

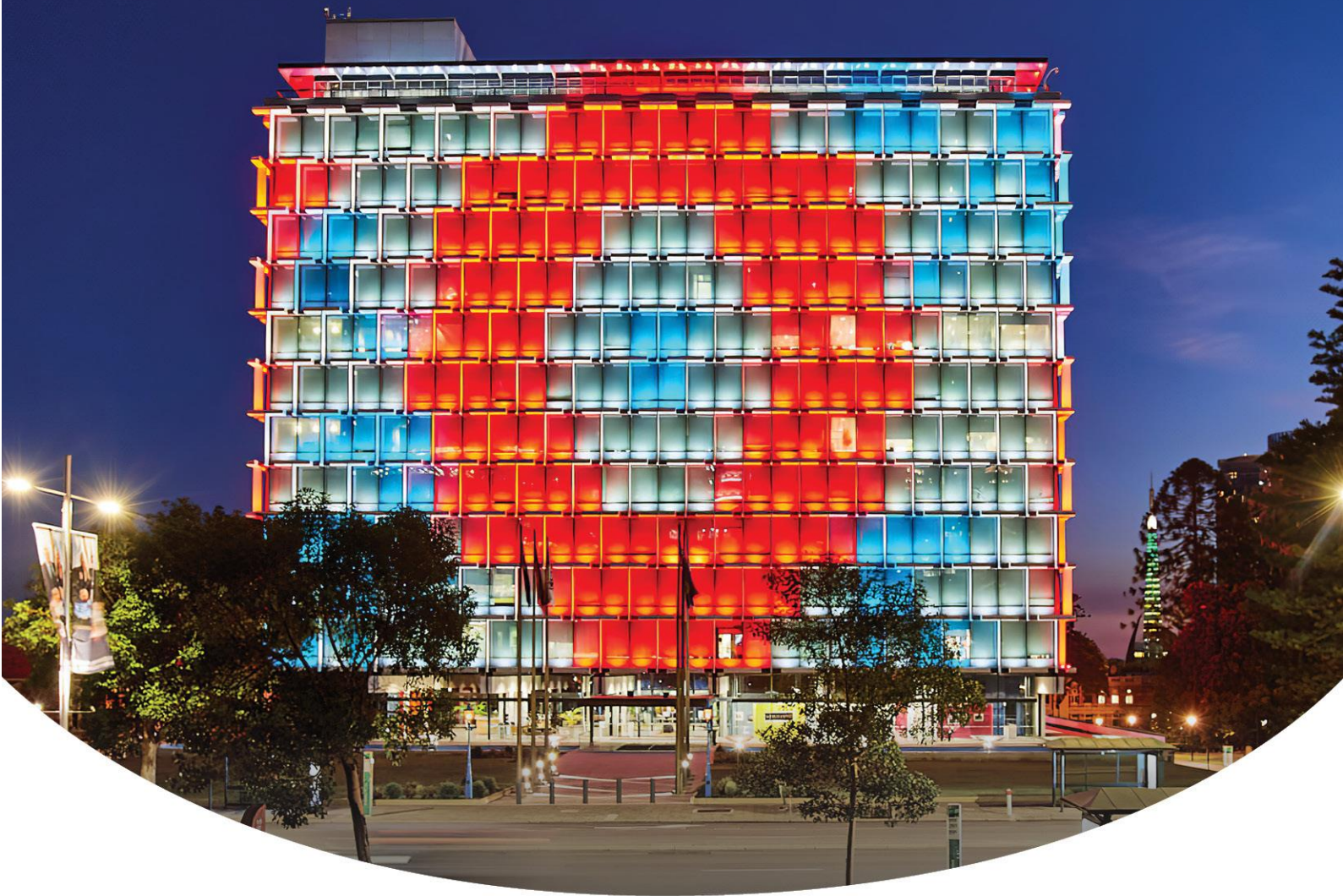


City of Perth

Special Council Meeting

MINUTES

27 August 2020, 5.30pm | Council Chamber, Level 9, 27 St Georges Terrace, Perth



Minutes to be confirmed at the next Ordinary Council Meeting

These minutes are hereby certified as confirmed

Presiding member's Signature: _____ Date: _____

Vibrant, Connected, Progressive.

This is the community's vision for Perth and the City of Perth.



Order of Business

Item

1. Prayer/Acknowledgement of country
2. Declaration of opening
3. Apologies
4. Question time for the public and notification of deputations
5. Disclosures of members interests
6. Matters for which the meeting may be closed
7. Reports

Item No.	Item Title	Page No.
7.1	COVID-19 Rebound Economic Development Sponsorship Business Events Perth Bid Funding, Destination Marketing and ASPIRE Awards	6
7.2	COVID-19 Rebound Arts and Cultural Sponsorship 2020/21	16
7.3	Rates Concession – Western Australia Cricket Association (WACA) - 2020-2021	26

8. Closure

Minutes of the Special Council Meeting of the City of Perth held in the Council Chamber, Level 9, St Georges Terrace, Perth on Thursday, 27 August 2020.

Members in attendance

Chair Commissioner Andrew Hammond Presiding Member
Commissioner Len Kosova

Officers in attendance

Ms Michelle Reynolds	Chief Executive Officer
Mr Bill Parker	General Manager Corporate Services
Mr Michael Kent	Project Director Strategic Finance
Ms Tabitha McMullan	Alliance Manager Activation and Cultural Experience
Ms Danielle Uniza	Alliance Manager Governance
Ms Ashlee Rutigliano	Governance Officer

1. Acknowledgment of Country/Prayer

The Presiding Member read the Acknowledgement of Country.

The Chief Executive Officer read the prayer.

2. Declaration of opening

5.33pm The Presiding Member declared the meeting open.

3. Apologies

Deputy Chair Commissioner Gaye McMath

4. Question time for the public and notification of deputations

4.1 Question time for the public

Nil.

4.2 Notification of deputations

Nil.

