



SPONSORSHIPS POLICY

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1. DEFINITION

Under this policy 'Endorsed Sponsorship' (sponsorship) is to be defined as:

The purchase of the **rights or benefits** including naming rights, delivered through associations with the sponsored organisations name, product, services or activities. The rights or benefits typically relate to the sponsor's reputation management or communication objectives.

Includes **partnership** arrangements, with the exception of arrangements that involve the development or management of infrastructure.

It will NOT include **grants**, which are monies, goods and services or other benefits provided to the recipient for a specified purpose, but with no expectation of attaining rights and benefits.

It does not include **donations** which impose no obligations on the recipient and offer little or no rights or benefits to the provider.

It does not include the sale of advertising space, editorial comment or advertorials.

2. TYPE OF POLICY

This policy applies to sponsorship agreements entered into by Council as the sponsoring entity of an event or project for agreed benefits with the organiser.

3. OBJECTIVE

The purpose of the Sponsorship Policy is to establish the principles for sponsorship of events, of which are entered into between the George Town Council and other parties.

The sponsorships will be assessed on the following criteria:

- risks are assessed and managed as part of the sponsorship approval and reporting process;
- the level of commitment made by Council does not exceed annual budgetary limits;
- protect the reputation of Council;
- the sponsorship agreements align with Council's Annual Plan, budget and financial policies
- sponsorships opportunities that benefit the municipality
- Facilitates commercial activity by generating customer loyalty by the extension of industry standards and commercial sponsorship initiatives under appropriate accountability conditions

Sponsorships will be a contribution of financial and/or "in kind" support that Council will r provides for the purpose of;

- partnering in the provision of community infrastructure
- a service or program

- an event or activity that may contribute to the economic, social, sporting, environmental or cultural development of the municipality.

Sponsorships are undertaken or entered into, in order to help achieve positive economic impacts or community objectives.

4. LINK TO STRATEGIC PLAN

Goal 1 Business and Economic Development - Foster the growth of a diverse business and industry mix to foster population growth

- Develop promotion, marketing and communications tools for George Town
- Marketing Strategy for MBT
- Attract investment to create a diverse mix of business to promote innovation and job creation

Goal 2 Community & Well Being –Support an active, vibrant and culturally diverse community life that enjoys liveable and amenity rich neighbourhoods.

- Develop marketing and promotional approach to events and festivals that showcase George Town’s community
- Provide opportunities for young people to assist with the design and implementation of community events

5. LEGISLATIVE REQUIREMENTS

6. RISK CONSIDERATIONS

Councillors and staff will ensure that all associations/relationships with external organisations that are created through sponsorship arrangements are appropriate and have necessary safeguards to protect Council’s reputation.

“Appropriate Associations” are those made with sponsorship partners whose values, activities, products and purposes are consistent with the values, activities, purposes and goals of the Council.

- Council must ensure that sponsorship arrangements are made with only organisations where the risk of damage to reputation of Council is low.
- Council staff to carry out background checks on potential sponsorship associations to ensure the full range of business activities and business to determine any potential risks.
- Sponsorship agreements (contracts) should specify that the George Town Council sponsorship is not a general endorsement of the organisation, its products or services by Council and should not be promoted as such.
- Council staff to ensure the sponsorship agreement/contract provides Council with a means for terminations of the agreement should the association deem to no longer be appropriate.
- Appropriate authorisation is sort for any sponsorship agreement/contract with financial implications.
- Appropriate authorisation is sort for any sponsorship agreement/contract with naming right implications of event, external assets or initiative.

Council will ensure that sponsorship procedures with any financial risk are managed by:

- Carrying out viability checks to ensure that any potential financial risks have been identified.
- The sponsorship agreement should include procedures to recover or withhold financial benefits where the delivery of the agreed benefits has been deemed inadequate.

7. POLICY

Appropriate Activity

Council should aim to achieve the highest level of confidence in their ability to act in the public's interest by restricting sponsorship to appropriate and responsible activity.

