



13.2 LINDEN NEW ART INC INTERIM FUNDING DEED

EXECUTIVE MEMBER: CAROL JEFFS, GENERAL MANAGER, COMMUNITY AND ECONOMIC DEVELOPMENT

PREPARED BY: SUSAN STRANO, COORDINATOR ARTS

1. PURPOSE

- 1.1 To outline the proposed funding deed for Linden New Art Inc for two years from July 2018 – June 2020.

2. EXECUTIVE SUMMARY

- 2.1 The current funding deed with Linden New Art Inc expires 30 June 2018. This was 'interim' with the expectation that an Arts Strategy would be created, as recommended by the Arts Review 2015. Following the new Council Plan formulation, the Strategy has become broader in its scope and later in its delivery.
- 2.2 A further interim or extended funding deed is required to allow time for direction provided by the Creative and Prosperous City Strategy, once it is adopted by Council.
- 2.5 Key performance indicators will be improved to maximise benefits and outcomes including: increased access to the facility by local arts organisations; increased community access including opportunities for visitation and participation; and increasing funding from other sources.

3. RECOMMENDATION

That Council:

- 3.1 Endorses the funding deed for Linden New Art Inc for two years from July 2018 – June 2020.

4. KEY POINTS/ISSUES

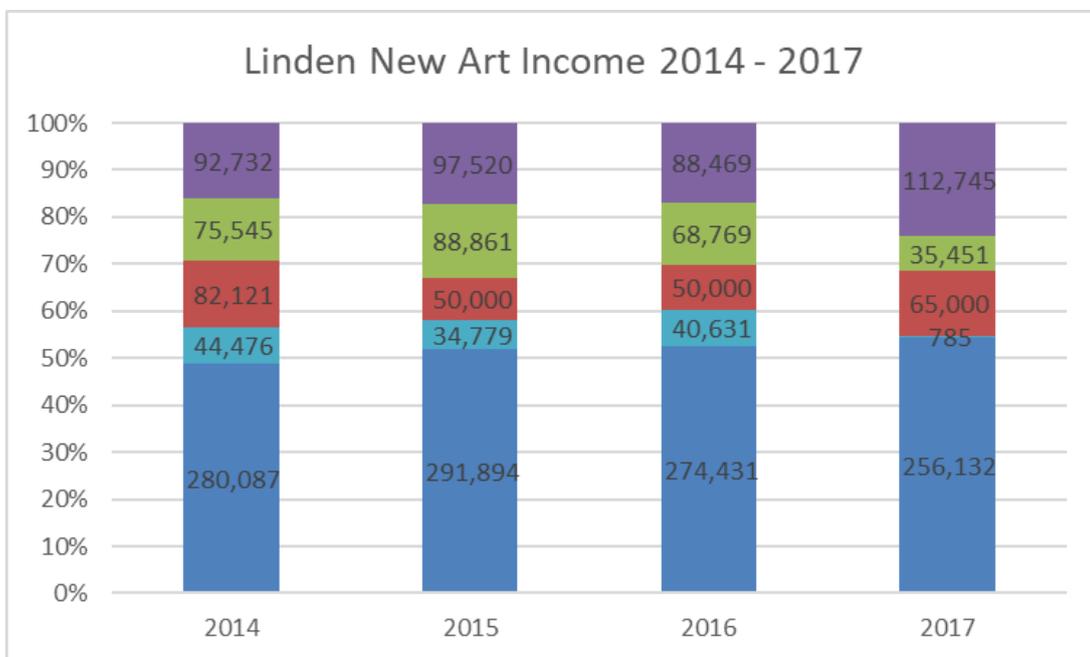
- 4.1 Linden Gallery has been a focal point for arts activity in the City since the City of St Kilda began operating it as a cultural facility in the mid 1980s. Linden Board of Management (now Linden New Art) has been supported with funding deeds that covered operational and program costs since 2000.
- 4.2 In 2000 Linden Centre for Contemporary Art received annual funding of \$90,000pa which has grown to \$295,293 in 2015/16. The funding dropped to \$258,738 (2016 – 2018) due to building works. The organisation underwent a governance and Board change in 2014 and rebranded as Linden New Art.