5. Disclosures of members interests

Member/Officer	Item No. and Title	Nature of Interest
Commissioner Len Kosova (CM 173981/20)	Item 7.2 - COVID-19 Rebound Arts and Cultural Sponsorship 2020/21	<p>Nature: Impartiality Interest - One of the recommended funding recipients is The Lester Prize (formerly ARTrinsic Inc.), an incorporated ATO-endorsed charity. A company with a similar name ("Lester Group") manages an entity (Australian Vanguard Pty Ltd), which is a client of my consultancy business. However, I have no association whatsoever with The Lester Prize</p> <p>Extent: Insignificant</p>

6. Matters for which the meeting may be closed

Nil.

Reports

Item 7.1 - COVID-19 Rebound Economic Development Sponsorship Business Events Perth | Bid Funding, Destination Marketing and ASPIRE Awards

File reference	P1038987#02#02
Report author	Adam Gregory, Sponsorship Support Officer Candice Beadle, Sponsorship Officer
Other contributors	Virginia Withers, Senior Sponsorship Officer
Reporting Service Unit and Alliance	Activation and Cultural Experience, Community Development Alliance
Report author disclosure of interest	Nil
Date of report	16 July 2020
Nature of Council's role	Executive
Voting requirement	Simple Majority
Attachment/s	Attachment 7.1A – Detailed Officer Assessment

Purpose

To provide a recommendation in relation to a COVID-19 Rebound Economic Development Sponsorship application from Business Events Perth (formerly Perth Convention Bureau).

Background

This application has been considered under the City's COVID-19 Rebound Grants and Sponsorship Program, which has been developed to support the objectives outlined in the City's COVID-19 Rebound Strategy. This application has been submitted in the [Economic Development Sponsorship Program](#).

Applicant Details

Entity name	Business Events Perth
ABN	30008766541
Entity type	Australian Public Company
ABN status	Active
ATO endorsed charity type	Not endorsed

Business Events Perth is a member-based not-for profit organisation, with around 130 members comprising large and small businesses in the events industry. Business Events Perth (BEP) is chartered to market Perth and Western Australia to national and international health, academic, professional, arts and cultural not-for-profit organisations with the intent of securing their high-value association events.

The City of Perth was a founding member of the Perth Convention Bureau (PCB) in 1972 and has continued to be a major stakeholder in the organisation, along with the State Government through Tourism WA. Other major partners are Crown Perth and the Perth Convention and Exhibition Centre.

In February 2020, PCB changed their name to ‘Business Events Perth’ (BEP). The organisation’s new name reflects a new identity and a re-energised strategy to attract events and conferences to WA.

Funding

BEP receives core funding from the State Government through Tourism WA with the City of Perth being the second highest financial supporter after the State Government. Additional funding support is received from membership fees and industry funded contributions.

The previous sponsorship was for a three-year term. BEP is now seeking a one-year sponsorship term at a reduced amount (\$245,000) for their activities in 2020/21 financial year, which includes multiple projects and events. BEP acknowledges the significant impact COVID-19 has had on the City’s revenue and disruption to the City’s long-term planning as a result.

The budget breakdown of the requested \$245,000 is as follows:

- Bid Funding - \$70,500
- Destination Marketing - \$164,500
- ASPIRE Awards Program - \$10,000

Details

Project title	Business Events – Bid Funding, Destination Marketing and ASPIRE Awards
Project start date	01/07/2020
Project end date	30/06/2021
Total project cost	\$6,250,000
Total amount requested	\$245,000 (3.92% of the total project cost)
Recommendation	Approve
Recommended amount	\$230,000 (3.68% of the total project cost)
Assessment score	49.9 out of 65 (76.8%)

BEP markets Perth and Western Australia as a business events destination, identifies new business event opportunities and brings them to WA. BEP offers complimentary assistance to association and corporate event planners to help stage their business events in Perth. In addition, it offers marketing funding, bidding assistance, hosted site inspections, promotional assistance and connections to more than 200 industry suppliers.

BEP utilises funding to secure MICE (meetings, incentives, conferencing and exhibitions) events for Perth via bidding and to increase the per-delegate funding commitments as part of the bids for MICE, which will be critical in attracting such events in a competitive post-COVID-19 environment.

The business events' sector is an important contributor to tourism and economic activity in Perth and WA. High profile conferences and conventions held in the State bring significant benefit to WA, including economic benefits to the tourism sector and social benefits such as cultural activities, education and State development. In 2018/19, BEP secured 210 events in the city, generating \$121.7M in Direct Delegate Expenditure (DDE)¹, \$104.6 million in Gross Regional Product (GRP), 868 jobs and a return on investment to the city of \$1 to \$445, meaning that for every \$1 of sponsorship, the economy within the city receives \$445 in return.

The business events and delegates secured from both the international and national markets provide a substantial increase to local visitor expenditure. Business events provide considerable economic benefit to the city through DDE at accommodation, hospitality, convention and retail businesses.

Business events not only stimulate visitor expenditure, they are also a 'front door' for investment and trade and a forum to collaborate, exchange knowledge and showcase the expertise of WA business, industry, research institutions, start-ups and people. These broader economic and social impacts are amplified by focusing on securing events in key sectors where WA has a competitive advantage.

BEP supports the City's strategy for economic growth around key sectors by focusing on attracting and leveraging business events in key sectors such as:

- Resources and Energy - LNG
- Education - WorldSkills 2022
- Medical Life Sciences – AusBiotech 2022

Business events attract notable speakers, presenters and attendees, including Prime Ministers, Premiers, State and Federal Ministers, and leaders and specialists in key sectors, as well as government and financial institutions.

By bringing decision makers and experts in key sectors to the City for business events, Western Australians have an opportunity to connect with national and global leaders and showcase their own expertise. These events enhance the City's reputation as a leader in these sectors.

ASPIRE Award

The Aspire Award is an initiative which supports locals in their professional development and builds a network of expert conveners in WA. The aim of the program is to assist an individual's personal and professional development through attendance at a relevant international conference in their chosen field of endeavour.

