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Virginia Lee-Laurie | Coordinator
Revitalising Central Geelong Partnership
Central Geelong & Waterfront Department | Economy, Investment & Attraction
City of Greater Geelong
VIA: vleelaurie@geelongcity.vic.gov.au

+61 3 5227 8075
cfg-admin@committeeforgeelong.com.au
Level 1 The Sally Walker Building
1 Gheringhap Street Geelong VIC 3220
PO Box 1418 Geelong VIC 3220
www.committeeforgeelong.com.au

Submission: Central Geelong Marketing Special Rate

The Committee for Geelong provides strategic leadership and influence to leverage the economic and social prosperity of our city-region. An independent, non-partisan, membership-based, not for profit organisation, the Committee for Geelong works collaboratively with an authoritative group of stakeholders and influencers to design Geelong’s best future.

Please accept the following as the Committee for Geelong’s submission to the Central Geelong Marketing Special Rate consultation process. I submit this on behalf of the Committee for Geelong, both as representing views of the membership of the Committee for Geelong as well as feedback from the CBD Engagement Taskforce and my personal involvement in that group.

The Committee for Geelong appreciates that there is complexity regarding the Central Geelong Marketing Special Rate and requests that the City of Greater Geelong consider the following issues as it makes its decision:

Please refer the attached report tabled at Council in 2020 *Geelong CBD Engagement Taskforce: Findings Report to Council, September 2020*.

This report was representative of the views of the CBD Engagement Taskforce and the Committee for Geelong believes this report, and its views, needs to be submitted as part of the consultation process.

In this Findings Report, the views of the Taskforce (which included several members of the Committee for Geelong) are clearly represented regarding the Central Geelong Marketing Special Rate. For the purposes of this submission, please find below and key findings related to the Central Geelong Marketing Special Rate which are re-printed below in italics.

1. A very commonly supported view amongst Task Force participants was a desire to remove the Central Geelong Marketing Committee levy entirely. Most participants thought centralised marketing had merit, and generally supported the work of the committee, but felt it would be better funded by Council directly or through state government tourism initiatives. Some Task Force participants felt that the impact of removing the levy all together would help many CBD businesses financially, and that local business owners would feel more positive towards the work the committee is doing if they weren't hit with paying the levy. It was pointed out that hospitality businesses, for example, receive



much more benefit from the events funded by the levy than accounting firms, even though both paid the levy. Some businesses also felt that CBD owners were indirectly funding events that benefited the entire region, and that therefore their contribution was disproportionate to the benefit they received.

2. A common view amongst Task Force participants was a desire for greater transparency of how the Central Geelong Marketing Committee operates. There was a desire for committee participants to reach out more to business owners, and for business owners to have a greater role shaping the types of events to be pursued. One view with reasonable support was the desire for an events and marketing budget to be determined first, and the special levy to be based on that, rather than vice versa, where business promotional activity expands or contracts to fill the amount of levy funds collected. Some participants also supported a model whereby the funds and programs were controlled solely by a collection of business owners, with no involvement from Council at all. Finally, there were several participants who thought the spending of the committee should be externally benchmarked and return on investment (ROI) actively tracked and reported back to those who paid the levy. It was felt that businesses paying the levy would feel more positive about it if they could clearly see the ROI and benefits to their business.

3. Task Force participants were supportive of it pursuing a range of styles of events. One-day events could encourage day trippers to visit Geelong, bringing newcomers to the Geelong CBD and enabling local producers of food and beverages to showcase their products. Multi-day events would attract overnight stays and also benefit accommodation providers, encouraging visitors to spend more time in the city. Finally, large-scale, iconic events would gain major media focus and attract interstate guests. There was an enthusiasm to focus on distinctly Geelong experiences, rather than trying to copy things that Melbourne already does well. Highlighting the unique goods and services that Geelong produces provides a point of difference, and would encourage a diversity of visitors, benefiting a wide range of local businesses. Task Force participants were also interested in leveraging event opportunities with corporate sponsors, or complementing existing events, such as Day on the Green, which could be promoted with transport opportunities back into the Geelong CBD, with benefits to hospitality and accommodation businesses.

4. There was a view amongst some Task Force participants that payment of the levy should be made optional, and the work of the committee tailored only to benefit those businesses who paid it. Similarly, a broadening out of different types of events might benefit a greater range of contributing businesses. Discussion occurred around the observation that not all events need to be child-friendly, and some night-time centric events would benefit bars, nightclubs and similar hospitality businesses who pay the levy.

5. Discussion occurred about the way the committee promotes its events, with a strong view that more contemporary promotion was warranted, with a stronger focus on social media strategies and less on printed brochures. Spending on traditional media was seen as potentially a waste of money.



6. A range of further options were floated for Council to consider:

- *Establishing the events calendar further in advance, to enable a longer lead-time for business coordination*
- *Spending more of the levy collected on research and targeting the events very specifically based on that evidence*
- *Council matching the funds provided by commercial ratepayers to provide a larger investment pool*
- *Tendering out the entire marketing committee operation to a private provider with expertise in event design and promotion*
- *Integrating all events with a transport plan, and locating more events in transport-friendly locations like Johnstone Park*
- *Greater promotion of Christmas in Geelong*
- *Keeping food trucks out of the CBD, or incorporating the levy so that food trucks also pay it*
- *Thinking bigger and using the work of the committee to brand Geelong more ambitiously*

(Reference: Geelong CBD Engagement Taskforce: Findings Report to Council: September 2020)

To extrapolate of some of the points above, the Committee for Geelong recommends that consideration be given to alternate models to support the CBD traders. For example, the model of Business Improvement Districts. *Business Improvement Districts (BIDs) are business led partnerships which are created through a ballot process to deliver additional services to local businesses. A Business Improvement District is a defined area in which a levy is charged on all business rate payers in addition to the business rates bill. This levy is used to develop projects which will benefit businesses in the local area.* More information here: <https://www.gov.uk/guidance/business-improvement-districts>

This BIDs model differs in that application and use of the levy is led by the businesses, not the local government authority. BIDs can be a powerful tool for directly involving local businesses in local activities and allow the business community and local authorities to work together to improve the local trading environment with business at the helm. They also have a broader remit than just marketing, with the levy being used for a range of initiatives which would not be delivered as a normal part of local government service provision.

This article helps explain the history, progression and benefit of BIDs
<https://placebrandobserver.com/business-improvement-districts-explained/>



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The Committee for Geelong is also cognisant that we are operating in a COVID normal world where there are significant pressures on the role of cities/urban environments, retail trade and commercial tenancies.

It is a time of great uncertainty and complexity. We believe that more time and consideration should be taken to explore the issues and opportunities facing Central Geelong.

We also believe, as per our submission to the Council Plan, that Council can embrace a more collaborative approach with community and work with businesses, not for profits and individuals to support greater engagement and ownership of issues and programs.

This levy and the opportunity to create a BID or similar structure, where the responsibility, decision making and reporting sits with the business owners, aligns with the findings in point 2. referenced above from the *Geelong CBD Taskforce: Findings Report to Council, September 2020*.

Many thanks for the chance to make this submission. The Committee for Geelong would welcome the opportunity for ongoing engagement and to answer any questions you may have with respect to this submission.

Please feel free to contact me via jennifer.cromarty@committeeforgeelong.com.au or contact my office direct on 035227 8075.

Kind regards

Jennifer Cromarty

CEO, Committee for Geelong