

Policy – Adoption - Grants and Sponsorship Policy Update

File No: S117676

Summary

The City of Sydney's Grants and Sponsorship Program (the Program) supports initiatives and projects that build the social, cultural, environmental and economic life of the city.

The Program is one of many ways in which the City partners with the community and business to further the actions, strategic directions and vision of the City's strategic policy framework by providing cash and value-in-kind support.

The Grants and Sponsorship Policy (the Policy) provides the governance framework for the management of the Program, and how decisions about funding are made. The Policy ensures the City meets the governance requirements of the Local Government Act 1993 in relation to awarding grants.

The current Policy was adopted by Council in December 2017. The Policy was due to be reviewed in December 2022 but an interim review has been conducted following Councillor requests and stakeholder feedback. Following the adoption of Sustainable Sydney 2050 the City will undertake a major review of the Policy so that is aligned with Council endorsed actions.

The recommended updates to the Policy have been informed by significant stakeholder input and feedback, including requests and consultation from Councillors.

Changes for this revision of the Policy include:

- Aligning the eligibility criteria for the Festivals and Events (Village and Community) program with the Festivals and Events (Artform) program to ensure the local business community has equal access to this funding program to support activities that aid recovery;
- Reviewing the eligibility criteria for the Environmental Performance Grants program to focus the Innovation program on small to medium enterprises and the Ratings and Assessment program on the residential and accommodation (hotels, hostels and serviced apartments) sectors only; and
- Broadening the Short Term Empty Properties Grant (STEP), to include economic, community and sustainability tenants in addition to the current cultural tenants.

Recommendation

It is resolved that:

- (A) Council adopt the revised Grants and Sponsorship Policy which includes updates to the Festivals and Events (Village and Community), Environmental and Performance Grants and Short Term Empty Properties Grant Programs, as shown in Attachment A to the subject report;
- (B) authority be delegated to the Chief Executive Officer to make amendments to the Grants and Sponsorship Policy in order to correct any minor drafting errors; and
- (C) Council note a review of the grants policy and program is being undertaken to:
 - (i) ensure alignment to Sustainable Sydney 2050; and
 - (ii) ensure the program is inclusive and accessible and improve the user experience.

Attachments

Attachment A. Grants and Sponsorship Policy – February 2021 Revision

Background

1. The City of Sydney's Grants and Sponsorship Program (the Program) supports residents, community groups, not-for-profit organisations and for-profit organisations to undertake initiatives and projects that build the social, cultural, environmental and economic life of the city.
2. The Grants and Sponsorship Policy (the Policy), last updated in 2017, provides the governance framework for management of the Program and decisions about funding. The Policy was due to be reviewed and updated in 2022 but an interim review has been undertaken following specific stakeholder and feedback from Councillors about a number of the individual programs.
3. Supporting the Policy are the Grants and Sponsorship Program Guidelines which guide applicants on how to apply for and acquit grants and sponsorships. The Guidelines set out assessment criteria against which applications will be considered and provide practical details such as opening dates for each program, eligibility considerations and the types of supporting documentation applicants need to submit. The Guidelines are updated at least annually to reflect the specific corporate plan objectives each year and are available on the City's Website.
4. The **Festivals and Events (Village and Community) Sponsorship Program** supports festivals and events that celebrate, develop and engage the city's communities. The City recognises the important contribution festivals and events make to the economy and cultural ecosystem of the city, locally and internationally.
5. This program is currently open to community and village-based festivals and events organised by not-for-profits and other entities with a not-for-profit auspice. The Festivals and Events (Artform) Sponsorship Program however supports artistic festivals and events organised by both not-for-profits and for-profits alike.
6. Community Recovery Plan Action Item 5.2 requests the City to: *Continue to invest in local festivals and major events that demonstrate Sydney's vibrancy and encourage local Sydneysiders and others from around the state and country to visit.* Ensuring the Festivals and Events (Village and Community) Sponsorship program allows the local business community to have equal access to this funding program will build upon the successes of the CBD Activation Grant, a \$3 million program of investment delivered in partnership with the NSW Government, and allows for the City to consider innovative ideas that can attract visitors to our local high streets and villages.
7. The **Environmental Performance Grants Programs** offers an incentive to residents and businesses to act and make the changes necessary to improve their environmental performance. The program aims to encourage innovation and environmental leadership and is designed to address specific barriers our communities face when considering action.
8. Concerns have been raised about whether there is a need for large businesses to receive grants from the City to undertake environmental improvements. A review has been undertaken and changes to the eligibility requirements of both the Environmental Ratings and Assessment grant program, and Innovation grant program are proposed.

