

Policy

Funding Support for Events

Responsible department	Economic Development	Document Register ID	250.2022.95.1
Policy owner	Coordinator Economic Development	Review date	21 April 2024
Date of Council Meeting	21 April 2022	Resolution Number	123/22
Legislation, Australian Standards, Code of Practice	Section 356 of the Local Government Act 1993 SMRC Code of Conduct SMRC Suite of Integrated and Reporting Documents		
Aim	To provide a decision making framework and process for Council's financial support of major events in the region		

1 General purpose and background

Every year there are many events that are held within the Snowy Monaro LGA. They range in size from small local or neighbourhood level events to others of regional, state or even national significance. Generally the cost of holding an event increases with its size and significance.

Many events of all sizes request funding support from Council. The larger an event and the more visitors from outside the Snowy Monaro it attracts, the greater positive impact it will have on economic and business activity in the region.

Smaller local events can apply to the Council's annual Donations and Sponsorship Program for funding support. Larger events can apply to this program as well, however their larger size means the amount they request is typically larger also. Particularly in the case of larger events, if supported under the Donations and Sponsorships Program, they would draw down heavily upon the total funding pool available, reducing the amount available for more locally oriented events and projects which usually have smaller costs. In addition, a decision once a year on funding support is not practical for support of many events, which occur throughout the year and require certainty of funding well before the event actually takes place. For some large events, the Snowy Monaro LGA is also competing with other LGAs to attract the event and the economic benefits they provide. Event organisers will not wait for annual decision making moments to come around before making a decision on whether or not to commit to a particular region. They typically require decisions regarding potential support in a much shorter time period.

It is intended that this policy will outline Council's approach and decision making framework towards financial support of any potential event, particularly larger events. The financial support is sourced from the tourism budget, using funding previously allocated to directly support Tourism Snowy Mountains.

2 Determining eligibility for funding support

Whilst this policy applies equally to all parts of the LGA, it is not the intention of this fund to be used to support every event. Its focus is on support for larger and more significant events, as well as certain smaller local events that are important for the local community, regardless of where they may be held in the region. This means that not every event will be eligible for funding support under this policy. To determine which events are eligible for funding, an event will first need to meet the following requirements:

- (a) It must be a publicly accessible event: This means that the event must be open for any member of the public to attend the event, albeit that an attendee may need to satisfy a pre-requisite to attend, such as having a ticket or certain level of fitness, or the event may be primarily aimed at a certain sector of the community, such as a weeds conference. However, events which are by private invitation only, other than competitive events such as a triathlon or bike race where the public can spectate, are not eligible for funding support under this policy.
- (b) The event must not actively promote or support excessive consumption of alcohol, or promote gambling or tobacco products, or products it would be inappropriate for the Council as a public agency to associate itself with.
- (c) The event must not be for the primary purpose of making a political or religious statement or proclamation, or for vilifying certain sections of the community.
- (d) The event must be undertaken in a child safe manner and in accordance with any requirements of NSW Health as appropriate for that particular event.

If an event meets these four basic standards, it is eligible for potential funding support under this policy. The maximum level of potential funding available depends on whether the event is classified as a major event or a local event. To be considered a major event, it must meet an economic impact standard to be eligible for major event funding amounts.

Council will estimate the economic impact of the event using the 'Event Impact Calculator' tool in Council's online .id economic profile which it subscribes to annually. This is essentially an economic modelling tool based on the attributes of Snowy Monaro's economic profile, and specifically designed to model the potential economic impact of events using an input/output table. This is a commonly used tool for modelling economic impact. The tool is only available for use internally by staff, but a copy of the modelling for each event will be provided in the relevant Council report. A sample of the tool and how it will appear in reports is shown below.

Event name (optional)

Event Type: Arts and Heritage

Event Range: Local

Event start date:

Event duration (days)

Attendance per day

Average daily spend (\$)

Event total spend (\$)

The proposed event is planned to run for 1 day. It is an event of Local significance and is estimated to attract 1000 visitors during the day, with an average spend per person per day of \$200. This equals a total visitor spend of \$200,000 attributed to this event. Assuming the event will be held in Snowy Monaro Regional Council area, it is calculated to have the following potential impact:

Event Impact Summary export

Snowy Monaro Regional Council area - Modelling the effect of \$200,000 from an Arts and Heritage event with Local significance

	Output (\$)	Value-added (\$)	Local Jobs (annual jobs)
Direct impact	182,000	82,587	2.9
Industrial impact	33,615	13,885	0.1
Consumption impact	14,568	4,751	0.0
Total impact on Snowy Monaro Regional Council area economy	230,183	101,223	3

Source: National Institute of Economic and Industry Research (NIEIR) ©2021. Compiled and presented in economy.id by .id (informed decisions).

