

Relevant Information for Council

FILE: S117676 **DATE:** 19 August 2022

TO: Lord Mayor and Councillors

FROM: Emma Rigney, Director City Life

THROUGH: Monica Barone, Chief Executive Officer

SUBJECT: Information Relevant To Item 6.7 - Post Exhibition - Grants and Sponsorship Policy and Guidelines

Alternative Recommendation

It is resolved that:

- (A) Council note the submissions received from the community on the exhibited draft grants and sponsorship policy guidelines, as shown at Attachment E to the subject report;
- (B) Council approve the grants and sponsorship policy as shown at Attachment A to the subject report;
- (C) Council approve the grants and sponsorship guidelines as shown at Attachment B to the subject report, ***subject to the following amendment:***
- (i) *amend page 20 of the grants and sponsorship guidelines under the heading Eligibility to read:*
- These individuals and organisations can apply:
- Not-for-profit organisations
 - Social enterprises
 - Individuals or unincorporated community groups auspiced by a not-for-profit that is eligible to apply in its own right.
- (D) Council approve the Revised Operational Plan 2022/23 - Addendum as shown at Attachment C to the subject report;

- (E) Council note the Chief Executive Officer has delegated authority to implement the Quick response grant, Creative live/work spaces grant, Short-term empty properties grant, Venue hire support grants and sponsorship and Street banner sponsorship in accordance with the grants and sponsorship policy criteria and monetary limits; and
- (F) authority be delegated to the Chief Executive Officer to approve any minor editorial corrections prior to publication and authorise the relevant staff to implement any such corrections.

Purpose

To provide further information and clarification on the new grants and sponsorship policy and guidelines and an alternative recommendation to provide clarity and consistency around social enterprises.

Background

At the meeting of the Corporate, Finance, Properties and Tenders Committee on 15 August 2022, further information was sought in relation to the grants and sponsorship policy and guidelines.

Clarification around when social enterprises can apply for grants.

The City acknowledges the importance of social enterprises as for-purpose organisations that trade to intentionally tackle social issues, improve communities, provide people with access to employment and training or promote sustainability outcomes.

The new grants and sponsorship guidelines (the Guidelines) state at page 6, under the heading Eligibility classifications, that the not-for-profit category includes social enterprises of the types listed. Social enterprises of the types listed in that section are eligible to apply for all grant programs open to not-for-profit organisations.

For consistency, it is recommended to remove reference to social enterprises from the eligibility criteria for the community services grant program as they are included in the overarching not-for-profit classification in the Guidelines.

Preferencing grants to not-for profit organisations

All grant applications are assessed on their merit against the funding priorities, assessment criteria and eligibility requirements of the relevant grant program as outlined in the Guidelines. This ensures that the projects funded through the City's grants and sponsorship program (the Program) will deliver benefit back to our community and that the City is funding organisations with the capacity and capability to deliver these projects successfully for the community.

In addition, there would be unintended consequences of giving preference to one type of organisational entity over another when assessing and recommending grants. For example, within the cultural and creative sector more than 70 per cent of creative practitioners are established as for-profit entities, including sole traders. Giving preference to not-for-profit organisations would unfairly disadvantage a large proportion of the cultural and creative sector.

Eligibility for the affordable and diverse housing fund

The affordable and diverse housing fund is open to not-for-profit organisations, for-profit organisations, providers of community housing and organisations that are part of a consortium that includes a community housing provider.

A Community Land Trust is a form of shared ownership of a property, where the land component of a residential property is owned by a community based, not-for-profit legal entity and the actual building is owned (or leased long-term) by an individual household. As a not-for-profit entity a Community Land Trust would be eligible to apply for this grant program if they are a provider of community housing.

As per the Guidelines, potential applicants for this grant program must speak with City staff to discuss their proposal to ensure they are eligible to apply, and their proposal meets the funding priorities of the grant program.

Business sector support grants - rationale for incorporating the previous live music grants and night-time diversification grants

Support for live music

In 2017/18, the business support – live music and performance grant program was established to support infrastructure and increase the number of live music venues across the city. The grant program was designed to respond to the impact on the live music sector of the Lockout laws which were in place from 2014 to 2021. Funding available was up to \$30,000 matched cash funding per project. Since this time, the City has provided approximately \$1.4 million in cash funding to approximately 90 projects.

