

ITEM 6. UPDATE OF THE GRANTS AND SPONSORSHIPS POLICY 2009**FILE NO: S059666****SUMMARY**

The Grants and Sponsorships Policy was first adopted by Council on 9 May 2005 and has been reviewed and adopted on 5 June 2006, 19 February 2007 and 10 March 2008. The Policy is made up of sixteen grants programs. The Policy recognises the contribution organisations make to the life of the City and provides for grants and sponsorship programs to support community, cultural and business groups in furthering social, cultural, environmental and economic development in line with Council's objectives and priorities. The Policy also ensures that the City meets the requirements of the Local Government Act 1993 in relation to grant giving.

The process of running the annual, bi-annual and ad hoc grants and sponsorship programs assists in identifying changes that may be needed to the programs. These changes are made to ensure the Grants and Sponsorships Policy remains responsive, flexible and pro-active, to clarify any areas of concern or confusion and ensure that the Policy that supports the work undertaken by organisations in the City of Sydney. In general, experience since the last Policy review has shown that the Policy is robust and effective. The majority of changes suggested in this report are administrative in nature. A key focus of the changes is to bring the focus into alignment with Sustainable Sydney 2030.

On-going consultation about the grants and sponsorships programs with City staff, the community and stakeholders also occurs throughout the year. This assists with identifying the need for changes or new funding programs.

This report details:

1. Changes to the Local Community Grants Program, including a focus on local, community-based Sustainable Sydney 2030 actions and the need for organisations to demonstrate contributions in cash or volunteer labour in each of their project applications.
2. Changes to the Local Action Plan Matching Grants Program to make it a quarterly program.
3. Minor changes to the Environmental, Cultural, and Community Services Grants Programs to emphasise projects that support Sustainable Sydney 2030 (including community gardens).
4. The merging of the Community Festivals Program into the Cultural Grants Program.
5. A review of the Business Support Program which recommends the employment of two Business Precinct Coordinators, on three year contracts, to assist with the implementation of projects funded through the Business Support Program.
6. A recommendation to enter into a Memorandum of Understanding with Marrickville Council to fund Newtown business precinct management for \$40,000 per year over three years.

7. A review of the Heritage Grants Program to consider the inclusion of lighting of heritage buildings.
8. The inclusion of Yabun music festival in the Major Festivals Program from 2010.
9. The inclusion of the policy guidelines for the Laneways Business Development Program in the broader Grants and Sponsorship Policy.

RECOMMENDATION

It is resolved that:

- (A) Council approve the amended Grants and Sponsorships Policy as shown in Attachment A to the subject report;
- (B) Council enter into a Memorandum of Understanding with Marrickville Council to provide \$40,000 (excl GST) per year over three years to fund Newtown business precinct management; and
- (C) authority be delegated to the Chief Executive Officer to enter into agreements with Marrickville Council.

ATTACHMENTS

Attachment A: Revised Grants and Sponsorships Policy, December 2008, with new content shown in ***bold italics*** and content removed shown in ~~strikethrough~~.

BACKGROUND

1. The Grants and Sponsorships Policy was last reviewed and approved by Council on 10 March 2008.
2. At that time, Council approved a total of sixteen grants and sponsorship programs:
 - (a) Quick Response Grants Program – ad hoc, grants up to \$1,000;
 - (b) Local Community Grants Program – annual, grants up to \$5,000;
 - (c) Local Action Plans Matching Grants Program – bi-annual, grants up to \$10,000;
 - (d) Heritage Grants Program – annual, grants up to \$10,000;
 - (e) Environmental Grants Program – annual, grants up to \$10,000;
 - (f) History Publication Sponsorship Program – ad hoc, grants up to \$15,000;
 - (g) Community Festivals Program – ad hoc, grants up to \$20,000;
 - (h) Community Services Grants Program – annual, grants over \$5,000;
 - (i) Conference Sponsorship Program – ad hoc, up to \$20,000;
 - (j) Business Support Program – annual, grants over \$5,000;
 - (k) Cultural Sponsorship Program – annual, grants over \$5,000;
 - (l) Major Festivals Program – ongoing sponsorships;
 - (m) Banner Grants and Sponsorship Program – ad hoc, revenue forgone program;
 - (n) Reduced Rates: Community Venues – ad hoc, revenue forgone program;
 - (o) Reduced Rates: Major Venues – ad hoc, revenue forgone program; and
 - (p) Accommodation Grants Program – annual, revenue forgone program.
3. Since March 2008, one full round of the annual grants programs as been approved by Council, a second round of the Local Community Grants Program has been opened and assessed, and the Policy has been in active use for consideration of all ad hoc grants programs. This has allowed opportunities to evaluate the effectiveness of the Policy.
4. As the Grants and Sponsorships Policy is intended to support the work that is occurring in and for the City of Sydney community, it is important that the Policy remains responsive and flexible. This requires a regular review of all the Programs, the introduction of new programs (when relevant) and a continual process of refinement and change in response to new areas of need or to assist organisations to apply for, administer and use City funding.

