

Item 3.

Ad Hoc Grant - Sydney WorldPride

File No: X079622

Summary

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

Sydney WorldPride will celebrate the diversity and unique culture of Sydney, whilst raising awareness of LGBTIQ human rights issues across the Asia Pacific. The event will take place over 2.5 weeks from 16 February to 5 March 2023 and is expected to have a lasting social and economic impact on Sydney. It will be one of the largest events hosted in Sydney since the 2000 Sydney Olympic Games. It will offer an immersive opportunity to bring LGBTIQ communities and allies to Sydney to generate belonging, pride and connection to our city and its unique culture.

Sydney WorldPride will provide multiple opportunities for artistic and creative expression through a combined Mardi Gras and WorldPride Arts and Cultural Festival, incorporating stand out events from the Mardi Gras Festival season with new programming specially curated for WorldPride. It will also include a Human Rights conference and several large scale associated events and activations.

The event is expected to have significant economic benefits with up to 1.2 million and \$845 million contributed to Sydney's economy. The City's hospitality, tourism and retail businesses will be major beneficiaries of the event's economic footprint, as will creatives and artists, with almost all the proposed Sydney WorldPride events to take place within the Local Government Area. Sydney WorldPride will deliver a lasting legacy in furthering LGBTIQ human rights in Sydney and across Australia.

While there will likely be some impact to the number of visitors and spending due to Covid-19, the overall trends and estimations on economic and social impact, and benefits remain relevant. The financial risks associated with the uncertainty of visitor numbers and participation due to the Covid-19 pandemic will need to be well managed. The City will work with Sydney WorldPride to manage these risks as outlined in Attachment B.

This report recommends \$500,000 (excluding GST) cash sponsorship to Sydney WorldPride to support pre-event planning and production of WorldPride 2023 to be held in Sydney, with funds split equally across 2021/22 and 2022/23 financial years. It is expected a request for value-in-kind support will be received closer to 2023, but no further cash requests are expected.

The request for sponsorship has been evaluated against the City's Grants and Sponsorships Program criteria and cash sponsorship is recommended.

Recommendation

It is resolved that:

- (A) Council approve a \$500,000 (excluding GST) cash sponsorship to Sydney World Pride Limited to be paid as set out in the payment schedule in Attachment B to the subject report over two years in 2021/22 and 2022/23 and from the General Contingency Fund;
- (B) funding of the applicant is conditional on meeting the requirements set out in the draft Payment and Supply Schedule as shown at Attachment B to the subject report; and
- (C) authority be delegated to the Chief Executive Officer to negotiate, execute and administer a sponsorship agreement with Sydney WorldPride Limited on the terms specified in this report and in Attachment B to the subject report.

Attachments

Attachment A. Sydney WorldPride Project Proposal and Budget (Confidential)

Attachment B. Sydney WorldPride Draft Payment and Supply Schedule (Confidential)

Background

1. The City of Sydney area is home to the largest lesbian, gay, bisexual, transgender intersex and queer (LGBTIQ) population in Australia. The City has a long and proud history of providing support to this community including the employment of a dedicated LGBTIQ program officer working for over 15 years to increase wellbeing and support for the community and sector.
2. Sydney Gay and Lesbian Mardi Gras (SGLMG) is one of the oldest continuously operating LGBTIQ organisations in Australia. Sydney Gay and Lesbian Mardi Gras was built on the foundations laid by early community activists who fought for LGBTIQ rights in a time of wide-spread, institutionalised oppression and discrimination. From these origins, Sydney Gay and Lesbian Mardi Gras has evolved to include a strong focus on celebration while maintaining a commitment to social justice for LGBTIQ communities.
3. Over the past few years, Sydney Gay and Lesbian Mardi Gras has worked to develop and strengthen relationships with the '78ers, trans and gender diverse people, rainbow families, women over 55, Aboriginal and Torres Strait Islander people and people under 30 from South Asian and South Pacific communities who identify as LGBTIQ.
4. WorldPride is a bi-annual event that promotes LGBTIQ issues on an international level through parades, festivals and other cultural activities.
5. On 9 September 2019, Council approved \$50,000 (excluding GST) cash sponsorship to support the successful bid by Sydney Gay and Lesbian Mardi Gras Ltd (SGLMG) to host WorldPride in 2023.
6. On 20 October 2019 at the InterPride (licensee of WorldPride) Annual General Meeting in Athens, Sydney Gay and Lesbian Mardi Gras won the right for Sydney to host WorldPride 2023. Sydney will be the first city in the southern hemisphere to host WorldPride, attracting a wide and diverse new global audience to the event.
7. On 2 December 2019, Council approved a further \$250,000 (excluding GST) cash sponsorship to Sydney Gay and Lesbian Mardi Gras for the pre-event planning for Sydney WorldPride 2023 (Sydney WorldPride) and establish Sydney WorldPride Limited as the delivery organisation, with \$150,000 subject to the Chief Executive Officer confirming NSW Government funding support. Destination NSW and Tourism Australia are confirmed funding partners and negotiations are underway with commercial partners to support the festival.
8. A not-for-profit incorporated organisation has been established as Sydney WorldPride Limited. The Board has been appointed and executive team recruited, including the appointment of Festival Creative Director, Daniel Clarke; and Festival Creative Director – First Peoples, Ben Graetz.
9. World Pride is the flagship global event for the LGBTIQ community and will contribute positively to Sydney's reputation as an inclusive and diverse city and increase our global competitiveness in attracting visitors. Sydney WorldPride will provide opportunities to celebrate, strengthen and empower our diverse LGBTIQ communities through participation in a global celebration of pride.
10. WorldPride 2023 will also include a Human Rights and Health Conference focussing on LGBTIQ rights and issues.

