

## Grants and Sponsorship - Food Support Grants

**File No: S117676**

### Summary

This report proposes the guidelines for the new Food Support grants and related budget be approved by Council.

During the Covid-19 pandemic food shortages were experienced across Australia, with those most impacted including people experiencing or at risk of homelessness, social housing tenants, people with disability, Aboriginal and Torres Strait Islander people, older people, international students and temporary visa holders.

The City responded by investing \$3.1 million in food relief between 2020 to 2022 and worked with over 60 businesses and community organisations to make sure our diverse communities had access to the essentials of daily life.

Local food relief organisations have reported the current cost-of-living crisis has led to demand for food relief being higher than during the Covid-19 pandemic. Households struggling to pay their bills are forgoing food to pay for housing, health and heating.

However, as demand on their services increases, government funding and personal donations for food relief organisations are down, resulting in significant funding shortfalls and an inability to meet demand. Food relief organisations within our local area urgently need funding and support so they can meet the increasing demand for food relief as the cost-of-living crisis continues to impact our communities.

On 26 June 2023, a Lord Mayoral Minute was put to Council which resolved that the Chief Executive Officer be requested to investigate options for financial support for food relief organisations and, where relevant, other community-based initiatives that provide access to low-cost food including cooperatives and mutual aid groups, which are operating in the City of Sydney and report back to Council.

The resulting new Food Support grants will support projects and programs that improve access to affordable, healthy, safe and culturally-appropriate food for our diverse communities.

The Food Support grants will provide support under two tiers, with projects to be delivered between 1 November 2023 to 30 June 2026:

- Tier 1 for small scale projects - cash funding up to \$250,000 per year for a one-year program or multi-year funding (up to \$250,000 per year for up to 3 years);
- Tier 2 for large scale projects - cash funding up to \$750,000 per year for a one-year program or multi-year funding (up to \$750,000 per year for up to 3 years);

The grants will be open to not-for-profits. Tier 1 will also be open to individuals or unincorporated community groups auspiced by a not-for-profit that is eligible to apply in its own right.

The total annual budget for the grants will be \$1.7 million per year for three years until end of June 2026. From this, \$1.5 million will be available for grants, with \$200,000 per annum used to cover costs associated with staffing and administering the new grants.

As a new initiative to the resolved budget, funding for these grants has been made available in 2023/24 through the General Contingency Fund, with supplementary funding from the CEO Contingency. The Food Support grants for the second and third years will then be incorporated into the City's Grants and Sponsorship Program and budgets for 2024/25 and 2025/26.

Since the grants will only be open to not-for-profit organisations and individuals or unincorporated community groups auspiced by a not-for-profit eligible to apply in its own right, and will be reported back to Council for approval, there is no requirement under the Local Government Act 1993 to place the grant guidelines on public exhibition. The grants will be incorporated in the City's overall Grants and Sponsorship Program for 2024/25 and 2025/26.

All recommendations for the Food Support grants will be brought back to Council for approval.

## Recommendation

It is resolved that:

- (A) Council note the 26 June 2023 Resolution of Council put forward via a Lord Mayoral Minute, requesting the Chief Executive Officer investigate options for financial support for food relief organisations and, where relevant, other community-based initiatives that provide access to low-cost food including cooperatives and mutual aid groups, which are operating in the City of Sydney and report back to Council;
- (B) Council approve the Food Support Grant Guidelines as shown at Attachment A to the subject report;
- (C) Council approve up to \$1.7 million for the provision of the 2023/24 Food Support grants, with \$1.0 million to be sourced from the General Contingency Fund and up to a further \$0.7 million from the CEO Contingency;
- (D) Council approve the Food Support grants to be incorporated into the City's Grants and Sponsorship Program for 2024/25 and 2025/26, along with the associated budget for the grants and the costs associated with staffing and administration;
- (E) Council note that following completion of the grant application and assessment process, all grant recommendations for the Food Support grants will be brought back to Council for approval; and
- (F) authority be delegated to the Chief Executive Officer to make minor changes to the Guidelines or to correct minor errors to the matters set out in this report and a CEO Update will be provided to Council advising of any changes made in accordance with this resolution.