The City of Perth ASPIRE Award is given annually to an individual representing a non-profit / corporate organisation in the following sectors which are key priorities for the city:

¹ Direct Delegate Expenditure (DDE) is a universal key performance indicator (KPI) specific to convention bureaus nationally and internationally. It is an economic KPI based on a calculation of the average on-ground spend of conference delegates whilst in the State of Western Australia. This value includes accommodation, delegate fee and all on-ground costs.

- Tourism, Resource & Energy;
- Education;
- Technology and Innovation; or
- Medical Life Sciences.

The City of Perth ASPIRE Award is the flagship award as part of the ASPIRE Award Program. \$10,000 of the sponsorship request will be used to fund this award.

Impacts of COVID-19

The impact of COVID-19 on business events has been significant with 84% of events secured by BEP scheduled for 2020 being cancelled or postponed due to restrictions on borders, interstate and international travel, mass gatherings and physical distancing. This represents a loss of 66,000 business visitors and \$153.5M in DDE. The majority of these events (85%) would have been held in Perth.

The requested funding from the City will enable BEP to increase and re-set its business development, marketing and key sector strategies to mitigate the impacts of COVID-19 as quickly and effectively as possible, to support the recovery of the business event industry and, in turn, assist in the economic and social recovery of Perth city. The severity of the impact of COVID-19, means the immediate support required to kick-start the recovery will be most acute in 2020-21 and there will be some quick wins, such as:

- 2020 events postponing to 2021 (more than half of postponed events have already been rescheduled);
- the staging of WA-based events (while hard borders remain) and hybrid events; and
- rescheduled/new corporate and incentive tours (shorter lead times).

While hard border restrictions are in place due to COVID-19, BEP will promote Perth as a premium hybrid (combined actual and virtual attendees) event destination options (with world-leading technological capabilities), to ensure those connections continue to be made where delegates or speakers cannot attend in person. While virtual events won't deliver on the City's key priorities of increasing visitation to the city and supporting local businesses, virtual or hybrid conferencing can provide opportunities to reach a wider audience to promote Perth as a business and leisure destination, which will ensure Perth remains at the forefront for MICE events when the borders re-open.

In the longer term, the proposed sponsorship will support outcomes post-COVID-19, when the borders re-open; BEP has a positive, unified and compelling brand narrative, deployed through targeted marketing strategies, to secure business events in the City across key sectors. This narrative aligns with the [City's Think Perth](#) investment attraction strategy and focuses on Perth's:

- unique attractions and environment (natural and cultural);
- quality tourism infrastructure (new hotels, event venues and tourism precincts);
- economic strengths (for example, a 'global energy city');
- safe, clean and spacious reputation; and
- proximity to Asia and Europe and western gateway to Australia.

An Officer Assessment of the application is included at Attachment 7.1A.

Previous five years of City of Perth Support

Year	Amount	Project
2015-16	\$276,547	Perth Convention Bureau
2016-17	\$280,652	Perth Convention Bureau
2017-18	\$284,861	Perth Convention Bureau
2018-19	\$293,406	Perth Convention Bureau
2019-20	\$308,077	Perth Convention Bureau
<u>Total</u>	<u>\$1,443,543</u>	

Sponsorship Recognition

In addition to the broader benefits of the sponsorship outlined above, the applicant will provide the following opportunities for recognition and promotion of the City if awarded the requested amount:

- the City to be recognised as having Platinum Partner and Major Sponsor status;
- recognition in the Business Events Perth Annual Report as Platinum Partner and Major Sponsor (with text and logo);
- reference to City of Perth in presentations (where applicable);
- reference (text and visual such as photos, drone footage, videos) to the City and its attributes in bid submissions;
- media releases, where appropriate;
- recognition across Business Events Perth’s social platforms (where appropriate);
- recognition of City of Perth's Major Sponsor status in external communications (where appropriate);
- inclusion of City of Perth imagery (photos, videos, drone footage) in content creation for digital marketing campaigns;
- inclusion of City of Perth activities for members in e-newsletters;
- City of Perth recognition as Major Sponsor on Business Events Perth website;
- inclusion in the digital Meeting and Incentive Planners Guide;
- access to Business Events Perth's calendar of events, including conference organiser contacts;
- opportunities for a City representative to be involved in familiarisation ('famils') programs (where appropriate);
- a quarterly strategic update between key officers of Business Events Perth and the City of Perth with the agenda, date, time and location to be mutually agreed and a formal report provided by Business Events Perth;
- an opportunity for Elected Members to be briefed on the activities and results of Business Events Perth;
- reporting on the materialisation of direct delegate expenditure (DDE) at events to be provided to the City of Perth annually (an acquittal report);
- invitations for City representatives(s) to attend and speak at Business Events Perth member networking functions and workshops, public forums and corporate presentations (where appropriate); and

- formation of a working group with key officers from Business Events Perth and the City of Perth to identify opportunities for business events in the City.

City of Perth ASPIRE Award Benefits:

- the City of Perth to be recognised with the sponsorship title being "City of Perth ASPIRE Award" and the Award being promoted as the 'flagship' Award of the ASPIRE Program;
- reference to the City of Perth in all correspondence, brochures, media statements, website content and social media posts referencing the scholarship;
- the City of Perth crest or 'Think Perth' logo to appear on all promotional material relating to the scholarship;
- City of Perth representative be invited to present the award to the scholarship winner at the Awards Ceremony (if proceeding); and
- acknowledgement of the City of Perth's support for the Program in the Business Events Perth Annual Report. Opportunity for a City of Perth representative to sit on the judging panel.

Stakeholder engagement

No stakeholder engagement has been undertaken in relation to this report.

Strategic alignment

This item addresses the community’s vision for the future and its implications on the Strategic Community Plan 2019 – 2029, Corporate Business Plan 2020/21 – 2023/24 and relevant Issue or Area Specific Strategies or Plans.

