

Item 2.

Grants and Sponsorship - Round Two 2019/20 - Cultural Grants - Festivals and Events Sponsorships (Artform)

File No: S117676

Summary

The City of Sydney's Grants and Sponsorship Program supports initiatives and projects that build the social, cultural, environmental and economic life of the city. To achieve the objectives of Sustainable Sydney 2030 requires genuine partnership between government, business and the community.

The provision of grants and sponsorships is a mechanism to further the aims identified in the City's social, cultural, economic and environmental policies. Applications are assessed against these policies and against broad City objectives and plans. In this way, the City and the community act collaboratively to bring to life Sustainable Sydney 2030 and the City of Villages it envisions.

The City advertised the following cultural grant program in Round Two of the annual Grants and Sponsorship Program for 2019/20:

- Festivals and Events Sponsorship (Artform) Program.

For the Festivals and Events Sponsorship (Artform) Program, 25 eligible applications were received. This report recommends 19 grants to a total value of \$709,540 in cash and \$708,033 revenue foregone/value-in-kind for the 2019/20 financial year, commitments of \$1,880,000 in cash and \$1,020,000 revenue foregone/value-in-kind for the 2020/21 and \$1,400,000 in cash and \$550,000 revenue foregone/value-in-kind for the 2021/22 financial year.

On 11 December 2017, Council adopted a revised Grants and Sponsorship Policy. All grants in this report were assessed against criteria and guidelines set out in this revised Policy with reference to Sustainable Sydney 2030 and the Creative City Cultural Policy and Action Plan.

All grant recipients will be required to sign a contract, meet specific performance outcomes and acquit their grant. All figures in this report exclude GST.

Recommendation

It is resolved that:

- (A) Council approve the cash and value-in-kind recommendations for the Festivals and Events Sponsorship (Artform) Program as per Attachment A to the subject report;
- (B) Council note the applicants who were not successful in obtaining a cash or value-in-kind grant for the Festivals and Events Sponsorship (Artform) Program as per Attachment B to the subject report;
- (C) Council note that all grant amounts are exclusive of GST and all value-in-kind offered is subject to availability; and
- (D) authority be delegated to the Chief Executive Officer to negotiate, execute and administer agreements with any organisation approved for a grant or sponsorship under terms consistent with this resolution and the Grants and Sponsorship Policy.

Attachments

- Attachment A.** Recommended for Funding - Festivals and Events Sponsorships (Artform)
- Attachment B.** Not Recommended for Funding - Festivals and Events Sponsorships (Artform)

Background

1. The City of Sydney's Grants and Sponsorship Program supports residents, businesses and not-for-profit organisations to undertake initiatives and projects that build the social, cultural, environmental and economic life of the city.
2. On 19 June 2019, the City announced Round Two of the annual grants program for 2019/2020 as being open for applications on the City's website, with grant applications closing on 21 July 2019.
3. The cultural program promoted was the Festivals and Events Sponsorship (Artform) Program.
4. Information about the grant program (such as application dates, guidelines, eligibility criteria and sample applications) was made available on the City's website. The City actively promoted the program through Facebook, Twitter, What's On, postcard distribution and an ArtsHub publication and affiliated website and Facebook promotion. Email campaigns were also utilised to target interested parties who have applied previously for grants at the City or who have expressed an interest in the City's programs.
5. Following adoption of the revised Grants and Sponsorship Policy on 11 December 2017, the Festivals and Events Sponsorship (Artform) program is open to for-profit organisations. Seven applications were received this round from for-profit organisations and three for-profit organisation are recommended in this report:
 - (a) Audiocraft Pty Ltd;
 - (b) General Strike Pty. Ltd.; and
 - (c) Working Group Entertainment Pty Ltd as auspice for Laurence Phillip Rosier Staines.
6. These applications meet the Festivals and Events Sponsorship (Artform) for-profit eligibility criteria, clearly demonstrating that the applicants' requests for funding provide opportunities for creative participation, enhance creativity in the public domain and strengthen the sustainability and capacity of the City's cultural and creative industries. For-profit applicants in these programs are required to match their request from the City with their own cash input.
7. Park hire requests are not listed in the table for recommendations, as not-for-profit organisations are eligible for free park hire. However, these organisations must pay the \$100 application fee and other related fees and charges, such as electricity and water. Individuals or unincorporated community groups are required to be auspiced by a not-for-profit organisation to be eligible for free park hire. All park hire is subject to availability. For-profit organisations are required to pay park hire fees.
8. It is expected that all successful applicants will work co-operatively with relevant City staff throughout the project for which they have received funding. Contact details for the relevant City staff are provided to all successful grant recipients.
9. All grants and sponsorships are recommended on the condition that any required approvals, permits and development consents are obtained by the applicant.