5. The revised Grants and Sponsorships Policy, December 2008, is provided as an attachment with new content marked in italics and bold and content removed struck through.

Review of existing programs

Quick Response Grants Program

6. This program provides ad hoc cash grants for emergency, unforeseen or exceptional circumstances of up to \$1,000 and is approved by the CEO, in consultation with the Lord Mayor, and is reported to Council quarterly.
7. No changes are recommended for this program.

Local Community Grants Program

8. The Local Community Grants Program provides grants for projects, events or activities which provide a direct benefit to the city community by delivering community or cultural services, activities or resources. They are available on a bi-annual basis for local, non-profit cultural and community service organisations, with funding of up to \$5,000 provided in the form of one-off grants approved by Council.
9. Staff have reviewed this Program in light of the outcomes of a second round of Local Action Plan (LAP) Matching Grants. Staff considered the potential to merge the two programs for reduced administration; however, it was determined that there was a need to continue both Programs. The Local Action Plans Matching Grants Program will look at applications targeted at specific LAP actions (as detailed below) and the Local Community Grants Program will continue to service broader community needs.
10. However, the experience of running the two programs has highlighted improvements that can be made to the Local Community Grants Program. In the five years that this program has been run in its current format, it has drifted somewhat from a real local and grassroots program to a program where larger and established organisations with a broader brief than the City of Sydney are receiving grants on a regular basis. Therefore, it is recommended that the Program prioritise local activities and projects with a focus on addressing local community based Sustainable Sydney 2030 actions. Projects that have genuinely been developed out of local community need or desires will be given a priority and all applicants will be asked to provide some form of matched contribution, be that cash, in kind or volunteer support. The Program will continue to be run twice yearly.

Matching Grants

11. The City of Sydney's Local Action Plans Matching Grants Program has been established in response to the outcomes of the Local Action Plan Strategy. The Program provides a mechanism for community engagement, skills development, capacity building and shared funding arrangements for the delivery of appropriate programs.
12. After the assessment of applications received for the LAPS Matching Grants Program in 2008, the Program has been reviewed to ensure core objectives and outcomes are being met.

13. To facilitate more frequent funding opportunities and provide greater access to a wider range of community groups, it is proposed to call for project submissions from the community quarterly, rather than annually. Submissions will be asked to address specific target project areas identified in the Local Action Plans that have not previously been funded or addressed.
14. The requested project submissions will target two specific priority project areas each quarter. Using this model, Council will maintain its ongoing support of local community capacity building as well as actioning specific Community Requests taken from the Local Action Plans. Project submissions will require a matching contribution component to the project.
15. Recommendations for priority project areas in the Local Action Plans to be funded through this model for 2009/10 include:
 - (a) Q1. Community Gardens or Greening the Village projects;
 - (b) Q2. Community Heritage or History projects;
 - (c) Q3. Community Celebrations or Small Event projects; and
 - (d) Q4. Community Public Art or Mural projects.
16. Requests for project submissions will be advertised through relevant media and communication channels.
17. All submissions and conditions upon which the projects are assessed and funded will be in accordance with the existing Matching Grants Policy; the changes proposed are administrative and only require changes to Policy regarding changing the Program from annual to quarterly.

Heritage Grants Program

18. On 2 June 2008, Council resolved to “establish a Policy in relation to the Heritage Grants Program for the lighting and maintenance of heritage buildings within the Local Government Area”.
19. The current Policy already provides for applicants for the maintenance of heritage buildings and, over the three years it has been operating, funding has been used for many restoration and maintenance programs without which the heritage fabric of the City would have deteriorated.
20. The City is currently undertaking a trial of energy efficient lighting and technology, including LED. Lighting techniques currently used to spotlight or highlight heritage buildings are considered energy inefficient and it is not recommended that the City increases the use of that lighting by providing grants for it to be used on heritage buildings. Therefore, it is recommended that the Policy not be changed for the 2009/10 grants round, but that it be reviewed after the completion of the City’s lighting trial to see if there is energy efficient technology that could be used for this purpose.