Strategic Community Plan

Aspiration:	Prosperity
Strategic Objective:	4.1 A sustained increase in leisure and business tourism activation.

This sponsorship specifically aligns with the objective for sustained increase in business tourism activation. This is the City’s key sponsorship to support this objective. Sponsorship of Business Events Perth allows the City to work towards this objective in a holistic and strategic way, consolidated with significant State Government investment.

Corporate Business Plan

Aspiration:	Prosperity
Number:	CBP 4.3
Operational Initiative:	Grants for Businesses – COVID-19 Rebound

The Business Events Perth sponsorship brings significant visitation into Perth which supports retail, hospitality and accommodation businesses.

Issue and Area Specific Strategies or Plans

- COVID-19 Economic Rebound Strategy

The project is aligned to the objective to *drive local visitation and tourism into the City in ways that it is safe to do so*, by supporting the rebound, growth and development of an established key sector that represents strategic importance to the City of Perth’s economy.

BEP will assist in building long term relationships that provide business and community members with the opportunity to share best practice and promote Perth’s expertise with visiting local, interstate and international thought leaders. The activities of BEP has the potential to generate long term economic outcomes and the City recognises the importance of business events as a significant economic driver for the city.

BEP underpins knowledge creation and exchange and stimulates research, innovation and investment. In this way BEP supports the development and enrichment of the Perth and WA community.

Legal and statutory implications

Connection with mandates in the *City of Perth Act 2016*

8(1)(g) - to strengthen Perth's reputation as an innovative, sustainable and vibrant city that attracts and welcomes all

Risk implications

Impact of decision	
Organisation	Low
Community	Low

Risk domain	Consequence	Likelihood	Risk rating
Reputation and External Stakeholders	Minor	Unlikely	Medium
Financial	Minor	Unlikely	Low
Service Delivery/Strategic Objectives	Minor	Unlikely	Low

Risk Summary Narrative

Reputation and External Stakeholders

Decisions relating to grant and sponsorship applications have resulted in heightened concerns from stakeholder groups and negative one-off media coverage in the past, which is considered to be of moderate impact to the City. As this application is recommended to be approved at a level less than the request, there is potential this may result in unavoidable dissatisfaction from the applicant. This is normal and the risk has generally been within tolerated levels.

Financial

The total request and recommendation in this report can be accommodated within the available budget for Economic Development Sponsorship. Therefore, the financial risks to the City are considered low.

The potential extension of travel restrictions to control COVID-19 may require projects to be modified, postponed or cancelled, and may result in Business Events Perth failing to meet their agreed KPIs. This could be a financial risk to the City in the instance where a proportion of the funding has already been paid. To minimise financial risk, the City will tie payments of the sponsorship fee to the delivery of agreed performance milestones.

Legal and Regulatory / Ethical

Funding programs have inherent risks due to the discretionary nature of the decision making that can be open to unethical actions relating to fraud and corruption when adequate controls are not implemented. City of Perth officers are confident that the recommendation relating to this report reflects a transparent application process and robust assessment process which ensure risks in this area are controlled.

Approval implications

Approving the sponsorship at the recommended amount may result in a level of dissatisfaction from the applicant, as the recommendation is for less than the amount they have requested.

The recommended funding amount reflects a number of considerations, including uncertainty around domestic and international travel, anticipated reduction in the incentives market and the competitive environment for City of Perth funding.

The level of risk involved with running large scale MICE events has significantly increased due to COVID-19 and related travel restrictions. The sector is also likely to be significantly affected through reduced corporate expenditure in a contracted economic environment.

COVID-19 has placed a great deal of uncertainty in this sector, including when travel into Australia will again be permitted as well as the willingness of international delegates to travel in the future.

In this environment the outcomes of the sponsorship are difficult to predict, particularly the number of delegates who will travel to Perth in the short-term. Outcomes in the next twelve months will likely be more focused on awareness and consideration campaigns compared to the conversion activities that would usually be conducted.

This funding will provide economic benefits to businesses in the medium to long term. Given the immediate impacts of COVID-19 on City of Perth businesses, City funding needs to prioritise economic rebuild in the short term.

If the sponsorship is not approved at the recommended level or declined, this is likely to have a significant impact on Business Events Perth's operations and its ability to secure business events may be severely compromised.

In approving the application for an amount higher than the recommended level, potential implications include:

- community and stakeholder perceptions of governance and transparency, which are supported through the implementation of a robust application and assessment processes, may be reduced; and
- perceptions of equity amongst applicants may be reduced.

Financial implications

Within existing budget

The recommended funding is fully accommodated within the 2020/2021 Discretionary Operating Projects budget approved by Council at its meeting on 4 August 2020, as detailed below:

Account number:	SP 1066 - 100 - 10 - 10095 - 7901
Description:	Economic Development Sponsorship
Account type (Operating/Capital/Reserve):	Operating
Current budget:	\$690,000
Existing commitments previously approved by Council:	\$84,000
Proposed cost:	\$230,000
Balance remaining:	\$376,000 The remaining budget will be used for Economic Development sponsorship to support investment in key economic sectors for the remainder of the 2020/21 Financial Year.

Policy references

18.13 – Sponsorship and Grants

The policy outlines a consistent and transparent assessment process and criteria which guides the recommendation to Council. An Eligibility check has been conducted on this application to ensure it is compliant with the Policy.

Comments

Business Events Perth is responsible for driving significant economic returns to the city and Western Australia through their targeted, high value business event focus. Direct Delegate Expenditure in the 2018/19 financial year suggests \$104.6million of economic returns to the City’s convention centres, meeting hosts, accommodation providers, food and beverage operators and retailers.

BEP has considered the impacts of COVID-19 and will continue to work to long lead times for future events as well as offering hybrid events/rescheduled events in the shorter term which is practical.

Officer Recommendation and Council Resolution

Moved: Commissioner Kosova

Seconded: Commissioner Hammond

That Council APPROVES an Economic Development Sponsorship of \$230,000 (excluding GST) to Business Events Perth for the Business Events Marketing project.

