

# **Policy**

# **Events sponsorship**

This policy deals with event sponsorship requests made by external parties to the City of Fremantle. Sponsorship requests may be for cash sponsorship, in-kind sponsorship, or a combination of both.

Reference Number: SG59

**Type**: Operational

Legislation: N/A

Procedure: N/A

**Delegation**: Manager Economic Development and Marketing

#### Context

Each year the City receives a number of unsolicited requests for event sponsorship of some description.

Sponsorship is defined as cash and/or in-kind support that is provided by the City to an external party with an expectation that the City and/or its community receive a benefit from the sponsorship, directly or indirectly (i.e. a return on investment), usually in the form of a marketing benefit. This is distinct from a grant that is provided by the City to an external party for an specific outcome that directly benefits the community and where an acquittal of funds is required.

The nature of event sponsorship requests includes (but is not limited to): marketing support, reduction of fees and charges, subsidised use of venues, and monetary (cash) support. This policy outlines how the City will manage event sponsorship proposals and how consistent and transparent decisions will be made. This scope of this policy does not include provision of grants.

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#### **Policy objectives**

The objectives of the policy are to:

- 1. Assist the City of Fremantle to achieve the vision and goals articulated within its strategic plan and related or supporting documents.
- 2. To ensure that all forms of sponsorship provided by the City of Fremantle provides an adequate return on investment for the Fremantle community and/or the organisation.
- 3. To provide clear guidance in relation to the consistent and transparent management of event sponsorship requests.

#### **Event categories**

This policy includes five categories of support:

# 1. External events (direct economic benefit)

Events organised by professional event management companies that are expected to result in a notable net increase in pedestrian traffic in Fremantle's commercial areas for all or part of the event period. This means that, in most cases, event goers should be able to enter and exit the event freely throughout its duration. Exceptions to this would be events with no 'pass-outs' that finish early in the day (before 5pm) and allow time for event goers to circulate throughout Fremantle.

The increase in pedestrian traffic is expected to be above the usual level for that time of the day, week, month and year, and it is expected that the increased pedestrian traffic will generate an opportunity for Fremantle's population-driven businesses to benefit from increased patronage due to the event. This means that the event should be in walking distance from Fremantle's main commercial areas and near or on pedestrian routes that are commonly used.

Examples in this category include: Araluen Chilli Festival, Winter Festival (ice rink), Fremantle Craft Beer and Food Festival.

# 2. External events (indirect economic benefit)

Events organised by professional event management companies that are expected to support the City's marketing goals for Fremantle, particularly those goals for the medium-term (3-6 years).

These events are expected to strengthen Fremantle's 'brand' for visitors by building a positive association and brand loyalty by keeping Fremantle 'top-of-mind' for target market visitors. While these events may (or may not) draw in a large number of visitors to Fremantle, it is not essential that they result in an immediate and direct economic benefit through increased pedestrian traffic on the day of the event.

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Examples of events in this category include: Blues and Roots Festival, Kiteracing Championships.

## 3. Community or local group events

Events organised by community and local groups to recognise their particular area of interest. These types of events may recognise a cultural or civic in nature, and are typically free to participate in (or may charge a nominal fee to cover expenses).

A community group is defined as any identifiable group of individuals linked with the predominant aim of pursuing a shared interest which may be cultural, artistic, social, political, recreational, educational or charitable, whether incorporated or not; which is freely open to the membership of any person sharing the same interest.

A local group is any group which identifies with the Fremantle community and which draws the majority of its membership from the Fremantle region.

Community and local groups are also recognised as a not-for-profit, and defined as an organisation whose income, assets and surplus funds are used to achieve its objectives and are not distributed to members, owners or shareholders while it is operating and when it ceases to operate.

Examples of events in this category include: Portuguese Procession, Blessing of the Fleet. Maria SS Tindari.

## 4. Industry development

Events that help to develop industries that are of particular interest or relevance to Fremantle's current or future economic development, particularly those that are of a knowledge-intensive nature (e.g. film and television, technology, medical research, architecture). Appropriate industries are those that are currently driving industries for the Fremantle economy or emerging industries that the City aims to develop in the near future and are identified in the City's Economic Development Strategy.

Events in this category may include (but are not limited to): industry seminars or conferences, networking functions, other major industry activities such as presentations from global experts in relevant industries.

Examples of events in this category include: Emergence Creative Festival, Start-up Weekend.

#### 5. Organisational recognition

Events that align with the Council's values and policy positions, and for which the City wishes to have its support officially recognised. These events mainly include (but are not limited to): fundraising or awareness building events by reputable and registered charities.

Examples of events in this category include: Earth Hour, Relay for Life, Santa Fun Run, Australia's biggest morning tea.

