

Ad Hoc Grant - Set up for Sydney WorldPride 2023

File No: S123871

Summary

WorldPride is a bi-annual international festival that promotes lesbian, gay, bisexual, transgender, queer and intersex (LGBTQI) issues on an international stage through parades, festivals and other cultural activities.

On 9 September 2019, Council approved a \$50,000 (excluding GST) cash sponsorship to support the Sydney Gay and Lesbian Mardi Gras bid for WorldPride Sydney 2023.

On 20 October 2019, Sydney Gay and Lesbian Mardi Gras won the right for Sydney to host WorldPride 2023 at the InterPride (licensee of WorldPride) Annual General Meeting in Athens. Sydney will be the first city in the southern hemisphere to host WorldPride, attracting a wide and diverse new global audience to the event.

Sydney WorldPride 2023 will be an extension of the Mardi Gras Arts and Cultural Festival, with new programming specially curated for WorldPride to start after the annual Sydney Gay and Lesbian Mardi Gras Parade, including a Human Rights and Health Conference.

Sydney WorldPride provides an immersive opportunity to bring international LGBTQI communities and allies to Sydney to generate belonging, pride and connection to our city and its unique culture. It will also provide multiple opportunities for artistic and creative expression.

Sydney Gay and Lesbian Mardi Gras propose to set up a new company, and employ an interim Chief Executive Officer, finance and marketing staff, to develop a detailed budget and further funding proposals. The cash costs of this first seven months are estimated to be \$350,000. Sydney Gay and Lesbian Mardi Gras has agreed to contribute \$100,000, and has approached the City to request sponsorship for the balance of the funding, \$250,000 in cash.

This report recommends a \$100,000 (excluding GST) cash sponsorship to Sydney Gay and Lesbian Mardi Gras Ltd to be put towards operational and administrative expenses incurred in establishing the new entity to organise World Pride 2023, and in principle support for a second cash sponsorship of up to \$150,000 (excluding GST) to be provided following approval from the Chief Executive Officer once funding has been confirmed from the State Government.

Recommendation

It is resolved that:

- (A) Council approve a \$100,000 (excluding GST) cash sponsorship to Sydney Gay and Lesbian Mardi Gras Ltd for the pre-event planning of WorldPride 2023 to be held in Sydney, with funds drawn from the 2019/20 General Contingency budget; and
- (B) Council provide in principle approval for a second cash sponsorship of up to \$150,000 (excluding GST) to Sydney Gay and Lesbian Mardi Gras Ltd., subject to the Chief Executive Officer's satisfaction that the NSW Government has confirmed funding support, with funds drawn from the 2019/20 General Contingency budget or provided in the 2020/21 budget; and
- (C) authority be delegated to the Chief Executive Officer to negotiate, execute and administer sponsorship agreements with Sydney Gay and Lesbian Mardi Gras Ltd in relation to the sponsorship described in (A) and (B) above.

Attachments

Nil.

Background

1. Earlier this year, Sydney Gay and Lesbian Mardi Gras approached the City to support their bid for WorldPride 2023. In September 2019, Council resolved to support the bid with a \$50,000 (excluding GST) cash sponsorship.
2. At the InterPride Annual General Meeting held in Athens in October this year, it was announced that Sydney Gay and Lesbian Mardi Gras had been successful in their bid and that Sydney would host WorldPride 2023.
3. The City is home to a large population of LGBTQI people and the City has a long history of providing support to this community. Over the past few years, Sydney Gay and Lesbian Mardi Gras has worked to develop and strengthen relationships with the '78ers, transgender people, rainbow families, women over 55, Aboriginal and Torres Strait Islander people and people under 30 from South Asian and South Pacific communities. Sydney WorldPride 2023 will provide opportunities to celebrate, strengthen and empower diverse communities to participate in a global celebration of pride.
4. Sydney WorldPride 2023 aligns with a number of outcomes of the City's Social Sustainability Policy and Action Plan, A City for All, including the following: harmony and social cohesion; diverse thriving communities; vibrant creative life; collaboration and partnerships; sense of belonging and connection to place.
5. Major events are a significant driver of demand in the visitor economy and a strong economic driver for Sydney businesses during the event period. Sydney WorldPride 2023 aligns with the action plans for the Economic Development Strategy, including creating great experiences for city workers, residents and visitors to Sydney to motivate them to shop in central Sydney and the villages, enhancing the quality of the visitor experience and strengthening partnerships to maximise visitation potential.
6. The City's hospitality, tourism and retail businesses will be the major beneficiaries of Sydney WorldPride's economic footprint. According to a recent study by Deloitte, Sydney WorldPride 2023 represents an uplift over and above expected Mardi Gras numbers. This includes an additional 88,000 to 350,000 visitors to the local government area with an anticipated added economic benefit to Sydney of between \$60 million to \$309 million.
7. Sydney WorldPride 2023 will occur the week following the Sydney Gay and Lesbian Mardi Gras 2023 Festival. It will include a Human Rights and Health Conference focussing on LGBTQI rights and issues. It is intended that there will be a diverse range of speakers and interactive workshops and sessions. Sydney Gay and Lesbian Mardi Gras' bid document proposed a total budget for the event of \$16,400,910, with \$8,970,000 to be met through government grants. The bid document included letters of support from the Premier, the Lord Mayor, State and Federal Government Ministers, Tourism Australia, NSW Police, and other supporters.
8. The State Government had advised Sydney Gay and Lesbian Mardi Gras, prior to the bid, that should it be successful, it would take some months to negotiate contract funding support.