CARRIED 2 / 0

For:

Commissioner Hammond

Commissioner Kosova

Against:

Nil

Item 7.2 – COVID-19 Rebound Arts and Cultural Sponsorship 2020/21

File reference	P1038989#05
Report author	Virginia Withers, Senior Sponsorship Officer
Other contributors	Tabitha McMullan, Alliance Manager Activation and Cultural Experience Adam Gregory, Acting Sponsorship Officer
Reporting Service Unit and Alliance	Activation and Cultural Experience, Community Development
Report author disclosure of interest	Nil
Date of report	13 July 2020
Nature of Council's role	Executive
Voting requirement	Simple Majority
Attachment/s	Attachment 7.2A - Arts Grants Detailed Officer Assessment Attachment 7.2B - Arts Sponsorship Detailed Officer Assessment Attachment 7.2C - Major Event and Festivals Detailed Officer Assessment

Purpose

To provide recommendations in relation to COVID-19 Rebound Arts and Cultural Sponsorship applications received by the City of Perth.

Background

To support the City's COVID-19 Rebound Strategy (Strategy), all existing grant and sponsorship programs have been suspended. The 'COVID-19 Grants and Sponsorship Program' has been developed to align with the objectives of the Strategy and replace the 'business-as-usual' sponsorship programs for the 2020/21 Financial Year.

The applications submitted in Arts Grants, Arts Sponsorship and Major Events and Festivals rounds were received by the application deadlines of 21 April, 24 April and 30 June 2020 respectively. The applications were assessed against the criteria in the 2020/21 Arts Grants and Sponsorship and Major Events and Festivals Guidelines, as publicly advertised.

These applications were put on hold while the COVID-19 Grants and Sponsorship Program was developed. Subsequently, all applicants have been required to submit additional information under the below criteria to ensure that events and projects recommended for approval are aligned to the COVID-19 Economic Rebound Strategy and have appropriate risk management plans in place should restrictions return at any stage.

Economic Rebound and Support for Local Businesses

- How will your event encourage people to support and drive traffic to local Perth businesses in the hospitality, retail and/or tourism sectors?

Support for Local Employment and Businesses

- How will your event help to support the local events and/or cultural sectors through opportunities for employment of local practitioners and/or businesses?

COVID-19 Risk Mitigation

- What is your contingency plan should restrictions on large gatherings be reintroduced before your event?
- How do you plan to build confidence in the public that your event is safe to attend?
- What measures will you put in place to ensure the health and safety of attendees and staff at your event? (How will you address physical distancing and hygiene requirements so that they are in-line with the Department of Health’s regulations which may be applicable at the time of your event?)

Details

The following applications have been received and assessed as part of the City’s COVID-19 Rebound Arts & Cultural Sponsorship for Financial Year 2020/21.

The Total Operating Project Expenditure for 2020/2021 includes a budget of \$1,400,000 for COVID-19 Arts and Cultural Sponsorship.

Taking into account existing commitments previously approved by Council, and an amount of \$100,000 is quarantined to support Arts and Cultural Quick Response Grants over the course of the financial year, there is \$925,000 available to be allocated to the applications considered under this Report.

Item	Budget
Existing commitments previously approved by Council (<i>detailed in the Financial Implications section below</i>).	\$375,000
Amount reserved for Arts and Cultural Quick Response Grants FY 20/21	\$100,000
Remaining budget available for applications in this Report	\$925,000
<u>TOTAL</u>	<u>\$1,400,000</u>

COVID-19 Rebound Arts & Cultural Sponsorships					
<u>ARTS GRANTS</u>					
Rank	Applicant	Project	Previous Funding (FY 19/20)	Requested amount	Recommend-ation

1 (94%)	Community Arts Network Western Australia	Burdiya Karni Waangkinny	\$0	\$29,990	\$23,000
2 (83%)	WA Poets	Perth Poetry Festival 2020	\$5,500	\$11,125	\$6,000
3 (81%)	Centre for Stories Limited	Side Walks	\$6,000	\$9,000	\$7,500
4 (80%)	Barking Gecko Theatre Company	New Audiences. New Stories. New Writers.	\$0	\$30,000	\$25,000
5 (73%)	The Perth Centre for Photography	PCP Artistic Development and Presentation Program	\$15,000	\$20,000	\$10,500
6 (73%)	Nulsen Group	As We Are Art Award & Exhibition	\$8,000	\$9,429	\$8,000
7 (71%)	Propel Youth Arts WA	Mosaic	\$8,000	\$20,000	\$7,500
8 (70%)	Magic Nation	Magic Nation Presents	\$0	\$18,398	\$10,000
9 (67%)	Emma Humphreys	The Stranger	\$0	\$5,604	Decline
10 (59%)	Gandhi Creations	Confluence: Festival of India in Australia	\$0	\$30,000	Decline
11 (54%)	Wirrin Foundation	Black and White Exhibition	\$0	\$24,268	Decline
12 (54%)	Sioux Tempestt	Innominate	\$0	\$10,370	Decline
13 (49%)	Listen Up Music	The Songwriting Prize - Perth Semi Final	\$0	\$2,500	Decline
14 (N/A)	Clara Francesca Pagone	Bunjil Redux	\$0	\$4,000	Ineligible
SUB-TOTAL				\$224,684 Requested	\$97,500 Recommend ed

ARTS SPONSORSHIP 20/21

Rank	Applicant	Project	Previous Funding (FY 19/20)	Requested amount	Recommend ation
1 (76%)	The Blue Room Theatre	2021 Artistic Program	\$58,000	\$68,000	\$65,000
2 (75%)	West Australian Ballet Company	WAB City Connections	\$25,000	\$80,000	\$30,000
3 (75%)	Black Swan State Theatre Company	Sector Development Program	\$45,000	\$45,000	\$45,000

