

Item 10.

Grants and Sponsorship - Round Two 2021/22 - Economic Grants

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 and assist in the recovery from the Covid-19 pandemic. To achieve the objectives of the Community Recovery Plan and Sustainable Sydney 2030, genuine partnership between government, business and the community is required.

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 achieve the goals of the Community Recovery Plan and Sustainable Sydney 2030.

The City advertised the following two categories of the Business Support Grant Program as part of Round Two of the annual Grants and Sponsorship Program for 2021/22:

- Business Support Grant - Live Music and Performance; and
- Business Support Grant - Night Time Diversification.

For the Business Support Grants - Live Music and Performance Program, 30 eligible applications were received. This report recommends a total of 10 grants to a total value of \$209,230 in cash for the 2021/22 financial year.

For the Business Support Grants - Night Time Diversification Program, 79 eligible applications were received. This report recommends a total of 16 grants to a total value of \$275,890 in cash for the 2021/22 financial year.

2021/22 cash commitments recommended for Night Time Diversification Program will be funded in part through the CBD Revitalisation Fund, a \$20 million partnership between the City and NSW Government adopted by Council on 26 October 2020 to boost the city centre economy, support businesses and creatives and invite the public safely back into the city.

On 22 February 2021, Council adopted a revised Grants and Sponsorship Policy. All grants in this report were assessed in accordance with the Grants and Sponsorship Policy, the Grants and Sponsorship Guidelines, the priorities set out in the Community Recovery Plan and various other relevant City strategies and action plans.

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 recommendations for the Business Support - Live Music and Performance Grant Program as per Attachment A to the subject report;
- (B) Council note the applicants who were not successful in obtaining a cash grant for the Business Support - Live Music and Performance Grant Program as per Attachment B to the subject report;
- (C) Council approve the cash recommendations for the Business Support - Night Time Diversification Grant Program as per Attachment C to the subject report;
- (D) Council approve the cash recommendations for the Business Support - Night Time Diversification Grant Program as per Attachment D to the subject report;
- (E) Council note the applicants who were not successful in obtaining a cash grant for the Business Support - Night Time Diversification Grant Program as per Attachment E to the subject report;
- (F) Council note that all grants amounts are exclusive of GST;
- (G) 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; and
- (H) authority be delegated to the Chief Executive Officer to correct minor errors to the matters set out in this report, noting that the identity of the recipient will not change, and a CEO Update will be provided to Council advising of any changes made in accordance with this resolution.

Attachments

- Attachment A.** Recommended for Funding - Round Two 2021/22 - Live Music and Performance Grant Program
- Attachment B.** Not Recommended for Funding – Round Two 2021/22 - Live Music and Performance Grant Program
- Attachment C.** Recommended for Funding – Round Two 2021/22 - Night Time Diversification Grant Program - City of Sydney Funding
- Attachment D.** Recommended for Funding – Round Two 2021/22 - Night Time Diversification Grant Program - CBD Revitalisation Fund
- Attachment E.** Not Recommended for Funding – Round Two 2021/22 - Night Time Diversification Grant Program

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 July 2021, the City announced Round Two of the annual grants program for 2021/22 as being open for application on the City's website, with grant applications closing on 23 August 2021.
3. The two categories of the Business Support Grant promoted were:
 - (a) Live Music and Performance; and
 - (b) Night Time Diversification.
4. Information about these grant programs (such as application dates, guidelines and eligibility criteria) was made available on the City's website. The City actively promoted the program through corporate website, e-newsletters, Facebook, Instagram, Twitter, LinkedIn, AdWords, ArtsHub, Google display ads and Koori Radio. Third parties who supported the grant call out through their networks include Supply Nation and Sydney University. Email campaigns were 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 Live Music and Performance and Night Time Diversification categories are open to appropriately incorporated for-profit organisations and partnerships.
6. Twenty-seven applications were received this round from for-profit organisations and sole traders through the Business Support Grant - Live Music and Performance category and the following 7 for-profit organisations and sole traders are recommended in this report:
 - (a) B.S Hancock & J.E Suffern;
 - (b) Bar Whispers Pty Ltd;
 - (c) Club 77 Holdings Pty Ltd;
 - (d) Rebel and Rogue Music Pty Ltd;
 - (e) The Experience Entertainment Group Pty Ltd;
 - (f) The Trustee for The Joyride Trust; and
 - (g) Ventures S&S Pty Ltd.
7. Seventy-six applications were received this round from for-profit organisations, partnerships, trusts and sole traders through the Business Support Grant - Night Time Diversification category, and the following 14 for-profit organisations, partnerships and trusts are recommended in this report:
 - (a) Art Pharmacy Pty Ltd;
 - (b) B.S Hancock & J.E Suffern;