10. The City’s Grants and Sponsorship Program is highly competitive. Applications that are not recommended have either not scored as highly against the assessment criteria as the recommended applications, or have incomplete or insufficient information. The City’s Grants and Sponsorship team provides feedback and support to unsuccessful applicants.
11. Three applications were received from major cultural festivals:
 - (a) The Sydney Film Festival;
 - (b) The Sydney Fringe Incorporated; and
 - (c) The Sydney Festival Ltd.
12. These festivals have requested a total of \$750,000 in cash and \$573,306 revenue foregone/value-in-kind for the 2019/20 financial year, \$2,190,250 in cash and \$1,131,857 revenue foregone/value-in-kind for the 2020/21 financial year, \$2,231,587 in cash and \$1,137,212 revenue foregone/value-in-kind for the 2021/22 financial year and \$1,508,000 in cash and \$553,349 revenue foregone/value-in-kind for the 2022/23 financial year.
13. These festivals are being recommended cash support at the same level of their previous allocations for two years (instead of the requested three years) whilst the City’s 2050 strategic review is undertaken. City staff have worked closely with all three major festivals to discuss the funding levels in this report. The recommended amounts for value-in-kind Banner Pole Hire waiver have honoured the number of banner poles requested and applied the correct rates.

	Current allocation	Funding requested	Funding recommended
The Sydney Film Festival	Cash Year 1 - \$260,000 Year 2 - \$260,000 Year 3 - \$260,000 Value-in-kind Year 1 - \$350,000 Year 2 - \$350,000 Year 3 - \$350,000	Cash Year 1 - \$350,000 Year 2 - \$355,250 Year 3 - \$360,578 Value-in-kind Venue Hire fee waiver to the value of \$360,000 and Street Banner Hire fee waiver to the value of \$40,000 each year for three years	Cash Year 1 (2019-2020) - \$260,000 Year 2 (2020-2021) - \$260,000 Value-in-kind Venue Hire fee waiver and Street Banner Hire fee waiver to the value of \$370,000 each year for two years

	Current allocation	Funding requested	Funding recommended
The Sydney Fringe	<p>Cash</p> <p>Year 1 - \$220,000 Year 2 - \$220,000 Year 3 - \$220,000</p> <p>Value-in-kind</p> <p>Year 1 - \$50,000 Year 2 - \$50,000 Year 3 - \$50,000</p>	<p>Cash</p> <p>Year 1 - \$400,000 Year 2 - \$400,000 Year 3 - \$400,000</p> <p>Value-in-kind</p> <p>Year 1 - Venue Hire and Street Banner Hire fee waiver to the value of \$173,306</p> <p>Year 2 - Venue Hire and Street Banner Hire fee waiver to the value of \$178,508</p> <p>Year 3 - Venue Hire and Street Banner Hire fee waiver to the value of \$183,863</p>	<p>Cash</p> <p>Year 1 (2019-2020) - \$220,000 Year 2 (2020-2021) - \$220,000</p> <p>Value-in-kind</p> <p>Venue Hire fee waiver and Street Banner Hire fee waiver to the value of \$100,000 each year for two years</p>
The Sydney Festival	<p>Cash</p> <p>Year 1 - \$1,400,000 Year 2 - \$1,400,000 Year 3 - \$1,400,000</p> <p>Value-in-kind</p> <p>Year 1 - \$450,000 Year 2 - \$450,000 Year 3 - \$450,000</p>	<p>Cash</p> <p>Year 1 - \$1,435,000 Year 2 - \$1,471,000 Year 3 - \$1,508,000</p> <p>Value-in-kind</p> <p>Venue Hire fee waiver to the value of \$540,000 and Street Banner Hire fee waiver to the value of \$13,349 each year for three years</p> <p>Please note this festival is requesting funds from the 2020-2021 financial year onwards.</p>	<p>Cash</p> <p>Year 1 (2020-2021) - \$1,400,000 Year 2 (2021-2022) - \$1,400,000</p> <p>Value-in-kind</p> <p>Venue Hire fee waiver and Street Banner Hire fee waiver to the value of \$550,000 each year for two years</p>