**Attachments**

**Attachment A.** Draft Food Support Grant Guidelines

**Attachment B.** 26 February 2023 Lord Mayoral Minute – Food Insecurity

## Background

1. 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. To achieve the objectives of the Sustainable Sydney 2030-2050: Continuing the Vision, genuine partnership between government, business and the community is required.
2. The provision of grants and sponsorships is a mechanism to further the aims identified in the City's social, cultural, economic and environmental policies. In this way, the City and the community act collaboratively to achieve the goals of Sustainable Sydney 2030-2050 Continuing the Vision.
3. On 22 August 2022, Council adopted a Grants and Sponsorship Policy and Grants and Sponsorship Guidelines, the priorities set out in Sustainable Sydney 2030-2050 Continuing the Vision and various other relevant City strategies and action plans.
4. Each year across Australia, millions of tonnes of food is wasted while record numbers of people are unable to access healthy and affordable food.
5. In the City of Sydney, food waste makes up 14 per cent of commercial waste and 35 per cent of domestic waste. This represents more than 95,000 tonnes of food waste each year going to landfill, generating the equivalent of 200,000 tonnes of CO<sub>2</sub> emissions.
6. The City encourages households to reduce food waste and is researching new ways to process food scraps using more cost-effective and environmentally sustainable technology. Redirecting surplus food to those in need is another important step we can take to reduce emissions while ensuring every person in the City has access to healthy and affordable food.
7. According to FoodBank's 2022 Hunger Report, over two million Australian households had experienced severe food insecurity in the preceding 12 months. Local food relief organisations have reported the current cost-of-living crisis has led to demand for food relief being higher than during the Covid-19 pandemic. Households struggling to pay their bills are forgoing food to pay for housing, health and heating.
8. In 2022 the NSW Parliamentary Inquiry into Food Production and Supply inquiry heard that we need a more cohesive approach to our food system, through an overarching government food system plan and a food system council to oversee this plan and coordinate responses to problems in the food system. The inquiry urged the NSW Government to introduce ongoing funding for food relief organisations.
9. Food relief organisations rely on a mix of surplus and discounted food to ensure they meet the nutritional requirements of the people they serve. They also need transport, storage and equipment to collect and deliver the food at a low temperature in accordance with food safety requirements.
10. However, as demand on their services increases government funding and personal donations for food relief organisations are down, resulting in significant funding shortfalls and an inability to meet demand.
11. The Federal Government has not committed funding to support food relief organisations in this year's budget. Nor is it clear if the NSW Government will provide funding when it hands down this year's budget in September.

12. The City is currently developing a Sustainable Food Systems Policy and Action Plan that will enable us to work collaboratively with stakeholders and prioritise actions to address food insecurity in a wholistic way across the City of Sydney. This will consider areas including resilience, economic participation, growing food in cities, Indigenous food systems governance, and community programs and education.
13. Food relief organisations within our local area urgently need funding and support so they can meet the increasing demand for food relief as the cost-of-living crisis continues to impact our communities.
14. On 26 June 2023, a Lord Mayoral Minute was put to Council resolving that the Chief Executive Officer be requested to investigate options for financial support for food relief organisations and, where relevant, other community-based initiatives that provide access to low-cost food including cooperatives and mutual aid groups, which are operating in the City of Sydney and report back to Council. Council noted that those going hungry could not wait until the Sustainable Food Systems Policy and Action Plan is adopted.
15. The new Food Support grants will provide an additional \$1.7 million each year for the next three years to 30 June 2026 to support food relief organisations and other community-based initiatives in the provision to food relief to our diverse communities. This \$1.7 million includes \$1.5 million cash each year for three years for the grants and \$200,000 operating expenditure each year for three years for staffing and administration..
16. The new Food Support grants will focus on supporting projects and programs that improve access to affordable and healthy food for our diverse communities.
17. The Food Support grants will prioritise projects that:
  - increase access to affordable, healthy, safe and culturally-appropriate food;
  - increase community skills in sourcing and preparing healthy food;
  - improve supply, storage and delivery of healthy food for our diverse communities;
  - increase resourcing of essential food services for our diverse communities; and
  - increase access to affordable internet and data to support community access to food support services.
18. The Food Support grants will provide support for food services projects under two tiers:
  - (a) Tier 1 – Small scale projects
    - (i) Cash funding up to \$250,000 per year is available, for a one-year program or multi-year funding (up to \$250,000 per year for up to 3 years); and
    - (ii) Applicants can apply for up to \$100,000 worth of capital expenditure, equipment purchase or other resources.

