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## Sponsorship Policy

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<b>Policy Owner:</b>	Community Development
<b>Contact Person:</b>	Manager Communications and Events
<b>Date of Approval:</b>	29 June 2010, CD09-06/10

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### POLICY OBJECTIVE

The objective of the City of Wanneroo's sponsorship policy is to:

- coordinate and maximise sponsorship of City of Wanneroo events, programs venues and activities ;
- identify appropriate benefits for a sponsor while protecting the City's brand and reputation;
- coordinate and manage risks associated with sponsorship of the City's programs and events.

### POLICY STATEMENT

The City of Wanneroo encourages sponsorship, by appropriate third parties, of City activities, facilities, services, venues and programs, and actively seeks grants, as a means of:

- developing alternative sources of income to facilitate the provision of the City's services;
- forming partnerships with corporate entities;
- increasing the long term sustainability of the City; and,
- supporting the provision of the City's services.

This policy ensures that when seeking sponsorship, the City will:

- coordinate selection of potential sponsors fairly and equitably;
- protect the City's integrity, public image and reputation;
- ensure the City maximises the full potential benefit from sponsorship; and
- ensure transparency in all sponsorship transactions and agreements.

Sponsorship of City activities, facilities, services, venues and programs does not imply endorsement of the Sponsor's products.

### SCOPE

This policy applies to the Mayor, Elected Members, the Chief Executive Officer and City Administrative staff and provides guidance to potential sponsors.

## **BACKGROUND**

Sponsoring a City event, program or activity provides external organisations with the opportunity to gain increased exposure within the City and to potentially wider audiences.

The following are not considered sponsorship and are excluded from consideration:

- donations;
- grants, bequests, endowments, hospitality, gifts and prizes which are given for philanthropic reasons, where financial or material assistance is given without expectation of anything in return;
- grants and/or goods provided through a formally recognised program for a specified purpose with no expectation of commercial return;
- joint ventures, consultancies or partnerships in which organisations share ownership and responsibility for the ultimate outcome or product;
- scholarships; and
- research projects.

The City of Wanneroo will not accept sponsorship from organisations promoting activities:

- that are deemed inappropriate by the City; such as discriminatory, illegal or political activities;
- which do not positively reflect the City's core values and brand;
- which can reasonably be judged as offending or denigrating minority community groups; and
- which promote smoking, gambling and/or excessive drinking

## **CONSULTATION WITH STAKEHOLDERS**

This policy has been developed in consultation with Council and also with officers who have been involved in the administration of sponsorship arrangements at the City of Wanneroo. The Sponsorship policies and practices of other local government authorities have also been reviewed.

## **IMPLICATIONS (Financial, Human Resources)**

This policy has the potential to add new revenue sources for the City's programs and events as well as providing a risk assessment process to reduce any unforeseen problems that might be associated with sponsorship arrangements.

All event and project sponsorships sought for City events, programs or activities will have significant financial commitment from the sponsor to help offset the costs associated with the activity.

There is a requirement to negotiate with potential sponsors, undertake risk assessments and report to council.

## IMPLEMENTATION

- 1) Sponsors will be afforded a level of recognition that fairly reflects their contribution and optimises the benefit they derive from their association with the City. The value of sponsorship opportunities for projects will be determined through the negotiation process, which precedes individual sponsorship arrangements. The solicitation of sponsorships shall be conducted in a manner that enhances access and fairness and that results in the optimal balance of overall benefits to the City, the sponsor and the community.

The following matrix has been developed to help guide these negotiations and provide consistency with regard to assigned benefits. It may be however that through negotiation there may be some variation to what is suggested as a starting point in the matrix below.

<b>Program/ Event budget</b>	<b>Sponsor's contribution</b>	<b>Potential Benefits</b>	<b>Approval required</b>
0 - \$40,000	Up to \$20,000 in-kind contribution and to a maximum of 50% of the program value	Public announcement on the day of the event;  Framed certificate of appreciation;  Logo inclusion on signage, invitations, and programs;  Opportunity to present awards if appropriate.	Director
0 - \$40,000	Up to \$20,000 cash contribution and to a maximum of 50% of the program value	Public announcement on the day of the event;  Framed certificate of appreciation;  Logo inclusion on signage, invitations, and programs;  Opportunity to present awards if appropriate.	Chief Executive Officer
0 - \$1,000,000	\$20,000 or more cash contribution and less than 10% of the program value	Recognition of the sponsor in agreed schedule of City advertising associated with the program;  Logo inclusion on signage, invitations, and programs;  Approval to reference City of Wanneroo sponsored event in the sponsor's own advertising;	Circulated for information and either presented to Council on the request of elected members or approved by the CEO under delegated Authority where

Program/ Event budget	Sponsor's contribution	Potential Benefits	Approval required
		<p>Public announcement(s) on the day of the event;</p> <p>Ability to display promotional information at the event.</p> <p>Opportunity to present awards if appropriate;</p> <p>Framed certificate of appreciation.</p>	no request is received.
0 - \$1,000,000	\$20,000 or more cash contribution and between 10 – 25% of the program value.	<p>Recognition of the sponsor in agreed schedule of City advertising associated with the program;</p> <p>Logo inclusion on signage, invitations, and programs;</p> <p>Advertising opportunities in published programs;</p> <p>Approval to reference City of Wanneroo sponsored event in the sponsor's own advertising.</p> <p>Public announcement(s) on the day of the event;</p> <p>Presentation folder of all advertising, recognition and photos of the event including a framed certificate of appreciation;</p> <p>Opportunity to present awards if appropriate;</p> <p>Ability to display promotional information at the event.</p>	Circulated for information and presented to Council on the request of elected members or approved by the CEO under delegated Authority where no request is received..
0 - \$1,000,000	\$20,000 or more cash contribution and between 25 – 50% of the program	<p>Joint naming rights of the program with the City of Wanneroo;</p> <p>Recognition of the sponsor in an agreed schedule of City advertising associated with the program;</p>	Council