14. The assessment process includes advice and recommendations from the key stakeholders on the assessment panel, depending upon the nature of each submission. The integrity of the proposed budget, project plan, contributions and partnerships are assessed, scored and ranked against defined criteria. Once recommended applications are approved by Council, a contract is developed in negotiation with the recipients, which includes conditions that must be adhered to, and acquitted against.
15. In assessing the grant applications, the assessment panels included in their considerations and recommendations:
 - (a) Sustainable Sydney 2030;
 - (b) the Grants and Sponsorship Policy; and
 - (c) the Creative City Cultural Policy and Action Plan.
16. City staff consider the contribution from the applicant and other sources in reviewing applications. Applicants are asked to demonstrate a capacity to source other types of funding or contribute their own resources (cash or in-kind).
17. Applicants are requested to list their project's community partners, confirmed funding sources and the contribution the organisation is making to the project (cash or in-kind) to demonstrate their contribution.
18. The Festivals and Events Sponsorship (Artform) Major Festivals Program supports projects and initiatives that provide opportunities for creative participation, enhance creativity in the public domain and strengthen the sustainability and capacity of the city's cultural and creative industries.
19. The assessment panel was comprised of the City's Cultural Projects Coordinator, Head of Audience Major Events and Festival and Manager Cultural Strategy with specialist input from the City Business Manager, Community Engagement Coordinator, Cultural Projects Manager, Digital Content Producer, City Historian, Manager Venue Management, Senior Community Engagement Coordinator, Social Programs Officer (LGBTIQ) and Strategy Adviser - Cultural.
20. The applications recommended for the Festivals and Events Sponsorship (Artform) Major Festivals Program are outlined in Attachment A to this report. The applications that are not recommended are listed in Attachment B to this report.

21. Overview of 2019/2020 Festivals and Events Sponsorship - Artform Program:

Total cash budget for 2019/2020	\$3,348,325
Total cash committed to previously approved applications	\$2,638,785
Total cash available for 2019/2020 Round 2	\$709,540
Total number of eligible applications this round	25
Total cash requested from applications for 2019/20	\$1,486,023
Total value-in-kind support requested from applications	\$827,813
Total number of applications recommended for cash and/or value-in-kind support	19
Total amount of cash funding recommended 2019/2020 (Multi-year funding recommended 2020/21 - \$1,880,000) (Multi-year funding recommended 2021/22 - \$1,400,000)	\$709,540
Total amount of value-in-kind support recommended 2019/2020 (Multi-year funding recommended 2020/21 - \$1,020,000) (Multi-year funding recommended 2021/22 - \$550,000)	\$708,033
Cash amount remaining for subsequent allocation of the program 2019/2020	\$0

Key Implications

Strategic Alignment - Sustainable Sydney 2030 Vision

22. 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 grant program is aligned with the following strategic directions and objectives:
 - (a) Direction 7 - A Cultural and Creative City - the grant projects recommended in this report will provide opportunities for creative participation, enhance creativity in the public domain and strengthen the sustainability and capacity of the City's cultural and creative industries.

Organisational Impact

23. The grants and sponsorships contract management process will involve key staff across the City of Sydney. Identified staff set contract conditions and performance measures for each approved project and review project acquittals, which include both narrative and financial reports.

Social / Cultural / Community

24. The City's Grants and Sponsorship Program provides the City with a platform to support cultural initiatives from the communities and community organisations within the local area.

Budget Implications

25. A total of \$709,540 in cash and \$708,033 in revenue foregone/value-in-kind is recommended for allocation from the 2019/20 budget, as follows:
 - (a) Festivals and Events Sponsorship (Artform) - \$709,540 in the budget of \$3,348,325; and
 - (b) Revenue foregone/value-in-kind - \$708,033 in the venue hire and street banner hire budgets which total \$1,410,000.
26. Additionally, this report includes forward commitments of \$1,880,000 in cash and \$1,020,000 revenue foregone/value-in-kind for the 2020/21 and \$1,400,000 in cash and \$550,000 revenue foregone/value-in-kind for the 2021/22 financial year. These amounts will be incorporated in future budgets proposed.

Relevant Legislation

27. Section 356 of the Local Government Act 1993. 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 persons for the purpose of exercising its functions.

28. 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 following programs:
 - (i) Festivals and Events Sponsorship (Artform);
 - (b) the details of these programs have been included in Council's Operation Plan for financial year 2019/20;
 - (c) the program's proposed budgets do not exceed 5% of Council's proposed income from ordinary rates for financial year 2019/20; and
 - (d) these programs apply to a significant group of persons within the local government area.

Critical Dates / Time Frames

29. The funding period for Round Two of the Grants and Sponsorship Program for 2019/20 is for activity taking place from 1 January 2020 to 31 December 2020. Contracts will be entered into with all successful applications after Council approval to ensure their funding is released in time for projects starting in January.

Public Consultation

30. For all programs open to application in Round Two of the annual grants and sponsorship program for 2019/20, two question and answer sessions were held in Town Hall House to assist potential applicants with their applications on the following dates:
- (a) Tuesday 2 July 2019 from 4pm to 7pm; and
 - (b) Tuesday 9 July 2019 from 4pm to 7pm.
31. Seventy-eight meetings were held across the two question and answer sessions where prospective applicants sought advice from City staff about their project proposals and the application process.
32. Seventy per cent of these attendees advised they had not applied for a City of Sydney grant previously.

ANN HOBAN

Director City Life

Phoebe Arthur, Grants Program Coordinator