- (b) Tier 2 – Large scale projects
- (i) Cash funding up to \$750,000 per year is available, for a one-year program or multi-year funding (up to \$750,000 per year for up to 3 years); and
  - (ii) Applicants can apply for up to \$150,000 worth of capital expenditure, equipment purchase or other resources.
- (c) Value-in-kind in the form of venue hire fee waiver is also available to both tiers.
19. The Tier 1 and Tier 2 grants will be open to not-for-profits. Tier 1 will also be open to individuals or unincorporated community groups auspiced by a not-for-profit that is eligible to apply in its own right. For profit organisations, including small businesses, will not be eligible for this program.
20. The assessment criteria for the Food Support grants are:
- evidence of the need for the project or program and proposed outcomes;
  - capacity and experience of the applicant to deliver the project or program;
  - demonstrated connection and benefit to the local area and community;
  - how the project delivers against the funding priorities; and
  - evidence of the project or program having direct engagement with our diverse communities, including Aboriginal and Torres Strait Islander people, people experiencing or at risk of homelessness, young people, older people, people with disability, international students, culturally and linguistically diverse communities, women, LGBTIQ+ communities and low-income earners.
21. Applicants to the Food Support grants – Tier 2 will also be assessed against the following additional assessment criteria:
- evidence of partnerships with local community organisations and networks.
22. Following completion of the grant application and assessment process, all grant recommendations for the Food Support grants will be brought back to Council for approval.

## Key Implications

### Strategic Alignment – Sustainable Sydney 2030-2050 Continuing the Vision

23. Sustainable Sydney 2030-2050 Continuing the Vision renews the communities' vision for the sustainable development of the city to 2050. It includes 10 strategic directions to guide the future of the city, as well as 10 targets against which to measure progress. This grant is aligned with the following strategic directions and objectives:
- (a) Direction 6 – An equitable and inclusive city – this grant program will contribute to community development by empowering the community to address issues that matter to them and drive projects to create a more inclusive and resilient city.

- (b) Direction 7 – Resilient and diverse communities – this grant program will strengthen the capacity of local residents and communities to respond to emerging needs, contributing to improved wellbeing and improved access to the essentials of daily life for our diverse communities which improve social connections and embrace a safe city.

### **Organisational Impact**

24. Funding recommendations for the grants includes funding for the staffing and administration to deliver the grants for 2023/24. Future year funding for staffing and administration will be included in the 2024/25 and 2025/26 budget.

### **Risks**

25. Operational risks associated with implementing the proposed new grants are considered low and have been explored by City staff. There has been internal consultation with staff across areas of the City and further consultation and consideration will be given to the operational impact of implementing the grants during the application period.

### **Social / Cultural / Community**

26. The grants have been developed in response to identified community need and will be assessed and allocated in accordance with the Food Support Grant Guidelines if approved by Council.

### **Financial Implications**

27. On 26 June 2023, a Lord Mayoral Minute was put to Council. As a result Council resolved that the Chief Executive Officer be requested to investigate options for financial support for food relief organisations and, where relevant, other community-based initiatives that provide access to low-cost food including cooperatives and mutual aid groups, which are operating in the City of Sydney and report back to Council.
28. The new Food Support grants have been developed after the 2023/24 budget and long-term financial plan were resolved by Council. New Council initiatives would normally be funded from the General Contingency, however there are insufficient contingency funds for the scale of these grants.
29. Funding for the 2023/24 grants, including \$1.5 million for the grants and \$0.2 million for the costs associated with staffing and administration, will therefore be funded with \$1.0 million from General Contingency and \$0.7 million from CEO Contingency, leaving a balance of \$0.3 million in each contingency for unanticipated needs that may arise during the balance of the year.
30. The Food Support grants will form part of the Grants and Sponsorship Program and budgets for 2024/25 and 2025/26, be referenced within the Operational Plan for each of these years, and allocated within the next iteration of the Long Term Financial Plan.

### Relevant Legislation

31. 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.
32. Since the grants will only be open to not-for-profit organisations and individuals or unincorporated community groups auspiced by a not-for-profit that is eligible to apply in its own right, and the grants will be reported back to Council for approval, there is no requirement under the Local Government Act 1993 to place the grant guidelines on public exhibition. The 2024/25 and 2025/26 Food Support grants will be exhibited along with the annual exhibition of all grant programs.

### Critical Dates / Time Frames

33. The time frame for the Food Support grants is as follows:

21 August 2023	Council Meeting (approval of guidelines)
23 August 2023 - 20 September 2023	Grant applications open
23 October 2023	Recommended grants for Council approval

### Public Consultation

34. Once the new Food Support Grant Guidelines are adopted by Council relevant stakeholders and community groups will be notified about the grants and how to apply through our communication channels, newsletters and online briefing sessions.

### EMMA RIGNEY

Director City Life

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