Environmental Grants Program

21. The Environmental Grants Program supports projects that provide a clear environmental benefit to the City community by delivering services, activities, or resources that result in direct environmental improvement and/or develop knowledge, skills and confidence in the community to encourage environmental improvement within the City of Sydney area.
22. Projects that assist the City with furthering the aims of Sustainable Sydney 2030 will now be a priority for support. Otherwise no changes are recommended for this program.

History Publication Sponsorship Program

23. This program provides ad hoc grants of up to \$15,000 to assist with the costs of publications that are considered relevant to the ongoing research into and recording of the history of the City of Sydney.
24. No changes are recommended for this program.

Community Festivals Program

25. Applications for this Program are responded to on an ad hoc basis and approved by Council. Funding is available for the running of community festivals, generally local, free to the public, annual events.
26. This Program has been running in its current form for four years. The recipients of funding to the Program are a mixture of very well established and large community festivals and new emerging festivals such as the recent Sydney Children's Festival at Carriageworks.
27. Staff have reviewed the type of requests for support that are made and the necessity for the Program to continue as an ad hoc Program. The City's Grants and Sponsorship Programs are well established and well known so that there is now no need for an ad hoc Program for potential applicants who may not have known of the annual Cultural Grants and Sponsorship Program or the bi-annual Local Community Grants Program.
28. Therefore, it is recommended that the Community Festivals Program be merged into the Cultural Grants and Sponsorship Program so that applicants apply annually and address the criteria for community development projects in the Cultural Grants and Sponsorship Program.
29. This will reduce administration for the City, provide clarity for grant applicants and festivals that have grown or that need increased support will not be limited by the \$20,000 cap that applies to funding in the Community Festivals Program.
30. Most recipients of funding under the Community Festivals Program are on current contracts with the City, so will not be affected by this change. There may be a few festivals that will still have to be brought to Council for approval outside of the annual grants round while this change is made, but overall the transition should be relatively seamless. All past and present recipients of a Community Festivals Grant will be notified of the change to the way they apply for funding.

Community Services Grants Program

31. This Program provides annual grants available for local, non-profit community service organisations, with funding of amounts over \$5,000 provided in the form of one-off grants approved by Council.
32. Projects that assist the City with furthering the aims of Sustainable Sydney 2030 will now be a priority for support. Otherwise, no changes are recommended for this program.

Conference Sponsorship Program

33. This program provides support of up to \$20,000 approved on an ad hoc basis for conferences that directly benefit City residents and/or that align with and further City Policy.
34. No changes are recommended for this program.

Business Support Program

35. The Business Support Program provides grants to non-profit organisations for initiatives that seek to revitalise and enhance local commercial and retail precincts for the benefit of residents, visitors and the City of Sydney community.
36. A review of the Program was undertaken in response to a Question Without Notice by Councillor Kemmis on 1 September 2008 asking that Council "investigate how it might most productively assist local business to implement the recommendations of the business precinct studies and/or how the role of a Local Business Co-ordinator to undertake that task could be resourced." There have also been representations from several business precinct communities that Council consider mechanisms for supporting business communities' capacity to implement business precinct studies, jointly developed with Council's Economic Development unit.
37. The purpose of business precinct studies is to strategically encourage economic vitality and employment in the City's key activity hubs, a key element in Sustainable Sydney 2030. The City's hubs provide a network of centres for the community to access social services, community facilities and economic opportunities. Business precinct studies have been prepared for Paddington, Newtown and Glebe, and studies are underway in Redfern and Darlinghurst. In coming months studies will be initiated for Pymont and Ultimo.
38. Business precinct associations access the Business Support Program grants to fund the implementation of projects. Currently, the coordination of business precinct initiatives and projects is carried out by business precinct associations and chambers. A drawback of this approach is that, as voluntary organisations, business precinct associations and chambers are sometimes unable to expend funding within assigned timeframes.