- (c) Chippolord Pty Ltd;
 - (d) Esteban Restaurant Pty Ltd;
 - (e) Guy Peter Morgan;
 - (f) Mary's Group Australia Pty Ltd;
 - (g) PM Production Design & Management Pty Ltd;
 - (h) Rebel and Rogue Music Pty Ltd;
 - (i) Shady Pines Saloon Pty Ltd;
 - (j) Since I Left You Pty Ltd;
 - (k) Smart & Mazzocca Pty Ltd;
 - (l) Sophie Wyn Parry;
 - (m) The Trustee for 18 York St Unit Trust; and
 - (n) Thom Global Pty Ltd.
8. There were a total of 109 grant applications received under the Business Support Grants. Twenty-six are recommended for funding as detailed in this report.
9. Additional cash funding for Night Time Diversification is provided through the CBD Revitalisation Fund, a \$20 million partnership between the City and NSW Government adopted by Council on 26 October 2020. Of the \$20 million provided, \$15 million was incoming funds from NSW Government and \$5 million was funded by savings in the City Life division including savings from Sydney New Year's Eve 2020 and other events that were not possible due to the pandemic.
10. On 17 May 2021, Council endorsed the City of Sydney continuing its partnership with the NSW Government in delivering CBD recovery, by allocating \$2.2 million from our existing grants program to encourage events and activations in the CBD and surrounds. Business Support Grants - Night Time Diversification is one of these existing grants programs.
11. As a result of the ongoing partnership with NSW Government, in July 2021 NSW Government agreed for \$470,000 of the CBD Revitalisation Fund be allocated to these grant programs for Round 2 2021-22:
- (a) Festivals and Events (Artform);
 - (b) Festivals and Events (Village and Community); and
 - (c) Business Support Grants - Night Time Diversification.
12. Grants recommended for funding from the CBD Revitalisation Fund are those which will boost the city centre economy, support businesses and creatives and invite the public safely back into the CBD and surrounds.

13. It is expected that all successful applicants will work co-operatively with relevant City staff throughout the project for which they have received funding. Some applicants will be required to meet with City staff and further define the strategic outcomes of their project prior to receiving the grant and commencing their project.
14. All grants and sponsorships are recommended on the condition that any required approvals, permits and development consents are obtained by the applicant. In the current environment this includes but is not limited to, requirements associated with the service of alcohol or food services, consent from the respective landowner(s), and State Planning Legislation and State Government health requirements. What the City does approve includes Development Approvals and outdoor temporary event activities.
15. 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 to unsuccessful applicants.
16. The assessment process includes advice and recommendations from a suitably qualified assessment panel. The applications are scored against defined criteria for each grant program as well as the integrity of the proposed budget, project plan, partnerships, contributions and connection to the local community and industry sectors. Once recommended applications are approved by Council, a contract is developed, which includes conditions that must be adhered to, and acquitted against.
17. In assessing the grant applications, the assessment panels included in their considerations and recommendations:
 - (a) Community Recovery Plan 2020;
 - (b) Creative City Cultural Policy and Action Plan;
 - (c) Economic Development Strategy;
 - (d) Grants and Sponsorship Policy;
 - (e) Live Music and Performance Action Plan;
 - (f) OPEN Sydney Strategy and Action Plan;
 - (g) Sustainable Sydney 2030; and
 - (h) alignment with other core City strategic policies and action plans.
18. Assessors consider the cash and in-kind contribution from the applicant and other sources in reviewing applications. Applicants are asked to demonstrate a capacity to match the grant investment with other sources of funding or contribute their own cash resources to the project.
19. 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.

Business Support Grants - Live Music and Performance

20. The Live Music and Performance category aims to support local businesses, venues and licensed premises to undertake capital works or equipment upgrades to either introduce live entertainment to a business's offerings or to improve existing live music and performance venues, rehearsal and recording studios and spaces for creative production and participation. These projects might include:
 - (a) acoustic improvements to help manage sound transfer from venues to surrounding properties;
 - (b) investment in equipment or in-venue acoustics which improve audience experience;
 - (c) works that facilitate the introduction of live music or performance programming, or significantly improve/expand existing programming; or
 - (d) works that improve the health and safety of audiences, performers and venue staff.
21. The assessment panel for the Live Music and Performance Program consisted of members from the City's City Business and Safety, Venue Management, Strategy, Urban Analytics and Communications teams, as well as a representative from Heaps Gay.
22. The applications recommended for the Live Music and Performance Program with City of Sydney funding are outlined in Attachment A to this report. The applications not recommended are listed in Attachment B to this report.