9. Sydney Gay and Lesbian Mardi Gras is currently setting up an independent company, NewCo, to be governed by a Board, for the purpose of delivering Sydney WorldPride 2023. It is proposed an interim Chief Executive Officer, as well as two staff covering finance and procurement, and marketing and communications, will be engaged. The new company will develop the event scope and detailed budgets, prepare funding submissions, license arrangements and plans, and pursue cash and pro bono support from government and the private sector. It will find new premises, acquire office equipment, establish key procurement procedures, manage consultants, etc. The company will also seek Deductible Gift Recipient status, which it anticipates will take at least 12 months.
10. The start up cash costs for the first seven months are estimated to be \$350,000, comprising \$270,000 in salaries including on costs, and \$80,000 in office and initial consulting costs.
11. It is expected that Sydney Gay and Lesbian Mardi Gras will seek further cash and value in kind support from the City in the future, once the event planning has been developed.
12. This report recommends that Council matches Mardi Gras' \$100,000 funding for the start up costs for administrative and operational costs, including costs incurred with creating the new company described above. It also recommends that the Council provide in principle support for a second cash sponsorship of up to \$150,000 towards operational and administrative costs, subject to confirmation by the State Government of its support for the event and approval by the Chief Executive Officer.
13. Tourism NSW has advised funding of \$420,000 which is tied to hard event costs, not operational costs.

Key Implications

Strategic Alignment - Sustainable Sydney 2030

14. 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 5 - A Lively and Engaging City Centre - Sydney WorldPride 2023 aligns with our roadmap of an inclusive and connected city as outlined in the Social Sustainability Action Plan. Harmony and social cohesion will be enhanced across the City as people from all over the world gather to celebrate Pride in the City of Sydney.
 - (b) Direction 6 - Vibrant Local Communities and Economies - Parade audience data indicates that of those surveyed over 60 per cent were from Inner, South or Eastern Sydney, supporting Sydney Gay and Lesbian Mardi Gras as an active local LGBTIQI community.

- (c) Direction 7 - A Cultural and Creative City - Currently Sydney Gay and Lesbian Mardi Gras Parade and Festival employs over 1,700 people, over 450 artists, over 1,600 volunteers, with 12,500 parade participants and over 300,000 people viewing the parade. Sydney Gay and Lesbian Mardi Gras has diversified their program over the past two years and is offering events and activities to diverse groups such as women over 55, rainbow families, Aboriginal and Torres Strait Islander People, people with a disability, people under 30 from South Pacific or South Asian backgrounds and transgender people. The diversity of offerings throughout the festival is indicative of the support that Sydney Gay and Lesbian Mardi Gras provides to community and gives a platform to those individual communities for self-expression, which would be further expanded on through Sydney WorldPride 2023.

Risks

15. The level of further funding from the NSW Government and corporate partners is yet to be determined and secured.

Social / Cultural / Community

16. WorldPride 2023 will help to promote the City of Sydney as an inclusive global and welcoming city for all.
17. With an emphasis both on celebratory activities and a conference stream, WorldPride will bring together thought leaders, creatives, cultural icons and activists to debate current social and cultural issues that cross borders and are relatable to LGBTIQI people globally.
18. As Sydney Gay and Lesbian Mardi Gras continues to develop their artistic and cultural program, visitors to the City will be a part of the vibrant creative life of the City. Currently, Sydney Gay and Lesbian Mardi Gras employ over 450 artists, and it is anticipated that this will be a significantly higher figure for the 2023 festivities.

Economic

19. The City's hospitality, tourism and retail businesses will be the major beneficiaries of Sydney World Prides economic footprint. The combined Mardi Gras and WorldPride Sydney 2023 festival has the potential to deliver strong economic benefits to the hotel, retail, hospitality and tourism sectors with a potential combined economic benefit to Sydney of \$660 million to \$845 million, according to recent analysis by Deloitte.
20. WorldPride 2023 will help promote Sydney as a world-class tourist destination to a global audience.

Relevant Legislation

21. 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.

Budget Implications

22. The cash funds of \$100,000 will be drawn from the 2019/20 General Contingency budget. The cash funds for the second sponsorship of up to \$150,000 cash will be drawn from the 2019/20 General Contingency budget, if State Government funding is secured prior to 30 June 2020. If funding is not secured until after this date, the funds will be provided in the draft 2020/21 budget.

Critical Dates / Time Frames

23. Sydney Gay and Lesbian Mardi Gras have requested support to be available from January 2020.

ANN HOBAN

Director City Life

Alana Goodwin, Grants Program Coordinator