- 4.3 Linden has attracted an average of 21,000 per year to its exhibitions and programs. In the last four years, the percentage of City of Port Phillip residents visiting Linden has increased from 14% to 58%.
- 4.4 Council invested in a building upgrade (currently nearing completion) to the Linden building at a cost of \$1.8m and necessitating the organisation to find other accommodation for about 16 months. KPIs were adjusted during this time, but some KPIs were still met or exceeded, particularly in community engagement and collaborations and partnerships.
- 4.5 Linden's support for artists has continued throughout 2017, even during a year of program disruptions during the building works. Their contemporary Indigenous exhibition, Border Lines, returned record art sales of \$18,000 to the remote Indigenous communities through the Papulankutja Artists, Tjanpi Desert Weavers and Warakuna Artists. The Linden Postcard Show, held at Domain House, received 1,000 entries and generated over \$43,000 in sales for the artists.
- 4.6 Linden New Art has also been one of 12 organisations nationally to be awarded a fundraising mentor through Creative Partnerships Australia to help guide their income generation in 2018.
- 4.7 Informed by research and consultation gathered through the Arts Review (2015) and the Creative Sector Soundings (June 2017), and aligned with the developing Council Plan, the interim funding deed has been drafted with the following principles:
- 4.7.1 **Access and inclusion.** Cultural facilities will develop in line with DDA compliance, will adhere to Council's access and equity principles and work to overcome barriers to participation;
 - 4.7.2 **Quality, innovation and boldness.** A place for creators, participants and audiences to experience new ideas and different perspectives;
 - 4.7.3 **Community engagement.** Cultural facilities will engage the community, including local residents, artists and visitors through opportunities to attend, participate and create;
 - 4.7.4 **Leverage other sources of funding.** Funding recipients will generate income from other sources with a view to gradual reduction in percentage of Council core funding;
 - 4.7.5 **Provide affordable space for local artists and organisations.** Cultural facilities will provide opportunities, for example: Companies in residence; co-working spaces; maximum terms for studio rental; cheaper rates for local artist / organisation use; collaborations with local arts organisations;
 - 4.7.6 **Alignment with Council strategic directions.** Close working relationships with Council officers to realise potential opportunities and maintain alignment.
- 4.8 Linden New Art has been meeting current key performance indicators, and these will further maximise benefits and outcomes through the interim funding agreement, using the principles above.



- 4.9 The current funding deed expires 30 June 2018. It is proposed than an interim funding deed be awarded to Linden New Art Inc for two years 2018-2020.
- 4.10 Desired outcomes from the interim funding deed include: increased access to the facility by local arts organisations; increased community access including opportunities for visitation and participation; and increasing funding from other sources.
- 4.11 Over the last four years, Council contribution to Linden has averaged 52%. It is expected that rents from studio and other spaces will take time to determine, following completion of the building improvement works. This will be reported on through the report and acquittal process. The amount raised through other sources of funding has averaged 24%.



- 4.12 Linden New Art has presented a positive program for the next two years which addresses the principles and proposes increased programming opportunities afforded by the building works, due for completion July 2018. They have requested to be funded for their core operational and Indigenous program at 2016-17 funding level (\$295,336). They have also requested an additional \$46,000 to expand the programming and staff hours needed as a result of the increased program and exhibition spaces created through the building works. This request will be the subject of a separate submission to the budget.
- 4.13 Proposed key performance indicators are shown in Attachment 1. These have been informed by previous reports, expectations of the improved facilities and negotiations with the Linden New Art Board.
- 4.14 A lease exists over the parcel of land that is Linden Gallery and is aligned with the funding deed, expiring 30 June 2018. A forthcoming lease report for the 2017-18 leases will recommend that the Linden lease coincide with the funding deed proposed in this report.



5. CONSULTATION AND STAKEHOLDERS

5.1 In May/June 2017, five Creative Sector Soundings were conducted across the municipality with members of the creative sector and the broader community. Cultural facilities were discussed from the view point of artists, audiences and the local community. Affordable space for arts and creative industries was a major theme.

5.2 The Board and Management of Linden New Art Inc has been a critical stakeholder in these and future discussions

6. LEGAL AND RISK IMPLICATIONS

6.1 Legal advice suggests the proposed funding deed presents no risk to Section 186 of the *Local Government Act* as long as it is distinguished as funding for an organisation with conditions, as opposed to a contract for services.

7. FINANCIAL IMPACT

7.1 The core funding amount proposed is currently in the operating budget.

7.2 Linden New Art has requested a further \$46,000pa for two years. This will be subject to the budget process.

8. ENVIRONMENTAL IMPACT

8.1 Funding deeds seek environmental targets, encourage sustainable transport options and waste reduction.

9. COMMUNITY IMPACT

9.1 The community, including the creative sector, highly values the City's cultural facilities and expects Council to seek best value in the economic, social and cultural domains.

9.2 In 2016, Linden New Art Inc presented 7 individual exhibitions displaying the work of 472 artists. Linden exhibited 914 new artworks and 54 previously shown artworks. The program attracted 18,953 visitors to exhibitions and approximately 2,000 to workshops and classes. Following the building improvement works ending July 2018, there would be capacity to increase visitation and program offers.

10. ALIGNMENT TO COUNCIL PLAN AND COUNCIL POLICY

10.1 The Council Plan 2017-2027 states, as a priority in the next four years, that it will:

- Invest in our key arts and culture venues, including continuing to fund the operation of Gasworks Arts Park and Linden Gallery; and
- Provide grants, funding and spaces for arts and cultural organisations and service providers to ensure access for everyone to relevant services and programs.

10.2 The proposed funding deed delivers both of these priority actions in a way that seeks to maximise the use of and engagement with our cultural facilities.



10.3 The Creative and Prosperous City Strategy will be implemented in 2018/19..

11. IMPLEMENTATION STRATEGY

11.1 TIMELINE

Once endorsed, the timeline will be:

- June – finalise any adjustments resulting from known costs of seating project and minor adjustments to KPIs;
- Execution of funding deed before 30 June 2018.

11.2 COMMUNICATION

11.2.1 Linden New Art Inc will continue to program and manage the Linden cultural facility for two years.

12. OFFICER DIRECT OR INDIRECT INTEREST

12.1 No officers involved in the preparation of this report have any direct or indirect interest in the matter.

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ATTACHMENTS 1. *Confidential-* Schedule 2 Linden interim funding deed 2018_20