11. The Human Rights Conference will take place over three days and will focus on LGBTIQ rights and issues and feature a diverse range of speakers with interactive sessions and workshops. The Conference and other signature events are expected to reach a global audience of up to 100 million people through live streaming and broadcast.
12. The event aligns with outcomes of the City's Social Sustainability Policy and Action Plan: A City for All, including harmony and social cohesion; diverse thriving communities; vibrant creative life; collaboration and partnerships; sense of belonging and connection to place.
13. Sydney WorldPride will work with Just Gold, an accredited LGBTIQ social enterprise, to develop the first ever WorldPride Social Impact Strategy and measurement system to monitor the social benefits of the event.
14. Major events make an important contribution to the City's economy and cultural life. Sydney WorldPride will be a strong driver of visitation during 2023 and a significantly contribute to the economic prosperity of Sydney's hospitality, tourism and retail businesses over this period.
15. Sydney WorldPride aligns with the action plans under 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.
16. A 2019 study by Deloitte indicated that Sydney WorldPride would result in an uplift above expected Mardi Gras numbers estimated at up to an additional 570,000 visitors to the local government area, or a total estimated 1.2 million people. The uplift in economic benefit to Sydney's economy was estimated to be up to \$815 million more than Mardi Gras, or a total of \$845 million. While there will likely be some change to the number of visitors and spending due to Covid-19, the overall trends and estimations on economic and social impact, and benefits remain relevant.
17. The positive economic forecasting from Deloitte is supported by the experiences of previous host cities, which have all seen a considerable increase in visitation compared to previous years: 67 per cent for Toronto, 100 per cent for Madrid, 50 per cent for New York. Moreover, a study of the economic impact of WorldPride Toronto 2014 found a multiplier indirect benefit of 3.5, that is, for every \$100 million in direct economic impact there was an indirect economic impact of \$350 million. Sydney WorldPride is committed to creating and running sustainable events and will engage a sustainability professional to provide advice to ensure all events have minimal and modest environmental impact.
18. Sydney WorldPride will take place in Sydney commencing on Friday 17 February 2023, with the Mardi Gras Flag Raising Ceremony and conclude on Sunday 5 March with the Pride March from North Sydney, across the Sydney Harbour Bridge to The Domain, where the Closing Ceremony will take place. There are a range of events co-produced by Sydney Gay and Lesbian Mardi Gras and Sydney WorldPride, and others produced by each individual organisation in a cohesive festival calendar.

19. Almost all Sydney WorldPride events will take place within the City of Sydney. Other key events include the Opening Ceremony on Friday 24 February 2023 to take place in the Domain; the InterPride Reception proposed for Sydney Town Hall; the Human Rights Conference at the International Convention Centre, Darling Harbour; a First Nations Hub and Gala Concert in Tumbalong Park dedicated to showcasing Aboriginal and Torres Strait Islander arts and culture; Oxford Street Mardi Gras Parade; and a party on Sydney's iconic Bondi Beach.
20. There remains ongoing uncertainty on what public health measures may still be in place in 2022 and 2023 in response to the Covid-19 pandemic which may impact the event. In particular, it is unknown if or when international borders will be open and what impact this prolonged measure may have on advance bookings for travel by international visitors. Attraction of Sydney WorldPride participants to Sydney in person is contingent upon the removal of social distancing requirements, with vaccination of a large proportion of the Australian population key to unlocking this capacity and ensuring a successful event.
21. The Board and Executive of Sydney WorldPride will need to ensure risks are considered and planning incorporates contingency planning for Covid-19 and other risks. The City will continue to work with Sydney WorldPride in the lead up to the event to ensure that appropriate risk assessment and contingency planning is in place.
22. The request for sponsorship for 2021/22 and 2022/23 has been evaluated against the criteria for the Village and Community Festivals and Events Sponsorship Grants Program and cash sponsorship for this event is recommended. In line with City sponsorship support priorities, funding will be contingent upon funding being attributed to direct event costs such as talent rather than oncosts, and satisfactory progress reports, as outlined in the attached Draft Payment and Supply Schedule.
23. It is expected that a request for value in kind sponsorship will be received closer to the event, but no further cash requests are expected. The City will work with Sydney WorldPride to assist in quantifying the value in kind support required.
24. The City is recommending a total cash contribution of \$500,000 (excluding GST) split as a commitment of \$250,000 for the 2021/22 financial year and \$250,000 for the 2022/23 financial year to support the delivery of Sydney WorldPride 2023.

