

## Knowledge Exchange Sponsorship - Tech Startups Action Plan Initiatives

**File No:** 2019/302132

### Summary

Three applications have been received for sponsorship under the Knowledge Exchange Sponsorship Program from organisations seeking to deliver initiatives that support the City's objectives and commitments in the Tech Startup Action Plan.

Indigi Lab Pty Ltd provides education, training, and opportunities for First Nations communities in the science, technology and digital innovation space. Indigi Lab is seeking support for a three day hackathon called Indigi Hack. Indigi Hack will bring together Indigenous entrepreneurs and thought leaders across three days to develop prototype solutions to an identified challenge. Initiatives created through IndigiHack will contribute to the growing startup market. The application has been evaluated and support of \$40,000 cash (excluding GST) is recommended.

Launched in 2016, Spark Festival is Australia's largest event for startups, innovators and entrepreneurs taking place in October every year. In 2018 Spark Festival grew to a two week program of more than 160 events attracting over 13,000 attendees. Spark Festival is seeking support to run the Sydney Innovators Expo, a one day interactive showcase and demonstration day of future-focused startups and innovative projects. The application has been evaluated and support of \$40,000 cash (excluding GST) and value in kind of \$8,450 (excluding GST) for venue hire is recommended.

Cicada Innovations Pty Ltd is one of Australia's leading tech startup incubators founded in 2000 by four of Australia's top universities – the Australian National University, University of Technology Sydney, University of New South Wales and University of Sydney. Cicada Innovations Pty Ltd is seeking support to run the 2019 EMERGE STEM Careers and Tech Expo, an event that showcases alternative career pathways for graduate students and university researchers. The application has been evaluated and support of \$20,000 cash (excluding GST) is recommended.

The recommended projects in this report have been assessed as contributing towards the City's commitments in the Tech Startups Action Plan, Eora Journey Economic Development Plan and Economic Development Strategy.

The applications have been assessed under the City's Grants and Sponsorship Policy and its Knowledge Exchange Sponsorship Program. Sponsorship to each applicant is recommended.

## **Recommendation**

It is resolved that:

- (A) Council approve a cash sponsorship of \$40,000 (excluding GST) to Indigi Lab Pty Ltd to produce the Indigi Hack hackathon event;
- (B) Council approve a cash sponsorship of \$40,000 (excluding GST) and value in kind of \$8,450 (excluding GST) for venue hire fee waiver to Spark Festival Limited, to produce the Sydney Innovators Expo;
- (C) Council approve a cash sponsorship of \$20,000 (excluding GST) to Cicada Innovations Pty Ltd for the 2019 EMERGE STEM Careers and Tech Expo; and
- (D) authority be delegated to the Chief Executive Officer to negotiate, execute and administer sponsorship agreements with each of the applicants.

## **Attachments**

Nil.

## Background

1. In December 2013, Council adopted the Economic Development Strategy, a 10-year plan that aims to strengthen the city economy and support business. The Tech Startups Action Plan endorsed by Council in June 2016, focuses on creating a local tech startup ecosystem that enables knowledge-based, innovation-driven businesses to flourish. The Eora Journey Economic Development Plan endorsed by Council in November 2016, outlines the City's role in supporting business ownership and employment opportunities for Aboriginal and Torres Strait Islander people.
2. Sponsorship of the Indigi Lab Pty Ltd, Spark Festival Limited and Cicada Innovations Pty Ltd programs meet the objectives of the City of Sydney's Economic Development Strategy, Tech Startups Action Plan and Eora Journey Economic Development Plan.
3. The City's Economic Development Strategy recognises that supporting entrepreneurs is integral to its vision for the city's economy. Entrepreneurs are agents of change and supporting entrepreneurs as they become employers is an effective way to grow jobs and job diversity in the economy.
4. The strategy states that the City will explore ways in which it can influence the success of entrepreneurs and small business operators whether through capacity building initiatives, making it easier to do business or the development of programs to assist startup and small business to scale into the future.
5. The Tech Startups Action Plan is consistent with this strategy, and importantly adds a focus on tech startups, recognising that their needs are very different to those of small businesses.
6. Sydney's tech startup ecosystem is in the early stages of development. The barriers to its growth include the low number of entrepreneurs starting high-growth businesses; limited access to investment, talent and a skilled support network; and a fragmented ecosystem.
7. The recommended programs support the City's efforts to encourage more people to become entrepreneurs, build a strong and diverse entrepreneurial community, and provide support for entrepreneurs to start and grow successful global businesses.
8. Key focus areas of the Eora Journey Economic Development Plan are ensuring greater access to economic opportunities for Aboriginal and Torres Strait Islander people within all sectors of the economy, as well as building knowledge-based and entrepreneurial skills among Aboriginal and Torres Strait Islander communities. Sponsorship of the Indigi Lab Pty Ltd program aligns with both areas of focus.