In late 2021, Create NSW introduced the Creative Capital Fund with \$60 million in funding over two years for the delivery of new and improved cultural infrastructure across NSW. Grants are available to fund new infrastructure or to upgrade existing cultural infrastructure. Funding available is from \$5,000 to \$5,000,000 depending on the size and scale of the project.

The Australian Government will also provide a total of \$20 million over four years for the Live Music Australia Program. There is \$2.5 million funding available in each grant round. Through this program, funding is available for infrastructure upgrades, purchase of equipment, programming and promotional expenses and artist fees; or initiatives that deliver to multiple venues and build capacity. Applications for the next grant round are due to open in late 2022.

Support for night-time diversification and precinct activation

In 2017/18, the business support – night-time diversification grant program was established to encourage an increased variety of night time business offerings and programmed activities in commercial precincts. Funding available was up to \$30,000 matched cash funding per project. Since this time, the City has provided approximately \$1.5 million in cash funding to approximately 100 projects.

In 2021, Council approved a one-off grant program of up to \$3 million in cash funding and \$700,000 in value-in-kind for the Precinct activation grant program. The grant program was designed to encourage collaborative partnerships between business, creatives and communities that transform and activate our city centre, local precincts and neighbourhoods. Funding available was \$100,000 to \$300,000 in cash funding per project and successful grant applicants were eligible to receive value-in-kind for: outdoor event related application fees; power access fees; venue hire fees; and other applicable City service and event hire fees. In May 2022, Council approved funding for a total of 14 projects to be delivered over the next 12 months.

Due to the success of the City's program, in late 2021, the NSW Government approved \$50 million in funding for the CBD Revitalisation Program to encourage people back into CBDs across Greater Sydney, Wollongong and Newcastle. The funding is available to run activations and events that engage the local community and attract visitors. In the most recent grant round, the NSW Government approved approximately \$21.25 million for 40 projects which will be delivered from July to September 2022. Of these projects, 24 will be delivered within our Local Government Area.

The NSW Government has also recently introduced the Uptown Program which is designed to fast-track the formation of local business communities and facilitate their growth into vibrant 24-hour economy districts. Stage 1 of the program is the Uptown Accelerator which will offer teams of businesses representing a distinct geographical area with a capability and connection building program. By completing the Accelerator, District Teams will be invited to a Pitch Night to present their districts to commercial partners including brands, businesses, and government agencies. Applications for Stage 1 of the program are now open, and the program will run over four weeks from October to November this year.

Delivering economic outcomes through the City's new Grants and sponsorship program

Given the level of grant funding and range of programs being delivered by the Australian and NSW Governments across night-time diversification, precinct activation and live music it is an appropriate time for the City to direct its grant funding to projects which respond to the economic outcomes in Sustainable Sydney 2030-2050 Continuing the Vision, the Stretch Reconciliation Action Plan and other pillar strategies.

The new business sector support grants will focus on providing support to not-for-profit organisations, local business chambers, industry associations and other member-based organisations to deliver projects that grow the skills and capacity of local businesses, advocate on key economic issues, connect businesses to opportunities and promote local precincts. This is similar to the previous business support - place and industry grant program.

Grant applicants wishing to deliver place-based events and activations will be able to apply for funding through a range of grant programs including the creative, business sector support, tier 1 – general festival and events sponsorship and tier 2 - major festival and events sponsorship programs.

In addition, grant applicants for the creative and business sector support grant programs are eligible to apply for up to \$5,000 worth of capital expenditure or equipment purchases. In addition, grant applicants for the festivals and event sponsorship program are eligible to apply for up to \$10,000 worth of capital or equipment purchases.

Memo from Emma Rigney, Director City Life

Prepared by: Julie Giuffre, Manager Grants

Approved

A handwritten signature in black ink, appearing to read 'P.M. Barone', with a long horizontal flourish extending to the right.

MONICA BARONE

Chief Executive Officer