Key Implications

Strategic Alignment - Sustainable Sydney 2030

25. 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 - WorldPride is the flagship global event for LGBTIQ pride and for the past 20 years has promoted and advocated for LGBTIQ issues on an international level. This event offers a unique opportunity to showcase Sydney and our region more broadly as this will be the first time WorldPride has ever been hosted in the Southern Hemisphere.
 - (b) Direction 5 - A Lively and Engaging City Centre - Sydney WorldPride is expected to attract over 1 million visitors to Sydney over a 17-day period. The event footprint extends across multiple locations across the city.
 - (c) 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 LGBTIQ community. Of the 19 Australian Members of InterPride, nine are in the Sydney Local Government Area, including Sydney Gay and Lesbian Mardi Gras.
 - (d) Direction 7 - A Cultural and Creative City - Currently Sydney Gay and Lesbian Mardi Gras Parade and Festival employs over 1700 people, over 450 artists, over 1600 volunteers, 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 trans and gender diverse 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.

Organisational Impact

26. The size and scale of the event will require an internal project team to be established to ensure appropriate planning and coordination of the City's support to the event.

Risks

27. There is a risk that international travel and visitation will be impaired as a result of Covid-19.
28. Given the ongoing Covid-19 pandemic, there is a risk events may not proceed or will proceed in a modified form in response to the public health situation at the relevant time.

Social / Cultural / Community

29. Sponsorship of Sydney WorldPride 2023 will promote the City of Sydney as an inclusive global and welcoming city for all.

30. WorldPride will showcase the City of Sydney to the world and is a demonstration of the support that the LGBTIQ community has from the City of Sydney.
31. With an emphasis both on celebratory activities and a conference stream, Sydney 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 LGBTIQ people globally.
32. Communities will feel a sense of belonging and connection to place as Sydney celebrates Sydney WorldPride as a part of the 2023 Sydney Gay and Lesbian Mardi Gras Festival. This sense of belonging comes from feeling safe and supported, having access to events and activities across the local government area and having representatives from LGBTIQ communities around the world visit Sydney to celebrate.
33. Sydney WorldPride will be working collaboratively with Sydney Gay and Lesbian Mardi Gras to develop the artistic and cultural program over the coming two years to ensure 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 this will be a significantly higher figure by 2023.

Environmental

34. Sydney World Pride will be engaging an appropriately qualified sustainability professional to provide advice and build upon the work of Sydney Gay and Lesbian Mardi Gras to minimise the environmental impact of the event.

Economic

35. The combined Mardi Gras and Sydney WorldPride 2023 festival has the potential to deliver strong economic benefits to the hospitality, tourism and retail sectors with a potential combined economic benefit to Sydney of up to \$845 million.

Financial Implications

36. The cash funds of \$250,000 will be drawn from the draft 2021/22 General Contingency Fund that has been included in the Long-Term Financial Plan that forms part of the City's Resourcing Strategy (2021). Additionally, this report includes forward commitments of \$250,000 in cash funds. This amount will be allocated from the 2022/23 General Contingency Fund forward estimate also included in the City's draft Long Term Financial Plan.

Relevant Legislation

37. 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. Public exhibition of this sponsorship is not required because the funds are being paid to a not-for-profit organisation.
38. Local Government Act 1993 - Section 10A provides that a council may close to the public so much of its meeting as comprises the discussion of information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business.

39. Attachments A and B to the subject report contain confidential commercial information which, if disclosed would:
 - (a) confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business; and
 - (b) prejudice the commercial position of the person who supplied it.
40. Discussion of the matter in an open meeting would, on balance, be contrary to the public interest because it would compromise Council's ability to negotiate fairly and commercially to achieve the best outcome for its ratepayers.

Critical Dates / Time Frames

41. Payment 1.1 - \$150,000 to be paid upon execution of the funding agreement and in format that is satisfactory to the City.
42. Payment 1.2: \$100,000 to be paid before 31 January 2022 and following delivery of a satisfactory progress update, as outlined in Attachment B.
43. Payment 2.1: \$100,000 to be paid before 31 July 2022 and following delivery of a satisfactory progress update, as outlined in Attachment B.
44. Payment 2.2: \$100,000 to be paid before 31 January 2023 and following delivery of a satisfactory progress update, as outlined in Attachment B.
45. Payment 2.3: \$50,000 to be paid before 31 July 2023 and following delivery of a satisfactory acquittal report, detailing progress against the terms and performance indicators listed in the schedules of the funding agreement, as outlined in Attachment B.
46. Further details of the funding requirements are provided in Confidential Attachment B.

EMMA RIGNEY

Director City Life

Libby Harris, Night Time City Manager