4 (74%)	The West Australian Music Industry Association	WAMFest	\$20,000	\$80,000	\$60,000
5 (74%)	STRUT Dance	The Statement	\$25,000	\$25,000	\$25,000
6 (73%)	The Lester Prize	Exhibition and Public Program	\$60,000	\$80,000	\$50,000
7 (62%)	The Contemporary Dance Company of WA	Sector Development Program	\$40,000	\$40,000	\$25,000
SUB-TOTAL				\$418,000 Requested	\$300,000 Recommended
<u>MAJOR EVENTS AND FESTIVALS 20/21</u>					
Rank	Applicant	Project	Previous Funding (FY 19/20)	Requested amount	Recommendation
1 (89%)	ARTRAGE	FRINGE WORLD Festival 2021	\$300,000	\$300,000	\$263,750
2 (76%)	Perth International Arts Festival	Perth Festival 2021	\$300,000	\$360,000	\$263,750
SUB-TOTAL				\$910,000 Requested	\$527,500 Recommended
TOTAL				\$1,552,684 Total Requested	\$925,00 Total Recommended

Stakeholder engagement

The grant and sponsorship programs are informed by the community priorities as identified in the COVID-19 Rebound Strategy stakeholder survey and detailed in the Total Operating Project Expenditure for 2020/2021.

The Guidelines have been endorsed by the Events, Arts and Culture Advisory Committee and approved by Council at its Ordinary Council Meeting on 28 July 2020.

Strategic alignment

Strategic Community Plan

This item addresses the community's vision for the future and its implications on the Strategic Community Plan 2019 – 2029, Corporate Business Plan 2020/21 – 2023/24 and relevant Issue or Area Specific Strategies or Plans.

Aspiration:	Prosperity
Strategic Objective:	4.8 Iconic signature events positioned strategically to create vibrancy that attracts intrastate, interstate and international visitors

Key considerations which have informed the Recommendations in this report:

- ensuring year-round activation of the city with programs that occur across the whole year and not just in the busy summer festival season; and
- maximising benefits for local businesses through clearly articulated plans for engaging, supporting and promoting local city businesses.

Aspiration:	People
Strategic Objective:	1.6 Thriving and sustainable cultural, artistic and heritage industries, activities and events that encourage locals and visitors to come back for more.

The COVID-19 Arts Sponsorship program aims to provide strategic investment in the sector, recognising it is not only an important employer and contributor to a diverse and healthy economy, but also drives significant flow-on economic benefits to Perth through visitation to local hospitality and retail businesses.

To ensure a flourishing and diverse local arts and cultural sector, the City of Perth looks to support programs which:

- assist in skill and professional development opportunities and employment for local artists and arts workers; and
- reflect diversity in artforms across the visual arts, contemporary and classical dance, theatre and music.

Aspiration:	Place
Strategic Objective:	2.1 A city that is seen by all as a great place to be.

Key considerations which have informed the Recommendations in this report:

- ensuring activation across all of the City’s six neighbourhoods; and
- prioritising projects which occur in public space, are offered free-of-charge, promote broad community access and contribute to street-level vibrancy, in preference to ticketed events occurring inside major institutions.

Corporate Business Plan

Aspiration:	Prosperity
Number:	CBP4.4
Operational Initiative:	Grants to support Arts & Cultural Sector – COVID-19 Rebound

Issue and Area Specific Strategies or Plans

- COVID-19 Economic Rebound Strategy

This item addresses the strategic objective ‘Re-invent and Revive’, by supporting events/projects that have widespread appeal which return vibrancy to the city, encourage people to support local businesses, promote Perth as a destination of choice and enhance the city’s reputation as a great place to be.

Legal and statutory implications

Connection with mandates in the *City of Perth Act 2016*

8(1)(g) - to strengthen Perth's reputation as an innovative, sustainable and vibrant city that attracts and welcomes all

Risk implications

Impact of decision	
Organisation	Low
Community	Medium

Risk domain	Consequence	Likelihood	Risk rating
Reputation and External Stakeholders	Moderate	Possible	Medium
Financial	Major	Unlikely	Medium
Legal and Regulatory / Ethical	Major	Possible	High

Risk Summary Narrative

Reputation and External Stakeholders

Decisions relating to grant and sponsorship applications have resulted in heightened concerns from stakeholder groups and negative one-off media coverage in the past, which is considered to be of moderate impact to the City. As the number of requests for grants and sponsorship exceed the funds available, it is generally not possible to support every application or the total request of each applicant. This may result in unavoidable dissatisfaction from some applicants. This is normal and the risk has generally been within tolerated levels.

Financial

The total request by applications in this report represents 168% of the available budget. Approving the full requests of all applicants would result in a budget overrun of over 40%, generally considered unacceptable within the City’s risk management framework.

Legal and Regulatory / Ethical

Funding programs have inherent risks due to the discretionary nature of the decision making that can be open to unethical actions relating to fraud and corruption when adequate controls are not implemented.

Approval implications

If any grants or sponsorships are declined, or approved for an amount less than the recommended level, it is likely the events and projects will be scaled back or not proceed within the City of Perth.

The budget for arts and cultural sponsorship at the City will be fully allocated for the Financial Year 2020/21, which would reduce the ability of the City to support other initiatives, in the unlikely event of an ad hoc opportunity later in the year.

If any grants or sponsorships are approved for an amount higher than the recommended level, potential implications include:

- the budget would be overspent which may affect the City’s ability to support other applicants or programs, or deliver other discretionary operating projects;
- community and stakeholder perceptions of governance and transparency, which are supported through the implementation of a robust application and assessment processes, may be reduced; and
- perceptions of equity amongst applicants may be reduced.

Financial implications

The financial implications associated with this report are fully accommodated within the Total Operating Project Expenditure for 2020/2021, approved by Council at its meeting on **4 August 2020** and outlined in the Economic Rebound Strategy.

