

Newcastle City Council

# Policy

## Council Support for Arts and Cultural Organisations in Newcastle

March 2017

# Council Support for Arts and Cultural Organisations in Newcastle



Policy title	Council Support for Arts and Cultural Organisations in Newcastle
Policy owner	Director, Planning & Regulatory Cultural Director, cultural Facilities
Policy expert/writer	Cultural Director
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Relevant legislation/codes (reference to specific sections)	<i>Local Government Act 1993 (NSW)</i>
Related policies/documents	Community Assistance Program Policy, Event Sponsorship Policy, Economic Development Sponsorship Policy
Related forms	<b>Guidelines:</b> Council Support for Arts and Cultural Organisations in Newcastle <b>Expression of Interest:</b> Council Support for Arts and Cultural Organisations in Newcastle <b>Proposal:</b> Council Support for Arts and Cultural Organisations in Newcastle <b>Assessment forms:</b> Council Support for Arts and

# Council Support for Arts and Cultural Organisations in Newcastle



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	Cultural Organisations in Newcastle
Required on website	Yes
Authorisations	Functions authorised under this policy including Council Officers authorised to perform the function.

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# Part A Preliminary

## 1 Purpose

- 1.1 The purpose of this policy is to:
  - 1.1.1 Set out a framework to allow Council to provide financial and in-kind support for arts and cultural organisations in the Newcastle local government area (LGA); and
  - 1.1.2 Guide the formation, implementation and acquittal of project collaborations between Council and Newcastle LGA resident not-for-profit arts and cultural organisations.
- 1.2 The policy and related program is focused on:
  - 1.2.1 Enabling arts and cultural organisations to create and co-present arts and cultural projects with Council in a model that supports organisational sustainability; and
  - 1.2.2 Building professional relationships and capacity within organisations; and
  - 1.2.3 Creating a funding base in a form that organisations can leverage with other funding providers
- 1.3 The policy meets the **Newcastle 2030 Community Strategic Plan** as follows:

*Caring and Inclusive Community*

A creative, culturally rich and vibrant community

*Vibrant and Activated Public Places*

Public places that provide for diverse activity and strengthen our social connections.

Culture, heritage and place are valued, shared and celebrated.

Safe and activated places that are used by people day and night

*Smart and Innovative City*

A culture that supports and encourages innovation and creativity at all levels
- 1.4 The policy meets the **Cultural Strategy 2016-2019** strategy to *Partner with Newcastle's small to medium not-for-profit arts and cultural organisations in growing arts and culture in the city.*
- 1.5 The related action is "establish up to five programming partnerships of three year terms with key programming deliverables for the city. The program and policy, with an EOI process, will be developed during 2016, with the program commencing in 2017".

## 2 Definitions

- 2.1 **A not-for-profit (NFP)** means the organisation must be registered with the Australian Securities & Investment Commission (ASIC) or The Australian Charities and Not for Profit Commission (ACNC).
- 2.2 **Agreement** means the agreement entered into by Council and an applicant whose expression of interest and proposal has been successful. It will articulate support provided by Council as a financial contribution and/or value in-kind for the development and delivery of quality cultural work for the purpose of collaborative presentation with Council.
- 2.3 **Council** means Newcastle City Council.
- 2.4 **Review Panel** means the panel of no less than five (5) people who will review both the Expression of Interest applications and full Proposal applications. The Review Panel will comprise of:

- Cultural Director, Cultural Facilities
- Director, Planning and Regulatory

Plus a minimum of two (2) additional staff with expertise and experience relevant to the applications to be assessed however not party to an application, and identified by the Director, Planning and Regulatory as required by the nature of the Expression of Interest or full Proposal. These Panel positions could include:

- Manager, Libraries
- Manager, Newcastle Museum
- Manager, Newcastle Art Gallery
- Manager, Civic Theatre

Plus a maximum of four (4) Councillors as nominated by the elected Council to be Review Panel members.

Council also reserves the right to utilise external reviewers to provide feedback on a proposal.

- 2.5 A **Project** is limited to arts and cultural projects which are defined as one-off or time-limited arts and cultural activity or series of linked activities with specific goals and conditions, defined responsibilities, a budget, planning, information about the parties involved and a specific start date and end date.
- 2.6 **Guidelines** means guidelines and conditions published in connection with *Council Support for Arts and Cultural Organisations in Newcastle*.
- 2.7 **Expression of Interest** means the way by which organisations formally commence the process to bring their project to Council.
- 2.8 **Proposal** means the application form the shortlisted applicants use to fully present their project concept.
- 2.9 **Relevant Council Officer** means the Council employee responsible for administering the *Council Support for Arts and Cultural Organisations in Newcastle* program as determined by the Chief Executive Officer from time to time.
- 2.10 **Value in Kind** means goods or services supplied by Council in connection with the project. The cost will be valued at the commercial rate as published in Council's Fees and Charges, however waived as part of the Agreement.
- 2.11 A **Sustainable Not-for-profit Arts and Cultural Organisation** is one that has multiple income streams (grant funding, earned income and philanthropy), a strong and growing audience base, working with a breadth of artists and

practitioners, working partnerships, strong governance and documented strategy and business plans for future direction.