Council needs to be aware that while effective sponsorship arrangements can bring many benefits they can also increase risk to reputation and conflict-of-interest in certain circumstances, particularly if the Council has a regulatory or inspectorial (Environmental Health and Safety/Food Licenses or Place of Assembly/structural permits) role. Therefore:

- Council should specify in their sponsorship arrangements that any activity that is deemed inappropriate could inhibit the Council from sponsoring. ie Tobacco companies.
- Sponsorships should be confined to value-adding and supplementary activities, such as events, capital projects and program support.
- Will not provide sponsorship for purpose unrelated to Council priorities or objectives.
- Will not provide sponsorship to individuals or political parties.
- Will not provide sponsorship to organisations if the funds are to be passed to a third party in the form of a grant or sponsorship.

Canvassing

Sponsorship applicants are strictly forbidden to canvass any Elected Member of the George Town Council. If a determination is made by officers that an applicant has attempted to provide additional information, either directly or indirectly, on any matter in relation to the sponsorship to an Elected Member, the applicant maybe disqualified and the sponsorship excluded from consideration.

Sponsorship Selection Criterion

1. Applicants must demonstrate how they will deliver community benefits or satisfy a need by supporting the project, event or activity;
2. Activities or proposed events will contribute to the strategic outcomes as outlined in George Town Council's Annual Plan;
3. The applicant (s) or proposed project/activity/event must be held within the George Town Council boundaries; or clearly demonstrate direct benefit to the George Town Council communities;
4. Sponsorship must be for a specific event, project or activity with a fixed time frame. Ongoing operational, maintenance or administration costs will not be sponsored;
5. Council will not fund retrospective applications to cover costs already incurred;

6. Incorporated entities should be able to provide a copy of their most recent financial statements that are prepared in accordance with the *Associations Incorporation Act 1964* and the *Associations Incorporation Regulation 2017*; Non incorporated business entities must provide copies of their tax returns, or financial statements including insurances. (Certificates of Currency may be required for the following: Public Liability \$20M; WHS Liability Insurance; Worker Compensation Insurance; Professional indemnity);

7. Applicants must be able to demonstrate financial viability and/or competence to achieve the stated goals of the project or activity;

8. Applicants must not have any George Town Council funded projects or activities that have not been acquitted in accordance with the relevant Policy and Guidelines;

9. Activities and projects will not be funded from multiple Council funding programmes.

Assessment Criteria

The weighting of the assessment criteria is as follows:

Economic 25%

Ability of the proposed project/event to contribute to a measurable economic benefit in the George Town municipal area. The capacity to provide opportunities for local businesses to leverage the event.

Tourism 25%

Ability of the project/event to increase visitation within the municipal area, or if the activity/event is held outside the municipality, it will provide direct tourism/economic benefits to the municipal area.

Marketing 20%

The degree to which the project/event proposes to increase the profile of the George Town municipality in a positive way.

Cultural 10%

Degree to which the project/event assists in the development of an inclusive and strong community and increases participation in municipal life for all.

Inspired 10%

The degree to which the project/event has a point of difference from existing project/events. The degree to which the project activates spaces in the city, particularly during quiet periods/seasonal and unused spaces.

Competency 10%

Demonstrated experience; compliance with and capacity to; manage the project/event and sponsorship requirements. The project must demonstrate financial viability.

Ethical Behaviour & Fair Dealings

The sponsorship activities of the George Town Council will demonstrate high standards of ethical behaviour and fair dealings.

Staff involved in sponsorship management or decision making must maintain high levels of integrity in all official dealings including:

1. disclosure and resolution of conflict of interest
2. refusal of gifts , invitations to events or functions and other favours
3. receiving approaches from organisations that might be interpreted as attempts to gain influence or advantage
4. maintenance of confidentiality, intellectual property, matters under negotiation
5. maintain high standards of accountability

*Reference: George Town Council Councillor Code of Conduct;
George Town Council Employee Code of Conduct*

Financial Limits

Council will negotiate Sponsorship Agreements that present opportunities commensurate with the level of sponsorship and benefits being provided.