## Indigi Lab Pty Ltd - Indigi Hack

9. Indigi Lab Pty Ltd provides education, training, and opportunities for First Nations communities in the science, technology and innovation space. They work across a range of educational, policy and employment projects that support a more inclusive STEM sector, and manage the STREAMS network which brings together First Nation and non-Indigenous scientists, environmentalists and policy makers to develop thought leadership on sustainable sciences.

10. Indigi Lab Pty Ltd will be hosting a hackathon called Indigi Hack in March 2020. It is open to all Indigenous people and businesses that are 51 per cent Indigenous owned and operated. This hackathon is aligned with the work of the STREAMS network and will also provide Indigenous led solutions to the UN Global Sustainable Development Goals. The Indigi Hack program is strongly committed to the sustainable development goals, in particular goal 10 on reducing inequalities.
11. Indigi Hack will put Indigenous people at the forefront of hacking solutions to global issues like climate change and poverty. The event will run across three days, in three stages, where the practice of design thinking is used to generate solutions through a process that translates understanding and ideas into tangible outcomes.
12. Businesses and projects created through Indigi Hack will contribute to the growing start up market. Furthermore, it will enable Indigenous people to lead in an knowledge-based economy.
13. Indigi Lab Pty Ltd seeks funding of \$40,000 under the City of Sydney's Knowledge Exchange Sponsorship program to produce the Indigi Hack three day hackathon.

#### **Spark Festival Limited – Sydney Innovators Expo**

14. Spark Festival is an entrepreneur-led, community-focused week of events that seeks to enable and encourage emerging and established entrepreneurs to share resources and acquire new knowledge and skills. It also aims to raise the profile of the local tech startups ecosystem and encourage the wider community to get involved and learn more about the ecosystem.
15. The Sydney Innovators Expo will be a one day interactive showcase with presentations and a demo day of future-focused startups and innovative projects, accessible and open to the wider community. Scheduled to take place on 19 October 2019 it will be a featured event as part of Spark Festival 2019 (October 10 to 27).
16. The objective of the event is to share the knowledge of the startups and innovators and their passion for the power of technology with the wider community. The event will:
  - (a) gather together local startups and other innovative initiatives;
  - (b) showcase their thinking, achievements, products and expertise;
  - (c) connect these startups and innovators to the wider community; and
  - (d) encourage the wider community to see technology as an enabler, rather than a threat.
17. Spark Festival seeks funding of \$40,000 and value in kind of \$8,450 for venue hire under the City of Sydney's Knowledge Exchange Sponsorship program to produce the event.

#### **Cicada Innovations Pty Ltd - 2019 EMERGE STEM Careers Expo**

18. Cicada Innovations Pty Ltd has recently been named the 2018 world's top incubator by the international peak body for entrepreneurship, International Business Innovation Association (inBIA) with over 2,200 global industry peers.