Once information about a potential event is received, Council's Economic Development unit will model the impacts of the event using the 'Event Impact Calculator'. If the event has a total value added impact on the Snowy Monaro economy of at least \$100,000 (as modelled in the tool), it will be considered eligible for potential major event funding under this policy, provided it has also met the basic criteria outlined in (a) to (d) above.

3 How much financial support will Council provide?

The Council will provide up to \$5,000 in financial support for eligible major events. In determining the amount of funding to be provided for major events, the Council will consider the following factors:

- (a) The amount of funding required to cover Council's normal Fees and Charges for the event.
- (b) Alignment with Council's relevant tourism and events and/or economic development strategies, and Community Strategic Plan.
- (c) Whether the event is commercial in nature or organised by a volunteer or not-for-profit group or agency.
- (d) The capacity of the event to attract visitors from outside the LGA and generate potential for overnight stays.
- (e) Any marketing strategies for the event, particularly outside the LGA.
- (f) The significance of the event for the local community.
- (g) The proportion of the total funding required for the event that is being sought from Council.
- (h) The amount of funding remaining in the funding pool for that year at the time of determination of the application.
- (i) How many events have applied for funding consideration so far that year.
- (j) The reason funding is being sought from Council for the event.
- (k) The particular circumstances of the event.

The event organiser will be required to submit an application form for funding support which will provide an opportunity to address these factors.

It is a requirement for applicants to disclose other grant funding provided for the event.

Council also has discretion to provide funding of more than \$5,000 to major events in special or unique circumstances, such as where the value added impact of the event is modelled at over \$500,000, or where the event is of such unique significance (as determined by Council) that it warrants further funding. To be clear, just because an event might meet this additional criteria, it is not automatically entitled to funding amounts above \$5,000. The amount of funding support provided remains at the discretion of Council following consideration of the above factors.

Council will provide up to \$2,000 of funding support for eligible local events, up to a maximum of \$20,000 a year for all local events (provided there is sufficient funding in the pool). Local events can also apply to the annual Donations and Sponsorships Program as an alternative funding or additional funding source.

- (a) The amount of funding required to cover Council's normal Fees and Charges for the event.
- (b) Alignment with Council's relevant tourism and events and/or economic development strategies, and Community Strategic Plan.
- (c) The significance of the event for the local community.
- (d) The proportion of the total funding required for the event that is being sought from Council.
- (e) The amount of funding remaining in the funding pool for that year at the time of determination of the application.

- (f) How many events have applied for funding consideration so far that year.
- (g) The reason funding is being sought from Council for the event.
- (h) The particular circumstances of the event.

From time to time Council may receive grant funding which it can distribute among the community for the purpose of event support funding. Where grants are received from time to time, Council may have the opportunity to increase the total funding pool and/or maximum funding available per event depending on the specific requirements of each grant. In these circumstances, Council may distribute the grant funds at whatever levels and purpose are consistent with and/or permitted by the conditions of the grant, despite the maximum amounts of funding support otherwise specified in this policy, provided that the relevant factors listed for consideration in determining funding amounts are still considered.

Retrospective funding may be provided for events occurring in the first quarter of each financial year (generally a low time for events) on the basis that there may not have been sufficient time for Council to consider their funding request during that financial year before the event is scheduled to occur.

The decision to provide funding, and the amount, will be determined at a Council meeting upon a report being provided by Council's Economic Development unit addressing the eligibility factors in Part 2 and factors (a) to (k) for major events or (a) to (h) for local events in Part 3 above and recommending a funding amount.

3.1 Special considerations during the 2021-22 financial year

This fund has first been made available during the 2021-22 financial year. During the two years prior, events have been significantly disrupted first by the Black Summer Bushfires and then the subsequent two years of Covid-19 restrictions and lockdowns. In the 2021-22 financial year, health restrictions have gradually been eased and events are returning. Due to these unique circumstances surrounding this particular financial year, Council may consider supporting events from this fund which don't strictly meet the eligibility criteria, on a case by case basis. The opportunity for this special consideration will cease at the end of the 2021-22 financial year. During the final quarter of the 2021-22 financial year, the Council may also provide funding for particular events retrospectively, at its complete discretion, provided it has considered the factors listed in (a) to (k) or (a) to (h) as relevant above.

3.2 Recurring funding

Funding will not be made available under this Policy for recurring funding beyond the financial year the funding is awarded in. This means that where an event applying for funding may intend to return the following or other subsequent years, they would need to apply during that subsequent financial year for further funding under this Policy. The reason for this is because Council is required to review and adopt its budget annually and this may include changes to the amount of money available in the fund from year to year.