39. A further issue for consideration is that the Newtown Business Precinct straddles the Local Government Areas of Marrickville City Council and City of Sydney. Marrickville City Council raises a special benefit levy from business ratepayers and has resolved to outsource the delivery of business precinct management to an external not for profit service provider. There is an opportunity for the City of Sydney to be proactive in response to Marrickville City Council's changes by redirecting Business Support Grants to directly fund this not for profit service provider. The benefits include economies of scale and a joint marketing approach to the whole precinct.
40. The review was conducted in consultation with precinct business associations and chambers. The underlying objectives of the review were to improve the delivery of the business support program objectives by addressing the capacity limitations of business communities at no additional cost to Council.
41. The recommendations of the review are:
 - (a) To employ, on three year contract, two Business Precinct Coordinators to work with business precincts in the eastern and western areas of the City.
 - (b) Coordinators will assist with the implementation of projects funded through the Business Support Program. Coordinators will be employed by the City of Sydney to service projects, but will not provide administrative support for the operation of chambers.
 - (c) Coordinators will be funded from the City's operating budget.
 - (d) Meetings will be held to guide the work of Business Precinct Coordinators and made up of representatives of the respective business precinct associations, Economic Development staff and Neighbourhood Service Centre Managers.
 - (e) Business Support Program funding will become available for up to three years, to align with the employment term of the Coordinators.
 - (f) To fund the Newtown business precinct (\$40,000 per year for three years) and, subject to Council's approval of this report, to enter into a Memorandum of Understanding with Marrickville City Council.
 - (g) To fund the contribution to the Newtown business precinct from the Business Support Grant. Newtown will not be eligible for any other funding under the Business Support Program, including support from the Precinct Business Coordinators.
42. As an outcome of the review, the Business Support Program will remain in place under its current terms, except that funding will become triennial. The proposed changes to the Business Support Program will be reviewed annually to monitor their effectiveness in improving the delivery of program objectives.
43. Projects that assist the City with furthering the aims of Sustainable Sydney 2030 have also been identified as a priority for support.

Cultural Grants and Sponsorships Program

44. This Program provides cash and revenue forgone support for cultural organisations, and organisations undertaking cultural activities, in or benefiting the City of Sydney Local Government Area. Applicants apply annually for support for audience development, artistic development or community development cultural projects.
45. Merging the Community Festivals Program into the Cultural Grants and Sponsorships Program requires small changes to the criteria for applicants for community development projects. Projects that assist the City with furthering the aims of Sustainable Sydney 2030 have also been identified as a priority for support.

Major Festivals Program

46. The City provides sponsorship to six major festivals in recognition of their significant contribution to the social, cultural and economic life of Sydney and the benefits that both the City and the Festival receive from maintaining an on-going relationship. Funding can support day to day operational costs, and the City seeks specific outcomes from each of the festivals supported.
47. The City has been supporting the Yabun Festival, produced by the Gadigal Information Service, highlighting Aboriginal culture and music, since 2003. The City's support has grown as the festival has grown – originally the City only provided land-use. The event was then supported under the Community Festivals Program and is now in the last year of a triennial agreement through the Cultural Grants and Sponsorship Program for \$30,000 cash per year. Over this time the Festival has moved from Redfern Park to Victoria Park and has grown in audience numbers, number of participants (including food, cultural and information stalls as well as performers) and professionalism.
48. Yabun is a very important part of Sydney's cultural calendar and one of the major music events for Aboriginal and Torres Strait Islanders in Australia. It is a distinct and unique festival in Sydney as it is produced by, managed by, and features predominately Aboriginal and Torres Strait Islander people and is designed to actively promote Aboriginal culture to the broader community while simultaneously providing a place of celebration and recognition for the Aboriginal community. Yabun is one of the stops in Sydney's Eora Journey.
49. Therefore, it is recommended that Yabun Festival be included in the City's suite of Major Festivals in recognition of its value to the cultural calendar, the City's in-principle commitment to continued support and our desire to work more closely with the producers of Yabun to ensure their continued success.
50. Yabun has a current contract with the City that expires after the 2009 event so this would be effective in 2010. A report will need to be brought to Council to approve the amount of funding that Gadigal Information Service will receive for the event from 2010 onwards.

Banner Grants and Sponsorship Program

51. The Banner Grants and Sponsorship Program provides for the waiver of banner hire fees to community and cultural organisations. Applications are approved on an ad hoc basis by the CEO, in consultation with the Lord Mayor, and reported to Council quarterly.
52. No changes are recommended for this Program.