Program/ Event budget	Sponsor's contribution	Potential Benefits	Approval required
	value	<p>Logo inclusion on signage, invitations, and programs;</p> <p>Advertising opportunities in published programs;</p> <p>Mention of the sponsorship in the bi-monthly residential newsletter "What's Happening";</p> <p>Approval to reference City of Wanneroo sponsored event in the sponsor's own advertising.</p> <p>Prominent signage on display throughout the sponsorship period;</p> <p>Ability to display products and promotional information at the event;</p> <p>Opportunity to present awards if appropriate;</p> <p>5 VIP tickets to the event;</p> <p>Public announcement(s) on the day of the event;</p> <p>Presentation folder of all advertising, recognition and photos of the event including a framed certificate of appreciation..</p>	

*Note: in-kind contributions of more than \$3000 will be valued and considered as a cash contribution. EG. a car donated as a prize would be valued and would be considered as if the cash value of the prize was the sponsorship commitment.*

- 2) All sponsorship relationships will be identified and recorded for information purposes.
- 3) Sponsors and Sponsor Products

Any sponsorship that the City accepts or undertakes will be compatible with, and complementary to, the City of Wanneroo's values. This includes:

- a preference for businesses located within the City of Wanneroo;

- no sponsorship from tobacco companies;
- no political organisations; and
- sponsorship from lobby groups to be at the discretion of the Council.

#### 4) Sponsorship Agreements

Agreements for sponsorship accepted and undertaken by the City shall be confirmed in writing and relate to the specific event, program or activity. They may not involve future consideration or influence the day-to-day business of the City and/or Council.

The City must dutifully undertake and abide by conditions of sponsorship agreements entered into. Only the CEO or Council may enter into a sponsorship agreement.

The duration of sponsorship agreements is fixed and will not normally exceed 12 months.

Sponsorship agreements may be terminated by mutual agreement between the City and the Sponsor or where either party has breached the conditions of the agreement. This would include situations where the Sponsor is no longer able to meet the requirements listed in the background to this report and is no longer compatible with the City's brand.

#### 5) Risk Management

Before entering into a sponsorship agreement the City will undertake a written risk assessment based on the following criteria and submitted for the consideration of the Director or Chief Executive Officer according the value of the sponsored amount.

- Does the proposed sponsor have a formal legal entity?
- Is the proposed sponsor involved in any other business/transaction with the City and will the sponsorship proposal be perceived to influence that other transaction?
- Will association with this proposed sponsor damage the City's brand/image?
- Does the proposed sponsor bring a network of potential participants to the City's programs and events?
- Is the proposed sponsor able to demonstrate the capability to meet the obligations of sponsorship?

#### **ROLES AND RESPONSIBILITIES**

- Sponsorship proposals will be developed by the officer responsible for initiating sponsorship negotiations in consultation with the Manager Communications and Events and their staff.
- Sponsorship negotiations will be conducted by the responsible officer and their supervising service unit manager.
- Risk assessments will be undertaken by the officer involved in initiating the sponsorship proposal with the assistance of the City's Chief Operations Officer.
- Directors are responsible for approving in-kind donations below the value of \$3000 and ensuring that reports are prepared for the information and approval of the CEO or council
- The CEO is responsible for reviewing risk assessments and approving proposals or referring them to Council.

- Council is responsible for approving or refusing sponsorship proposals presented to it.
- The City's Grants Officer will maintain a register of sponsorship agreements and approaches made by/to potential sponsors and which will include the agreed contribution, benefits and timeframe for the agreements.
- The City's Grants Officer will also provide advice to officers administering and acquitting sponsorship funds

## **DISPUTE RESOLUTION**

The CEO is responsible for review decisions and resolving conflicts with the day to day management of sponsorship agreements. Council is responsible for the review of any decisions made by the CEO.

## **WHO NEEDS TO KNOW ABOUT THIS POLICY?**

Mayor, Elected Members, CEO, Directors, all staff and potential sponsors.

## **EVALUATION AND REVIEW PROVISIONS**

Evaluation of this policy will be undertaken on an ongoing basis to determine the effectiveness of sponsorships in supporting City programs and events. A formal review will be undertaken within two (2) years to show -

- risks encountered;
- income generated;
- positive and negative impacts;
- Community feedback;
- Council feedback.

## **DEFINITIONS**

**Chief Executive Officer** means the Chief Executive Officer of the City of Wanneroo.

**City** means the City of Wanneroo local government authority.

**Council** means the Council of the City of Wanneroo (the elected body).

**Sponsorship** means a mutually beneficial arrangement, which involves the purchase of the right to associate the sponsor's name, products or services with the sponsored organisation's services, products or activities in return for perceived tangible and or negotiated benefits.

**Lobbyist or Lobby Group** means a person(s), body corporate, unincorporated association, partnership or firm whose business includes being contracted or engaged to represent the interests of a third party to a Government Representative.

## **RELEVANT POLICIES/MANAGEMENT PROCEDURES/DOCUMENTS OR DELEGATIONS**

A Management Procedure to support this policy is being developed.

## REFERENCES

Nil

## RESPONSIBILITY FOR IMPLEMENTATION

Director Community Development

<b>Version</b>	<b>Next Review</b>	<b>Record No:</b>
29 June 2010, Resolution No. CD09-06/10 (Rescinds Grants and Sponsorship Policy adopted 25 August 2009)	June 2012	10/16982