The General Manager and the Manager Liveable & Connected Communities are responsible for the administration of this Policy.

Sponsorship applications seeking \$500 or less of funds or in kind goods and services may be awarded by the General Manager in accordance with this Policy's Guidelines.

Sponsorships applications seeking funds or in kind goods or services greater than \$2,000 must be awarded by resolution of Council in accordance with this Policy and its guidelines.

Value for Money

Council will ensure value for money is achieved when undertaking sponsorships.

Value for money should not be interpreted as simply the largest gain for the least amount of financial support providing sponsorship but also involve other factors:

- Strategic Benefits
- Risk of Association
- Capacity to advance Council's priorities, strategic plan and objectives
- Best mix of funding sources
- Direct and indirect cost of servicing the sponsorship
- Opportunities for networking, reaching new audiences and engaging the community
- Value of alternative uses of sponsorship budget
- Raising Council's profile in a positive manner

A register is also required to maintain an accurate record of sponsorships including the term; the financial or in kind contributions; the timing of the project or event; reporting criteria post event/project; survey data; participation.

Appropriate Acknowledgement

When providing sponsorship, Council must ensure that all agreed benefits have been delivered.

Sponsored events or projects must ensure that they provide Council with public acknowledgement for their support. The terms of acknowledgement should be negotiated in advance and documented in a written agreement.

Acknowledgements should:

- Match the value provided and comply with the brand guidelines of George Town Council
- Clear indication that the event is “supported by George Town Council” rather than ownership of specific activities
- Other acknowledgements make take the form of
 - naming rights
 - corporate signage rights
 - in speeches
 - media releases
 - Where appropriate the Mayor or General Manager should be given the opportunity to announce Council’s support or participate in media calls or launches

Sponsorship Management

It is imperative that each sponsorship engagements are accompanied with a prospectus or agreement for signing by all parties. All sponsorships agreements should be documented and clear articulate the terms and conditions of the arrangement, including

- term of the agreement,
- rollover or ongoing sponsorship provisions (first right of refusal),
- procedures for making payment,
- reporting requirements, end of event/project de briefing or reporting
- the consequences for failure to deliver,
- brand management
- advertising material – logos in multiple formats
- sponsor guest tickets and any additional benefits sponsor functions etc.
- Event/project cancellation refund requirements

All sponsorship requests/proposals/prospectuses should have clearly defined:

- objectives
- key performance indicators (KPI) related to the objectives i.e. attendance figures/consumer satisfaction/performance delivery/visitor economy inter and intra state/economic impact
- Evaluation strategy to evaluate KPI delivery- patron surveys
- Final report of KPI delivery

Council must ensure that the sponsored organisations/business deliver all agreed benefits, including branding and media exposure; products, services, any additional opportunities like signage, event participation, and any additional associated benefits.

Authorisation

Council procedures should ensure that sponsorship agreements are appropriately authorised. The value of the sponsorship and the level of risk should be the key determinants of the level of authorisation required, whether it be leadership, General Manager or Councillors.

Payments made in respect of sponsorship should also follow the same criteria.

Reporting

Council is to apply effective management and reporting processes to ensure sponsorships achieve their value and are held accountable for their contracted deliverables.

Sponsorships provided by Council as part of a reputation elevation or to achieve community communications objectives should be reported to the marketing & engagement staff, so they can evaluate the benefits, both paid and in kind, level of exposure and determine a cost to value ratio to determine the success of the communications.

Council when providing sponsorship must ensure proposals are documented in sufficient details to enable a full analysis of the risks, cost and benefits. This includes the specific:

- Nature
- Quantity
- Value of in-kind benefits received
- Full cost inclusive of GST

Council should have sponsorships reported in Council meetings, in quarterly and annual reporting or in any publicly available performance reports.

8. IMPLEMENTATION OF POLICY



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Shane Power
GENERAL MANAGER