9. Ratings and Assessment grants – Amendments are proposed to limit eligibility to works on buildings within the Residential Strata and Accommodation (Hotel, Hostel and Serviced Apartment) sectors only regardless of their size or turn-over. This will support the important advocacy work the City undertakes to promote hotel environmental performance transparency for visitors and build the case for mandatory disclosure of hotel performance. Applicants with a building type from other sectors such as Commercial Office and Entertainment would not be eligible to apply and will continue in an environment without a legislated mandate to publicise their building's environmental performance.
10. Innovation grants – Limit eligibility to encompass small and medium businesses only, in addition to not-for-profit entities of all sizes. Applicants with large for-profit businesses would not be eligible to apply for the program. Large businesses are defined by the Australian Bureau of Statistics and by the City's Floor Space Employment survey as entities that employ 200 or more workers.
11. The **Short Term Empty Properties Grant** was included in the Grants and Sponsorship Policy in 2017. Through this program, the City aims to provide immediate and short-term activation of temporarily vacant properties within the City's portfolio. The properties are offered for periods of one month to one year. This program is currently open to not-for-profits, for-profits and sole traders in the creative and cultural sector.
12. Community Recovery Plan Action Item 5.2 requests the City to: *Manage community spaces, services and facilities to ensure safe, equitable and affordable access and participation.* By broadening the Short Term Empty Properties Grant's scope from supporting creative and cultural tenancies to include those with economic, community and sustainability objectives, as well as opening it up to unincorporated community groups, the City can ensure more types of strategically aligned initiatives can be supported through this program.
13. As noted above, this is an interim update to the Policy following Councillor requests and stakeholder feedback. Following the adoption of Sustainable Sydney 2050 the City will undertake a major review of the Policy so that is aligned with Council endorsed actions.

Key Implications

Strategic Alignment - Sustainable Sydney 2030

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 policy is aligned with the following strategic directions and objectives:

- (a) Direction 2 provides a road map for the City to become A Leading Environmental Performer - The City's grants and sponsorship program offers a powerful incentive to residents and businesses to act and make the changes necessary to improve their environmental performance

- (b) Direction 5 - A Lively and Engaging City Centre - A lively and engaging city centre requires a diversity of activity across all sectors. The updates to the Festivals and Events (Village and Community) Sponsorship Program and Short Terms Empties Properties Grant provides access to a wider range of businesses to contribute to this goal.
- (c) Direction 7 - A Cultural and Creative City - A shortage of affordable and suitable space for the creative industries to operate their businesses continues to be a major challenge for the cultural sector as detailed in the City's Making Space for Culture in Sydney report. Cash flow pressures from the Covid-19 pandemic have heightened this issue further. The opportunity for these businesses to operate in empty premises assists to bridge the gap of this shortage.

Social / Cultural / Economic / Environment

- 14. The Grants and Sponsorship Program provides the City with a platform to support social, cultural, economic and environmental initiatives from communities, community organisations and businesses within the local area.

Financial Implications

- 15. The continued delivery of the Grants and Sponsorship Programs is adequately funded within the 2020/21 operating budget.
- 16. Funding requirements will be reflected in the draft 2021/22 budget to support the Grants and Sponsorships Programs, incorporating any commitments for funding already approved by Council.
- 17. The updates recommended to the Grants and Sponsorship Policy in this report do not alter the levels of funding currently provided for by the regular budgeting processes for the Grants and Sponsorship Program.

Relevant Legislation

- 18. Section 356 of the Local Government Act 1993 sets out the circumstances under which councils can give grants, including to for profit entities.
- 19. City Life will monitor the value of grants or sponsorship to be provided to recipients to ensure that these requirements are complied with. If the requirements cannot be complied with in relation to a particular proposed grant, a report to Council and/or public exhibition of the proposed grant or sponsorship will be required.
- 20. Provided the individual grant or sponsorship satisfies each requirement of section 377(1A), then Council has delegated authority to the Chief Executive Officer to approve the grant.

Critical Dates / Time Frames

21. The proposed revision to the Policy will be implemented immediately with the first round of grants for the 2021 calendar year open to application on Wednesday 24 February 2021.
22. A comprehensive review of the Policy will be undertaken in 2022 following the adoption of Sustainable Sydney 2050.

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