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#### Assessment criteria

The City of Fremantle will consider providing sponsorship for events that meet the following criteria for all categories. Events that:

- 1. Contribute positively to the image of the City and are aligned to the City of Fremantle's values.
- 2. Are aligned to the City of Fremantle's strategic intent.
- 3. Demonstrate benefits for the Fremantle community.

The additional criteria apply for each of the five categories of event sponsorship.

## **External events (direct economic benefit)**

Does the event:

- 1. Contribute towards achievement of the City's place marketing goals.
- 2. Significantly increase immediate visitation to Fremantle, excluding directly to and from the event itself.
- 3. Provide local population-driven businesses with an opportunity to attract additional customers.

## **External events (indirect economic benefit)**

Does the event:

- 1. Contribute towards achievement of the City's place marketing goals.
- 2. Have a significant brand or the potential to develop a significant brand.
- 3. Create a clear and positive association with Fremantle.

#### Community or local group events

Does the event:

- 1. Showcase the diversity of people and lifestyles in Fremantle.
- 2. Strengthen ties within the community and between the community and the City of Fremantle.
- 3. Enhance social well being and contribute positively to the image of Fremantle as a cohesive and inclusive community.

#### **Industry development**

Does the event:

- 1. Help to develop a knowledge-intensive industry within Fremantle.
- 2. Contribute to the positioning of Fremantle as a city of innovation, knowledge and creativity.
- 3. Create opportunities that develop the capacity, networks, collaboration opportunities, knowledge and skills of local businesses and key industries.

#### **Organisational recognition**

Does the event:

- 1. Enhance the organisational profile of the City of Fremantle.
- 2. Help to maintain or build a major civic or strategic partnership for the City of Fremantle.
- 3. Generate goodwill with the major stakeholders of Fremantle.

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# Ineligibility

Support will <u>not</u> be provided for:

- To support activities of individuals.
- Political parties.
- Activities that create an environmental hazard.
- Activities outside the geographical boundaries of the local government authority.
- Activities that would involve the City in controversial issues or expose the City to adverse criticism.
- Activities that defame, exclude or offend other community groups or individuals.
- Proposals from applicants that are current City of Fremantle staff, apart from when they represent a member organisation.
- Projects where Council funding equates to more than 50% of the total project cost.
- Events that have received grants under the annual community funding programme.

# **Assessment process**

This policy does not prescribe whether sponsorship will be provided in competitive rounds, through the annual budget process, or on a first-come basis. Any combination of options is considered an acceptable implementation.

All sponsorship proposals received by the City are to be assessed by a panel of at least two relevant Council officers. The assessment panel will make a recommendation to the delegated officer or Council (if required) for a decision.

#### **Sponsorship support**

The nature of event sponsorship requests includes (but is not limited to): marketing support, reduction of fees and charges, subsidised use of venues, and monetary support.

Event sponsorship from the City can be broadly divided into two categories:

- In-kind sponsorship: includes marketing support, logistical advice, use of equipment, reduction of fees, and charges related to use of City venues.
- Monetary support: includes a cash payment to support delivery of the event.

Event sponsorship may be provided using in-kind sponsorship, monetary support (subject to budget), or a combination of the two based on the matrix below.

	Level of sponsorship		
Events category	Low	Medium	Major
External events (direct economic benefit)	Up to \$5,000	\$5,001 - \$20,000	\$20,001 +
External events (indirect economic benefit)	Up to \$5,000	\$5,001 - \$20,000	\$20,001 +
Community or local group events	Up to \$2,000	\$2,001 - \$6,000	\$6,001 +
Industry development	Up to \$2,000	\$2,001 - \$10,000	\$10,001 +
Organisational recognition	Up to \$2,000	\$2,001 - \$6,000	\$6,001 +

For sponsorship requests that include use of a City of Fremantle bookable venue, the attached 'Guidelines for bookable venues' document will be considered.

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# Approval process / delegated authority

Low and medium level of sponsorships are considered to be quick response sponsorships that can be approved under delegated authority by one of the following officers:

- Chief Executive Officer
- Director Community Development
- Manager Economic Development and Marketing.

The following event sponsorship proposals will be taken to Council for consideration on each occasion:

- Major sponsorships (as per the table above).
- Any event that is primarily focused on political issues or lobbying of government.
- Any event that requires exclusive use of any beach or a major reserve (reserves not considered to be major include Princess May Park and Pioneer Park).

#### **Expected benefits for Council**

Separate from the community or economic benefits of events, Council can expect to receive the following benefits from events that it sponsors:

- Appropriate recognition as a sponsor of the event such as the City of Fremantle logo on event material.
- Recognition in any official speeches associated with the event.
- Complimentary VIP tickets to the event.
- Free tickets to the event for distribution to members of the Fremantle community by elected members and senior management group.

Responsible directorate: City Management

**Reviewing officer**: Manager Economic Development and Marketing

**Decision making authority:** As above

Policy adopted: 27 August 2014

Policy amended:

Next review date: 2018

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