4 Public notification

Council will promote awareness of the fund throughout the community and in particular through the Tourism and Events unit, its website and social media platforms. Most if not all major event organisers and many local event organisers make contact with the Tourism and Events team during the course of organising their event.

Potential eligible event organisers will be informed of the possibility of applying to Council for funding support under this policy. In making an application (using the Council's application form), event organisers will be asked to supply particular details of the event to assist in the economic impact modelling and consideration of factors (a) to (k) or (a) to (h) in Part 3 of this Policy. These details will be reviewed by the Economic Development unit and compared with other available data to ensure they are realistic.

To ensure maximum flexibility in use of the fund, it is not intended to advertise applications to 'rounds' of funding at certain pre-set intervals throughout the year. This would defeat the purpose of the fund to provide quicker answers at any time of the year to potential event organisers. Some state and federal grants also operate in this manner, with funding available until such time as the funding pool is depleted, rather than through 'rounds' which have opening and closing windows in which to apply.

The Council must also provide public notification of its intention to fund an event as per Section 356 of the *Local Government Act 1993*, which reads as follows:

356 Can a council financially assist others?

- (1) *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.*
- (2) *A proposed recipient who acts for private gain is not ineligible to be granted financial assistance but must not receive any benefit under this section until at least 28 days' public notice of the council's proposal to pass the necessary resolution has been given.*
- (3) *However, public notice is not required if -*
 - (a) *the financial assistance is part of a specific program, and*
 - (b) *the program's details have been included in the council's draft operational plan for the year in which the financial assistance is proposed to be given, and*
 - (c) *the program's proposed budget for that year does not exceed 5 per cent of the council's proposed income from the ordinary rates levied for that year, and*
 - (d) *the program applies uniformly to all persons within the council's area or to a significant group of persons within the area.*
- (4) *Public notice is also not required if the financial assistance is part of a program of graffiti removal work.*

During the 2021-22 financial year, the Council will be required to give 28 days notice of those events eligible under the fund that it intends to support. The earlier provisions of this Policy permitting retrospective funding for the current financial year will assist in facilitating this process. In future years, the program will be included in the draft operational plan. It will also be well below 5% of the income from rates each year and will apply uniformly throughout the region, though only to those events which meet the criteria of this policy.

The other requirements of this policy regarding funding only being allocated to events within the current financial year do not apply to cases where the 28 days notice period under Section 356 commenced in one financial year, but was completed the following financial year. However due to the crossover of financial years, it may not be possible for Council to declare an intention to support an event at its June meeting if it would mean the 28 day notice period will then extend significantly into July, and beyond the time when Council's expenditure allocations in the budget rollover to the new financial year.

5 Payment of funds

Once Council decides to financially support an event, the Economic Development unit will contact the event organiser and organise a purchase order and subsequent invoice, to be paid via Council's normal accounting processes and procedures. Council will also confirm its funding support for the event and the amount it will pay, including any conditions of payment, in writing prior to the event following its decision on funding support.

5.1 Timing of payment

Council will provide payment in one of two ways:

- 50% prior to the event and 50% following the completion of the event; or
- 100% following the completion of the event

The funding recipient will be required to inform Council of its preference for payment in its application for funding support.

5.2 Conditions of funding support

The successful funding recipient will be required to comply with any conditions of funding support that Council supplies in writing as part of its agreement to provide funding. Such conditions will include:

- A requirement that the event organiser acknowledge Council's support in promotional material for the event and visibly on the day at the location of the event for the duration of the event;
- A provision that no payments will be made until all applicable regulatory or other required approvals for the event (as and if required) have been granted and provided to Council's Tourism and Events unit. Other approvals may include a facility booking, public liability insurance, event waste management arrangements, marketing plan, other agency approvals and a risk assessment.
Note: The list of required approvals can be obtained by submitting a 'Notice of Intention to Hold an Event' (NOIE) form to the Tourism and Events unit at the beginning of organising the event.
- A requirement to submit a post event evaluation providing details of how the event went compared to its pre-event predictions.

Other conditions of funding support will be specified in the agreement letter as required.

6 Register of events approved for funding

The Economic Development unit will maintain a register of events approved for funding under this policy and the funding amount, and other relevant details of the funding process and event. The register will be made publicly available upon request.

Documentation

List the name and document reference number of any other document referred to in this document, including any related policies and procedures

250.2016.37.2 Notice of Intention to Hold an Event

Variation

Council reserves the right to review, vary or revoke this policy and should be reviewed periodically to ensure it is relevant and appropriate.