Account number:	Arts Sponsorship (\$1,200,000) 1066-100-50-10271-7901 Arts and Cultural Grants (\$200,000) 1066-100-50-10008-7901
Description:	<i>Grants and sponsorship to support arts and cultural sector rebound and recovery</i>
Account type (Operating/Capital/Reserve):	Operating
Current budget:	\$1,400,000
Existing commitments previously approved by Council	\$375,000
Budget reserved for Arts & Cultural Quick Response Grants	\$100,000
Proposed cost:	\$925,000
Balance remaining:	\$0

Proposed Cost Breakdown

Organisation	Program	Recommendation
Perth Festival	Perth Festival 2021	\$263,750
Artrage	Fringe World 2021	\$263,750
The Blue Room Theatre	Artistic Program 2021	\$65,000
The West Australian Music Industry Association Incorporated	WAMFest 2020	\$60,000
The Lester Prize	Exhibition and Public Program	\$50,000
Black Swan State Theatre Company	Sector Development Program	\$45,000
West Australian Ballet Company	WAB City Connections	\$30,000
The Contemporary Dance Company of Western Australia Limited	Sector Development Program	\$25,000
STRUT dance incorporated	The Statement	\$25,000
Barking Gecko Theatre Company Ltd	New Audiences. New Stories. New Writers.	\$25,000
Community Arts Network Western Australia Ltd	Burdiya Karni Waangkinny	\$23,000
The Perth Centre for Photography Inc	PCP Artistic Development and Presentation Program	\$10,500
Magic Nation Pty Ltd	Magic Nation Presents	\$10,000
Nulsen Group Ltd	As We Are Art Award & Exhibition	\$8,000
Centre for Stories Limited	Side Walks	\$7,500
Propel Youth Arts WA Incorporated	Mosaic	\$7,500
WA Poets Inc	Perth Poetry Festival 2020	\$6,000
Total		<u>\$925,000</u>

Existing commitments previously approved by Council

Organisation	Program	Commitment
WASO	Symphony in the City 2020	\$150,000
WA Opera	Opera in the Park 2021	\$145,000
PICA	Community Program	\$60,000
Chamber of Arts and Culture WA	Keystone Partnership	\$20,000
Total		<u>\$375,000</u>

Policy references**18.13 – Sponsorship and Grants**

The policy outlines a consistent and transparent assessment process and criteria which guides the recommendation to Council. An eligibility check has been conducted on all applications included in the report to ensure that they are compliant with the policy.

Comments

The arts and cultural sector has been profoundly affected by the COVID-19 pandemic. Many events and programs have had to be postponed, changed or cancelled, with an immediate impact on Perth's arts and cultural industries, organisations, artists and arts workers. The loss of income due to cancelled events, programs and touring has been compounded by a reduction in corporate and philanthropic support in many circumstances.

As a result, the COVID-19 Rebound Arts & Cultural Sponsorship 2020/21 program has been significantly oversubscribed. In most cases, the recommendation for support is not for the applicant's full request and in some cases, is a decrease to 2019/20 funding levels.

The following considerations have been carefully reviewed in relation to each individual application and to the composition of the program as a whole:

- ensuring the highest quality applications are recommended for approval to support excellence and return-on-investment for the community;
- maximising benefits for local businesses through clearly articulated plans for engaging, supporting and promoting local city businesses;
- sector and industry development;
- diversity in artforms supported;
- activation across all the City's Neighbourhoods;
- prioritisation of projects which contribute to street-level vibrancy;
- year-round activation of the city;
- equitable allocations and responsible budgeting;
- clear COVID-19 contingency and risk planning; and
- ensuring organisations supported are in a sound financial position and can demonstrate financial viability through support from other government, private and philanthropic avenues.

Officer commentary on individual applications is included in the Attachments 7.2A, 7.2B and 7.2C.

5.35pm Commissioner Kosova declared an impartiality interest.

Officer Recommendation and Council Resolution

Moved: Commissioner Hammond

Seconded: Commissioner Kosova

That Council:

1. APPROVES cash funding of \$925,000 (excluding GST) to the following applicants:
 - 1.1 Perth International Arts Festival Ltd for the 2021 Perth Festival program, specifically the 'Opening event', City of Lights precinct and local business engagement activities (\$263,750);

- 1.2 ARTRAGE Inc for FRINGE WORLD 2021 program, specifically the City of Perth Power Hour, Woodside Pleasure Garden and Perth Girls School Hubs and local business engagement activities (\$263,750);
- 1.3 Performing Arts Centre Society Inc for 2021 Artistic Program (\$65,000);
- 1.4 The West Australian Music Industry Association Incorporated for WAMFest (\$60,000);
- 1.5 The Lester Prize for The Lester Prize (\$50,000);
- 1.6 Black Swan State Theatre Company Ltd for Sector Development Program (\$45,000);
- 1.7 West Australian Ballet Company for WAB City Connections (\$30,000);
- 1.8 The Contemporary Dance Company of Western Australia Limited for Sector Development Program (\$25,000);
- 1.9 STRUT dance incorporated for The Statement (\$25,000);
- 1.10 Barking Gecko Theatre Company Ltd for New Audiences, New Stories, New Writers (\$25,000);
- 1.11 Community Arts Network Western Australia Ltd for Burdiya Karni Waangkinny (\$23,000);
- 1.12 The Perth Centre for Photography Inc for PCP Development and Presentation Program (\$10,500);
- 1.13 Magic Nation Pty Ltd for Magic Nation Presents (\$10,000);
- 1.14 Nulsen Group Ltd for 2020 As We Are Art Awards and Exhibition (\$8,000);
- 1.15 Centre for Stories Limited for Side Walks (\$7,500);
- 1.16 Propel Youth Arts WA Incorporated for Mosaic (\$7,500); and
- 1.17 WA Poets Inc for Perth Poetry Festival (\$6,000).

2. DECLINES grants to the following applicants:

- 2.1 Emma Humphreys for The Stranger;
- 2.2 Gandhi Creations Pty Ltd for Confluence: Festival of India in Australia;
- 2.3 Wirrin Foundation Pty Ltd for Black and White Exhibition;
- 2.4 The Trustee for THE TEMPESTT FAMILY TRUST for Innominate; and
- 2.5 Listen Up Music Ltd for The Songwriting Prize- Perth Semi Final.