Sustainability is multi-faceted especially for a non-profit, which isn't solely about turning a profit. The Non-profits Assistance Fund (USA) has a working definition that a sustainable non-profit is one with the ability to carry out activities that will achieve its mission while also developing and maintaining capacity for mission relevance in the future.

### 3 Scope

- 3.1 The policy applies to Newcastle LGA resident not-for-profit arts and cultural organisations seeking in-kind and financial assistance from Council who produce arts and cultural programming and are interested in collaborating with Council to present arts and cultural programming in the city in alignment with the priorities and strategic objectives as stated in the Cultural Strategy 2016-2019.

### 4 Principles

- 4.1 Council commits itself to the following principles:
  - 4.1.1 **Accountability and transparency** - The policy provides a framework for the transparent and merit-based provision of support and a system of accountability for the recipient.
  - 4.1.2 **Alignment with Council strategies** - The policy aligns with Council priorities outlined in the Newcastle 2030 Community Strategic Plan and Council's Cultural Strategy 2016-2019.
  - 4.1.3 **Value for Money** – The policy ensures Council considers the value for money received in return for Council's financial and in-kind investment.
  - 4.1.4 **Help grow arts and culture in the city** - Through building sustainable arts and cultural organisations so they can remain in Newcastle as cultural producers.

## **Part B Scope of support for not-for-profit arts and cultural organisation**

### **5 Amount available**

- 5.1 The total amount available under the *Council Support for Arts and Cultural Organisations in Newcastle* program will be determined annually by the elected Council in connection with the Operational Plan and Delivery Program.
- 5.2 The maximum amount available in a competitive Expression of Interest and Proposal round will be set annually by the Director Planning & Regulatory. Support may comprise cash and/or Value-in-Kind.
- 5.3 Council may offer to an applicant an amount less than, or in a combination different to, what is applied for.
- 5.4 A monetary figure will be allocated to all Value in Kind awarded under the program, in accordance with the commercial rate of fees and charges. This amount will be included in the total amount allocated to any successful organisation.
- 5.5 It is intended that the agreement will be for a maximum of three consecutive years (1+1+1), subject to annual deliverables and an acquittal and approval process tied to the annual payments. This is also subject to Council's budget processes.

### **6 Program structure**

- 6.1 Council will hold one competitive Expression of Interest round per annum. The value of the annual round will be determined by budget allocations.
- 6.2 Council will advertise the details on Council's website.
- 6.3 Council may host a public information session to provide information to prospective applicants about the program.
- 6.4 An Agreement will be negotiated with up to five Newcastle based not-for-profit arts and cultural organisations at any one time for up to three years in duration.
- 6.5 Expression of Interest applications will be reviewed and shortlisted by the Review Panel and approved by the CEO.
- 6.6 Shortlisted applicants will be invited to submit a full Proposal for review and determination by the Panel. Organisations will be selected for funding subject to the completion of an Agreement. At any one time, there will be up to five projects in place.
- 6.7 Successful applicants and projects will be listed on Council's website.
- 6.8 Agreements will contain information relating to the acknowledgement of collaborating with Council, and first rights to presentation.
- 6.9 Organisations will be required to provide annual reporting specific to the terms of the Agreement.

## Part C – Eligibility and Assessment

### 7 Eligibility Criteria

- 7.1 Council will not support applications that do not meet all of the following criteria:
- 7.1.1 The Applicant must be an incorporated not-for-profit entity with a core arts and cultural purpose. Applications will not be accepted from individuals, for profit or government agencies or from not-for-profit organisations with a different core purpose.
  - 7.1.2 Chapters of organisations with a local branch are eligible if they are a resident (Newcastle LGA) not-for-profit arts and cultural organisation.
  - 7.1.3 Applicants must lodge a completed Expression of Interest using Council's *Council Support for Arts and Cultural Organisations' Expression of Interest Form*.
  - 7.1.4 Expression of Interest applications must be received on or before the advertised due date.
  - 7.1.5 Applicants must provide evidence that they have appropriate insurances in place.
  - 7.1.6 Applicants must apply for a project that does not have other Council support. The programming must be different to any existing supported projects.
  - 7.1.7 An organisation can only have one current *Council Support for Arts and Cultural Organisations in Newcastle* funding Agreement at any one time.
  - 7.1.8 Applicants must have complied with, to Council's satisfaction, the conditions of any previous grant or support received from Council.
  - 7.1.9 The project must be publicly presented in the Newcastle Local Government Area. It may also tour or be presented in other areas.
  - 7.1.10 The project must be consistent with Council's Cultural Strategy 2016-2019.
  - 7.1.11 The Applicant must be capable of obtaining all regulatory approvals for the project and the cost of such approvals included in the budget.
  - 7.1.12 Applications for support for the purchase of furniture/fittings, assets to the value of more than 10% of the grant value, business operation expenses, overheads or private expenses will not be supported.
  - 7.1.13 The applicant must identify other support received from Council in the current and previous financial year.
  - 7.1.14 Following the review of the Expression of Interest applications, a shortlist will be created and those organisations invited to submit a full Proposal to Council. Proposals must be received on or before the advised due date.
  - 7.1.15 The Proposal form will need to be completed and submitted with the following support information:

- a) An overview of the organisation
- b) A copy of last year's audited financial statement for the organisation
- c) Marketing and communications plan
- d) Letters of support and presentation commitment where relevant
- e) Key performance outcomes and measures
- f) Strategic plan

## **8 Assessment Criteria**

- 8.1 Applications that satisfy the Eligibility Criteria set out in clause 7 will be assessed against the following Assessment Criteria:
  - 8.1.1 Benefit to the community through the development and presentation of the cultural project.
  - 8.1.2 Written in-principle support from the venue manager or owner of the venue, facility or land in which you wish to co-present, including those owned and managed by Council.
  - 8.1.3 Leveraging the funding and support, and growing the sustainability of the organisation
  - 8.1.4 Alignment with the strategies and priorities in the Cultural Strategy 2016-2019
  - 8.1.5 Demonstrated value for money
  - 8.1.6 Demonstrated track record and the ability to deliver.
  - 8.1.7 Satisfactory reporting and acquittal of projects where you have received Council support.

## **9 Assessment of applications**

- 9.1 The Relevant Council Officer will conduct a preliminary assessment against the Eligibility and Assessment Criteria set out in sections 7 and 8 and clarify any items with the applicant.
- 9.2 The Review Panel will be convened to assess Expression of Interest applications and to create a shortlist of organisations invited to submit a full Proposal. The Panel's assessment must be recorded on an evaluation form and retained in Council's records management system. The evaluation form will be signed by all members of the Panel.
- 9.3 The Review Panel will be convened to review the shortlisted Proposals and make recommendations on the organisations to which Council will make an offer of collaboration.
- 9.4 The Review Panel's assessment must be recorded on an evaluation form and retained in Council's records management system. The evaluation form will be signed by all members of the Panel.
- 9.5 Each Review Panel member involved in the assessment and approval of applications under this Section must comply with Council's Code of Conduct, in particular, the provisions covering Conflicts of Interest.

- 9.6 The project must be suitable for Council's involvement, consistent with Council's community values defined in the 2030 Community Strategic Plan and aligned to the Cultural Strategy 2016-2019.
- 9.7 In the event the panel cannot reach agreement, the panel recommendations will be referred to the CEO.

## **Part D – Agreements, deliverables, payments and acquittals**

### **10 Agreement**

- 10.1 Successful applicants and Council must sign an Agreement, with terms and conditions, prior to any monies being released.
- 10.2 Council may terminate the Agreement if the Organisation is deemed insolvent and no further payment or commitments will be made.
- 10.3 Council may terminate the Agreement at any time but will pay for commitments made, subject to milestones being met, to the date of termination.
- 10.4 The Agreement will provide that Council is able to withhold 25% of the final annual payment under the Agreement pending receipt of a satisfactory acquittal report.
- 10.5 The Agreement may include a statement relating to how Council will conduct any regulatory activities with the applicant.
- 10.6 The Agreement will require the applicant to comply with Council's Statement of Business Ethics and Code of Conduct.
- 10.7 The Agreement will specify that applicants are required to obtain all necessary approvals for their activity.
- 10.8 The Agreement will include commitments by both Council and the organisation to ensure the best outcomes for the collaboration.

### **11 Deliverables**

- 11.1 A schedule of deliverables will be tailored with the successful arts or cultural organisation based on their Expression of Interest, full Proposal and supporting documentation. This will be included with the Agreement.

### **12 Payments**

- 12.1 Payments will be made in accordance with the milestones agreed with the applicant and documented in the Agreement.
- 12.2 All payments under the Agreement must be invoiced to Council in accordance with achievement of the milestones documented in the Agreement.
- 12.3 Council will not be liable for any amounts over and above the cash or in-kind amount as set out in the Agreement

### **13 Annual acquittal**

- 13.1 Successful applicants must provide annual acquittal information to Council within the timeframe and relevant to the annual milestones specified in the Agreement in order to provide evidence of compliance with the Agreement.
- 13.2 The information required will be specified in the Agreement and will include:
  - 13.2.1 Financial report of income and expenditure against the agreed budget.

- 13.2.2 A detailed report on the progress and achievements against the project milestones.
- 13.2.3 Reporting on new audience, partnership and income leveraged through the funding.
- 13.2.4 Final audited accounts for the Organisation with a breakdown of the grant funding provided by Council clearly identified.

**Authorisations**

<b>Schedule 1 Authorisations</b>	<b>Position</b>
Determine number of Expression of Interest rounds to be held and maximum amount that can be applied for during any one round.	Director Planning & Regulatory
Execute Agreements to Partner organisations consistent with the Panel's recommendation and in accordance with this policy.	Cultural Director, Cultural Facilities