23. The Business Support Grants - Live Music and Performance budget is set out below:

Total cash budget for 2021/22	\$225,000
Total cash committed to previously approved applications	\$79,868
Total cash available for 2021/22	\$145,132
Total number of eligible applications this allocation	30
Total cash value requested from applications	\$745,650
Total number of applications recommended for cash support	10
Total amount of cash funding recommended from budget 2021/2022	\$209,230
Total cash overspend to be absorbed in the overall Grants and Sponsorship Program budget cash amount remaining in 2021/22 (see below for source of funds for overrun)	-\$64,098

Business Support Grants - Night Time Diversification

24. The Night Time Diversification category aims to support projects that increase the variety of business offerings and activities in commercial precincts after 6pm. The grants assist businesses to trade later through creative programming and initiatives, and in doing so, attract new customers and create lively, safe and engaging city precincts after dark, contributing to the night time economy and the cultural and economic character of the city. The grant also supports live entertainment venues to extend or expand their programming of live music and performance (such as comedy, cabaret, theatre and poetry programs) as well as creative producers who wish to work with businesses in their area to curate a program of events or night-time activities.
25. The assessment panel for the Night Time Diversification program consisted of members from the City's City Business and Safety, Strategy, Urban Analytics and Communications, Grants and Sponsorship, Cultural Venues, Indigenous Leadership and Engagement and Social Programs and Services teams.
26. The applications recommended for the Night Time Diversification Program with City of Sydney funding are outlined in Attachment C to this report. The applications recommended for the Night Time Diversification Program with NSW Government funding are outlined in Attachment D to this report. The applications not recommended are listed in Attachment E to this report.

27. The CBD Revitalisation Fund budget of \$470,000 is allocated across three grant programs:
- (a) \$142,830 for Festivals and Events Sponsorship (Artform);
 - (b) \$115,000 for Festivals and Events Sponsorship (Village and Community); and
 - (c) \$212,170 for Business Support Grants - Night Time Diversification.
28. This leaves no underspend of the CBD Revitalisation Fund.
29. The Business Support Grants - Night Time Diversification Program budget is set out below:

Total cash budget for 2021/22	\$200,000
Total cash committed to previously approved applications	\$126,840
Total cash available from budget for 2021/22	\$73,160
Total cash available from CBD Revitalisation Fund program for 2021/22	\$212,170
Combined total cash available for 2021/22	\$285,330
Total number of eligible applications this allocation	79
Total cash value requested from applications	\$1,902,731
Total number of applications recommended for cash support	16
Total amount of cash funding recommended from budget 2021/2022	\$63,720
Total amount of cash funding recommended from the CBD Revitalisation Fund 2021/22	\$212,170
Total cash underspend to be made available for other grant programs with recommended overspend currently being considered by Council in 2021.	\$9,440

Key Implications

Strategic Alignment - Sustainable Sydney 2030

30. 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 report is aligned with the following strategic directions and objectives:
- (a) Direction 6 - Vibrant Local Communities and Economies - the recommended grant projects in this report contribute to fostering strong and sustainable local economies.
 - (b) Direction 7 - A Cultural and Creative City - the recommended grant projects in this report contribute to a city where opportunities for individual creative expression and participation in all its forms are visible, valued, and accessible, and where business and creative opportunities for local artists, creative workers and cultural organisations are supported.

Organisational Impact

31. 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.

Economic

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

Financial Implications

33. A combined total of \$485,120 is recommended in this report which exceeds the 2021/22 Economic Grants program budgets, as noted in the financial table below.

	Funding Recommended	Budget available	Shortfall
Business Support Grant - Live Music and Performance - CoS Budget	\$209,230	\$145,132	-\$64,098
Business Support Grant - Night Time Diversification - CoS Budget	\$63,720	\$73,160	\$9,440
Business Support Grant - Night Time Diversification - CBD Revitalisation Fund	\$212,170	\$212,170	\$0
Total Shortfall			-\$54,658

34. All expenditure that exceeds the nominated budgets for the 2021/22 financial year outlined in the Operational Plan will be offset in full from the overall Grants and Sponsorship Program's budget. These savings have occurred as a result of an underspend in the Grants and Sponsorship Festivals and Events (Village and Community) Program.

Relevant Legislation

35. 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.
36. Section 356(3)(a) to (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) Business Support Grant – Live Music and Performance; and
 - (ii) Business Support Grant – Night Time Diversification.
 - (b) the details of the Business Support Grant programs have been included in Council's operation plan for financial year 2021/22;
 - (c) the program's proposed budgets do not exceed five per cent of Council's proposed income from ordinary rates for financial year 2021/22; and
 - (d) these programs apply to a significant group of persons within the local government area.

Critical Dates / Time Frames

37. The funding period for Round Two of the Business Support Grants for 2021/22 is for activity taking place from 1 January 2022 to 31 December 2022. Contracts will be developed for all successful applications after Council approval to ensure their funding is released in time for projects starting in January.

Public Consultation

38. For all Round Two programs open to application, one information session was held over Zoom on Wednesday 28 July 2021. One information session was held over Zoom for Aboriginal and Torres Strait Islander applicants on Thursday 29 July 2021.
- (a) One hundred and seventeen prospective applicants attended the general information session, followed by individual pillar sessions for advice from City staff about their project proposals and the application process;
 - (b) four prospective applicants attended the Aboriginal and Torres Strait Islander information session; and
 - (c) seventy-eight per cent of these attendees advised they had not applied for a City of Sydney grant previously.

EMMA RIGNEY

Director City Life

Peter Keogh, Grants Officer