CARRIED 2 / 0

For:

Commissioner Hammond
Commissioner Kosova

Against:

Nil

Item 7.3 – Rates Concession – Western Australia Cricket Association (WACA) – 2020/21

File reference	P1019031-9
Report author	Amanda Bentley, Senior Rates Coordinator
Other contributors	Michael Kent, Project Director Strategic Finance
Reporting Service Unit and Alliance	Finance, Corporate Services
Report author disclosure of interest	Nil
Date of report	7 August 2020
Nature of Council's role	Legislative
Voting requirement	Absolute Majority
Attachment/s	Nil

Purpose

The purpose of this report is for Council to approve the rates concession of \$175,789.15 for the Western Australia Cricket Association (WACA) sporting ground to reflect the role of the WACA in the community and the activities that are undertaken at the ground for the 2020/21 financial year.

Background

Historically the WACA received an exemption for rates under S6.26(2)(g) – charitable purposes. An exemption review in 2013 revealed the organisation is not exempt under the provisions of the *Local Government Act 1995* (the Act) as they are not considered a charitable organisation, therefore the exemption was cancelled.

The WACA then sought Ministerial Approval for an exemption of rates under S6.26(2)(k) of the Act for 2013/14. The Minister approved the exemption which continued for 5 years until 2017/18.

Before the WACA had received a ministerial exemption in 2013, the City proposed to stage the introduction of full rates over a 3-year period, 33.33% in Year 1, 66.66% in Year 2 and 100% in Year 3. This option was discussed with the WACA.

The Local Government Minister did not approve an exemption for 2018/19. The Minister did not provide reasons to the City of Perth for the discontinuance of the exemption. Due to the nature of the use of the ground and the community activities undertaken there, the City was asked to conduct a site inspection in May 2018 and meet with representatives of the WACA to discuss options for 2018/19. As a result, the City approved to grant an 88.4% rate concession under Section 6.12 (1)(b) of the Act.

The option selected to determine the rateable portion was based on the proportion of the property that was generating commercial income. The identified commercial areas were the Museum, Prindiville stand, including Administration, the Player's Pavilion and Bradman Boundary, President's

and Willow Rooms. The playing surface was also classified as commercial on the 27 days where cricket was played at the ground and tickets were sold to the public. Based on this methodology a Rates levy of \$20,795.63 was calculated which equates to 11.6% of the full Rates levy.

A review was conducted for the 2019/20 financial year and the WACA has advised that the property was used for only 25 days of the financial year. This amended the rates concession to 88.5%. Based on the 2019/20 rates of \$171,416.15, the concession amount was \$151,832.20.

Details

Last year, an agreement was reached with the WACA to continue the process of calculating the commercial percentage use of the property each year to determine a rates concession until the ground use changes. The WACA had advised they were attempting to obtain State and Federal funding for redevelopment of the ground. It was agreed that if the redevelopment commenced, the rates concession would be reviewed.

The WACA have confirmed no change to the calculation of commercial use from 2019/20. It is recommended that the City approve to grant an 88.5% concession to the WACA to acknowledge:

- That only 25 days of cricket will be played at the venue in 2020/21;
- That the principal activity undertaken at the WACA ground is administration; and
- The organisation’s broad community role in developing grassroots cricket.

Stakeholder engagement

The City held several discussions and site meetings with the WACA and visited the premises over the past few years.

Strategic alignment

This item addresses the community’s vision for the future and its implications on the Strategic Community Plan 2019 – 2029, Corporate Business Plan 2020/21 – 2023/24 and relevant Issue or Area Specific Strategies or Plans.

Strategic Community Plan

Aspiration:	Performance
Strategic Objective:	5.5 A financial business model underpinned by a culture of cost management, best value and strategic financial analysis that is subject to ongoing oversight, transparency and accountability.

This report demonstrates financial oversight that encourages transparency and accountability for use of the City’s financial resources.

Corporate Business Plan

Aspiration:	Partnership
Number:	6.5
Operational Initiative:	N/A

This report demonstrates the financial implications of the City’s execution of this initiative contained in the Corporate Business Plan.

Issue and Area Specific Strategies or Plans

Nil

Legal and statutory implications

Section 6.47 of the *Local Government Act 1995* states that a local government may at the time of imposing a rate or service charge or at a later date resolve to waive* a rate or service charge or resolve to grant other concessions in relation to a rate or service charge.

* *Absolute majority required.*

Connection with mandates in the *City of Perth Act 2016*

8(1)(a) - to provide for the good government of persons in the City of Perth, including residents, ratepayers and visitors

Risk implications

Impact of decision	
Organisation	Low
Community	Low

Risk domain	Consequence	Likelihood	Risk rating
Financial	Moderate	Possible	Low
Legal and Regulatory/Ethical	Moderate	Possible	Low

Approval implications

By approving the officer’s recommendation, the City will be acknowledging the significant role that the WACA plays in the community through the activities that are undertaken at the ground.

Financial implications

The rates levy for 2020/21 is \$198,631.80. The proposed rates concession of 88.5% is \$175,789.15 and would reduce the commercial rates revenue. The City has taken this into consideration in formulating its annual budget.

Policy references

There are no policy references related to this report.

Comments

It is the intention that the rate calculation and any applicable concession is reviewed on an annual basis and the WACA will continue to be rated based on the percentage of commercial activities undertaken until such time that the property is redeveloped, and the property use is changed.

Officer Recommendation and Council Resolution

Moved: Commissioner Kosova
Seconded: Commissioner Hammond

That Council APPROVES the rates concession of \$175,789.15 for the Western Australia Cricket Association (WACA) sporting ground under section 6.47 of the *Local Government Act 1995* for the 2020/21 financial year.

CARRIED 2 / 0

For:
Commissioner Hammond
Commissioner Kosova

Against:
Nil

7. Closure

The Presiding Member declared the meeting closed at 5.37pm.