning with Council's strategy to support events that deliver strong economic impact to the region and foster community pride.

Based on this assessment, it is recommended that Council enters into a three-year funding agreement with the event proponent to the value of up to \$225,000 (ex GST) cash (\$75,000 ex GST per annum) to support the Cairns Amateurs Carnival from 2024 to 2026.

BACKGROUND:

Originating in 1959, the Cairns Amateurs Carnival has been a successful event running for over 60 years in the Cairns region bringing visitors together from interstate, intrastate and overseas. The Cairns Amateurs Carnival is an annual three-day event, recognised and well-established event in the Cairns event calendar. The event is a mix of sport (horse racing), fashion, lifestyle and culture held in September and generates positive social and cultural benefits, with the event embedded within the local community.

Council has provided support to FNQATC for many years, most recently through a three-year sponsorship agreement. The cash and in-kind contribution was used to assist with the provision of venue hire, grandstands, equipment hire, traffic management services and personnel.

FNQATC has applied to Council seeking \$285,000 (ex GST) cash in Major Event Sponsorship to support the delivery of Cairns Amateurs 2024-26. The requested cash amounts for each year from 2024 to 2026 are \$90,000, \$95,000 and \$100,000 respectively. This report provides an overview of Council Officers' review of the funding request and associated recommendations.

COMMENT:

The objective of Major Events Sponsorship funding is to attract and partner with a range of events that provide the following benefits to the Cairns Local Government Area (LGA):

- Drive regional direct economic benefits;
- Increase external visitation to the region;
- Enhance the profile and appeal of the Cairns region;
- Build local business opportunities, profile, and experience;
- Create and build community pride; and
- Provide links and promotional opportunities for Council's broader strategic goals.

The assessment criteria have a strong focus (weighting) on the economic benefits that an event is expected to deliver through visitation and destination profile.

Cairns Amateurs commissioned an external economic impact survey for their events in 2021, 2022 and 2023. The results aligned with the forecast visitation targets agreed with Cairns Regional Council and delivered strong tourism benefits and economic impact to the region. The event proponent continues to focus on growth of interstate visitors, and Council funding towards marketing would assist this approach.

A panel of two Council Officers has undertaken an assessment of the application, which scored well against assessment criteria and corresponding objectives outlined in the Cairns & Great Barrier Reef Event Strategy 2025. Tourism Events Queensland has previously funded the event, however the funding for 2024 has not yet been announced. Tourism Tropical North Queensland (TTNQ) has supplied a letter of support.

Based on the application assessment, Council Officers recommend that Council enter into a three-year funding agreement with FNQATC to the value of up to \$225,000 (ex GST) cash to support Cairns Amateurs. The funding will comprise up to \$75,000 cash (ex GST) per annum. The cash will include a \$55,000 ex GST base payment and a \$20,000 ex GST performance payment with the latter payable subject to performance against agreed KPIs. The recommended funding, whilst less than the amount requested by the applicant, represents an increase on previous funding and is considered appropriate given the events' performance against the assessment criteria.

OPTIONS:

Option 1: (Recommended):

That Council:

1. Enters into a three year funding agreement with Far North Queensland Amateur Turf Club Inc to the value of up to \$225,000 (ex GST), comprised of \$75,000 per annum, to support the Cairns Amateurs from 2024 to 2026 under Council's Major Events Sponsorship program;
2. Resolves in accordance with section 235(b) of the *Local Government Regulation 2012*, it is satisfied that the event provider is a Specialised Supplier and that they be added to the Sole Supplier Register for the remainder of the 2023/24 financial year; and
3. Delegates authority to the Chief Executive Officer in accordance with the *Local Government Act 2009* to finalise any and all matters relating to the above.

Option 2 (Applicant request):

That Council:

1. Enters into a three year funding agreement with Far North Queensland Amateur Turf Club Inc to the value of up to \$285,000 (ex GST), comprised of \$90,000, \$95,000, and \$100,000 per annum over the term, to support the Cairns Amateurs from 2024 to 2026 under Council's Major Events Sponsorship program;
2. Resolves in accordance with section 235(b) of the *Local Government Regulation 2012*, it is satisfied that the event provider is a Specialised Supplier and that they be added to the Sole Supplier Register for the remainder of the 2023/24 financial year; and
3. Delegates authority to the Chief Executive Officer in accordance with the *Local Government Act 2009* to finalise any and all matters relating to the above.

Option 3:

That Council **does not** support the Major Event Sponsorships funding application for Cairns Amateurs at this time.

CONSIDERATIONS:

Risk Management:

Currently there is an increase to the costs to deliver events, activities and projects across the events industry and particularly in regional areas.

The event proponent will be required to provide an external economic impact report for each year they receive Council funding, Council may contribute to this cost at its discretion.

The annual investment will be split across two payments, with the second payment being conditional on the performance (out of region visitation) of the event. This structure provides a level of mitigation against the risk of event underperformance.

Council Finance and the Local Economy:

The economic benefits the event is expected to deliver were considered by Council Officers as part of the application assessment. All options outlined in this report (including the recommended cash contribution of \$75,000 (ex GST) per annum – Option 1) would need to be included in Council's future OPEX budgets for 2024/25, 2025/26 and 2026/27.

Corporate and Operational Plans:

The assessment of applications for Major Events Sponsorship is directly aligned with Focus Area 1 (Robust Economy) of Council's Corporate Plan 2021-2026. It is also aligned with Council's Operational Plan 2023-24 where implementation of the newly adopted Cairns and Great Barrier Reef Event Strategy 2025 in collaboration with Tourism Tropical North Queensland and Tourism and Events Queensland is a key action.

Policy:

Council's Major Events Sponsorship Policy has been applied in the assessment of the application. Consistent with that policy, section 235(b) of the Local Government Regulation 2012 allows an exemption to inviting written quotes or tenders where Council resolves that there is a specialised supplier, who is reasonably available to meet operational needs. Specialised Suppliers are used in instances where due to the specialised or unique services (in this instance a unique event), or where services are confidential in nature, that makes it disadvantageous or impractical to undertake a competitive procurement process.

CONSULTATION:

Tourism Events Queensland and Tourism Tropical North Queensland were consulted during the assessment of the funding application.



Nick Masasso
Director – Economic Development & Advocacy