19. Cicada's EMERGE STEM Careers and Tech Expo is a catalyst to strengthen linkages between research and tertiary institutions, industry and startups, to develop and grow the local STEM knowledge-base capability and to fuel the jobs and industries of the future for long term economic and social benefit.
20. The free event will include keynote and plenary sessions alongside the exhibition covering both practical career advice for working in the sector and the cutting-edge technologies that will shape the world over the next 20 years.
21. In addition to bringing together many of the future stakeholders in the Sydney technology sector, the event also provides:
  - (a) an opportunity for meaningful engagement between the research and start-up communities;
  - (b) an insight into potential career pathways with advanced technology startups;
  - (c) a platform to inspire and influence the next wave of tech entrepreneurs; and
  - (d) a qualified pool of local STEM educated candidates seeking internships and employment.
22. Cicada Innovations Pty Ltd seeks funding of \$20,000 under the City of Sydney's Knowledge Exchange Sponsorship program to produce the EMERGE STEM Careers and Tech Expo.
23. These applications have been assessed under the City's Grants and Sponsorship Policy and Knowledge Exchange Sponsorship program. The Knowledge Exchange Sponsorship program recognises that, for the city to thrive, we must support and create an environment that fosters collaboration and learning.
24. The applications have been assessed as contributing to the following program outcomes:
  - (a) adoption and implementation of best practice approaches by organisations and individuals;
  - (b) strong networks where participants share resources and acquire new knowledge and skills;
  - (c) improved capacity in organisations and individuals to develop and maintain sustainable business ventures; and
  - (d) increased recognition of Sydney as an innovative and creative city.
25. Evaluation of each sponsorship will include a report containing results from a participant survey, participant feedback, website analytics and media mentions. The evaluation requirements will be included as part of the City's standard sponsorship agreement.

26. Sponsorship benefits to be negotiated include acknowledgement of the City of Sydney in media releases, on social media platforms, in blogs and on-line advertisements, and on signage at the opening or closing event; the City of Sydney logo included in all marketing materials including direct mail, t-shirts, bags, videos and website; and invitations to attend as guests opening and closing events associated with the program.
27. Under the Knowledge Exchange Sponsorship program, not-for-profit and for-profit organisations, as well as social enterprises, are eligible to apply. Spark Festival is a not-for-profit organisation. Cicada Innovations Pty Ltd and Indigi Lab Pty Ltd are both for-profit organisations.

## **Key Implications**

### **Strategic Alignment - Sustainable Sydney 2030 Vision**

28. Sustainable Sydney 2030 is a vision for the sustainable development of the City to 2030 and beyond. It includes 10 strategic directions to guide the future of the City, as well as 10 targets against which to measure progress. This sponsorship is aligned with the following strategic directions and objectives:
  - (a) Direction 1 - A Globally Competitive and Innovative City - supporting entrepreneurs to start and grow innovative businesses will potentially create more employment, boost Sydney's economy, strengthen global connections and make the city a more desirable place to live, work and visit.
  - (b) Direction 6 - Vibrant Local Communities and Economies - innovative businesses can grow into global businesses, resulting in swift economic and employment benefits locally.
  - (c) Direction 7 - A Cultural and Creative City - supporting entrepreneurs is supporting the expression of innovation and creativity, which in turn, contributes to a cosmopolitan, vibrant and active city.

## **Budget Implications**

29. This report recommends a total sponsorship amount of \$100,000 cash (excluding GST) and \$8,450 (excluding GST) value in kind for venue hire fee waiver.
30. There are sufficient funds available within the Knowledge Exchange Grants and Sponsorship 2019/20 budget.

### **Relevant Legislation**

31. Section 356 of the Local Government Act 1993 provides that a council may, in accordance with a resolution of the council, contribute money or otherwise grant financial assistance to person for exercising its functions.
32. Section 356(3)(a) - (d) is satisfied for the purpose of providing grant funding to for-profit organisations because:
  - (a) the funding is part of the Knowledge Exchange Sponsorship program;
  - (b) the details of this program have been included in Council's draft operational plan for financial year 2019/20;
  - (c) the program's proposed budget does not exceed five per cent of Council's proposed income from ordinary rates for financial year 2019/20; and
  - (d) this program applies to a significant group of persons within the local government area.

### **Critical Dates / Time Frames**

33. Subject to Council approval, the recommended projects are scheduled to commence in September 2019 and be undertaken over 2019 and 2020.

### **ANN HOBAN**

Director City Life

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