Reduced Rates: Community Venues

53. Reduced Rates for the hire of the City's community venues (including Town Halls) are provided to community and cultural organisations on an ad hoc basis upon request. Applications are approved by the CEO, in consultation with the Lord Mayor, and reported to Council quarterly.
54. Minor changes for clarity have been made; they do not affect the content of the Policy.

Reduced Rates: Major Venues

55. Reduced Rates for the hire of the City's major venues are provided to community and cultural organisations on an ad hoc basis upon request. Applications are approved by the CEO, in consultation with the Lord Mayor, and reported to Council quarterly.
56. No changes are recommended for this Program.

Accommodation Grants Program

57. The City of Sydney's Accommodation Grants Program aims to support community groups, organisations and services that encourage community development, enhance services and programs provided for the community, and address priority needs in the City of Sydney Local Government Area and broader community needs.
58. Under the Accommodation Grants Program, the City leases community facilities (buildings and spaces) to non-profit community-based organisations and groups at no charge or at reduced rates (below market rental).
59. No changes are recommended for this Program.

Inclusion of the Laneways Business Development Program into the broader Grants and Sponsorship Policy

60. On 4 August 2008, Council approved the Laneways Business Development Program based on the model successfully run in Melbourne. The Program is currently operational with applications for grants being accepted on an ad hoc basis.
61. This program supports new and existing small businesses to locate and thrive in the laneways precincts of the city centre, specifically businesses that contribute to achieving the broad aims of the Sustainable Sydney 2030 strategy to create a Green, Connected and Global Sydney.

62. The Program has now commenced with a new position of Business Development Coordinator – Laneways and Small Bars – created to administer the program. Specifically, this program aims to support businesses that contribute to developing a Lively and Engaging City Centre and enhance A Globally Competitive and Innovative City by:
- (a) strengthening existing or developing new fine grain precincts with specialised retail, hospitality, entertainment or other appropriate business activities;
 - (b) enhancing the fine grain of the city in streets and lanes as a means of drawing more people and life to the city centre;
 - (c) activating existing blank edges in streets, laneways, empty plazas or other city spaces with new uses and/ or creating new activities in the fine spaces of the city centre;
 - (d) providing a business activity/offering that is undersupplied or non existent in the city centre, that will attract people to the city centre;
 - (e) providing a balance of day and night time activity with diverse and distinctive economic and community benefit;
 - (f) using temporarily or long term vacant space for new and creative uses; and
 - (g) providing support to new and emerging businesses through support services.
63. The Laneways Business Development Program will be an annual program run simultaneously with the City's other annual programs. Funding will be up to \$30,000 cash on a dollar for dollar matched basis.
64. This Program will now be included in the Grants and Sponsorship Policy 2009.

KEY IMPLICATIONS

65. The Grants and Sponsorships Policy assists Council to achieve its aims in its Corporate and Strategic plans.
66. All applications are considered with reference to the Strategic Plan, Corporate Plan, Social Policy and Plan, the Youth Strategy, Child Care Needs Assessment, Cultural Diversity Strategy, Inclusion (Disability) Action Plan, City of Sydney Safety Strategy, Oxford Street Safety Strategy, Homelessness Strategy, Environmental Management Plan, Local Action Plans and Sustainable Sydney 2030.

BUDGET IMPLICATIONS

67. Funding will be included in the draft 2009/10 budget to support the Grants and Sponsorship Programs, including any commitments for funding already approved by Council.
68. The \$40,000 proposed for the Newtown business precinct management, coordinated with Marrickville Council, is proposed to be funded from the Business Support Grants for 2009/10, 2010/11 and 2011/12.
69. The cost of the two new Business Precinct Coordinators will be provided from the Precinct Revitalisation Budget within the approved 08/09 budget.

RELEVANT LEGISLATION

70. Local Government Act 1993, s356.

CRITICAL DATES / TIME FRAMES

71. The annual grants and sponsorship programs are due to open in February 2009. This ensures that applicants have adequate time to submit their applications and for Council staff to assess applications and prepare the report to Council within the deadline of funding period beginning October 2009.

PUBLIC CONSULTATION

72. Five information seminars were held in 2007 and five in 2008 for prospective grant applicants. Feedback from these seminars, from applicants and the public during all rounds of grants under the Grants and Sponsorships Policy has been incorporated. Council staff are in regular contact with recipients of grants and their feedback is also used to evaluate the programs and Policy.

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