

# MAJOR EVENTS SPONSORSHIP SCHEME POLICY

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## 1. OBJECTIVE

The City of Karratha seeks to support and encourage an active and engaged community through the sponsorship of events and other sporting and/or cultural activities in an equitable and accountable way. The benefits sought from these sponsorships include increased community capacity, economic impact, profile raising and tourism development.

### 1.1 Introduction

In recognition of the important role that businesses, not-for-profits, community, sporting groups and organisations play in developing vibrant communities, Council is committed to encouraging creative partnerships that may include monetary, non-monetary, and other forms of support for its sporting and cultural events.

City of Karratha Officers will evaluate each opportunity in line with this policy to determine whether it meets the City of Karratha's criteria for sponsorship according to seven qualitative criteria; strategic fit, value for money, audience development/values of excellence & diversity, genre, venue suitability, production capability and timing [and two quantitative criteria; economic impact and media impact.](#)

## 2. FUNDING PROCESS

Council will allocate funds for the Major Events Sponsorship Scheme as part of the City of Karratha's annual budget process.

### 2.1 Receiving Applications

Applications will be accepted all year, however as there is a finite amount of funding available, applicants are encouraged to submit their applications at the beginning of the financial year (June/July) to ensure they are considered while funding is still available. [Council reserves the right to endorse sponsorships of existing events based on their final report submitted for fund acquittal and final event evaluation.](#)

Once received, applications will be assessed against an evaluation criteria and a recommendation made at the next Ordinary Council Meeting for endorsement by Council.

Once endorsed (or not), applicants will receive a Letter of Notification via post and email and a sponsorship contract forwarded for execution soon after.

### 2.2 Evaluation

Sponsorship proposals [and final event performance](#) will be evaluated against a set of seven criteria as well as an assessment of the return benefits to the Council in relation to economic impact, media impact and tourism activity.

#### STRATEGIC FIT

Does the event help us to achieve our vision and is reflective of our values? What is the Council's role in the event – inspire & mobilise, facilitate & promote or actively engage? Does the event drive economic impact and profiling opportunity for the Council?

#### VALUE FOR MONEY

Has the event been appropriately costed? Consideration to fees, marketing flights/accommodation for performers, production/technical requirements and staffing costs. Consideration also given to the percentage of the overall budget vs ticket revenue which can be generated. Does it represent value for money?

#### AUDIENCE DEVELOPMENT/VALUES OF EXCELLENCE & DIVERSITY

Does this event provide opportunities for long term, consistent programming with community interest in mind? Does the event provide an opportunity for community engagement, to build relationships with particular community segments not previously engaged? Are the values of excellence & diversity demonstrated through the presentation of this event?

#### GENRE

Will the event genre appeal to our audience? Does the genre provide a point of ~~different~~ difference to events already held within the Council?

#### VENUE SUITABILITY

Is there a venue or space within the Council that will allow the event to be presented? Is there an impact on local user groups, maintenance of the facility/venue etc?

#### PRODUCTION CAPABILITY

Are there local suppliers who can deliver the level of technical and production support to stage the show? Will event management ~~will~~ be sourced from within or outside the Council?

#### TIMING

Does the proposed timing fit within the overall event schedule of the Council? What other events are on at that time? Is it a suitable time of year?

### 2.3 Return Benefits to the City of Karratha

Applicants will be required to outline return benefits to the City of Karratha in respect to two areas of strategic focus:

#### ECONOMIC IMPACT

The estimated economic impact for an event incorporates the anticipated number of interstate and international participants, spectators, support teams and others, the length of their stay and their estimated daily expenditure. Additionally the total value of expenditure with local business should be identified. Where an event is being held for the first time, a credible estimate of its potential economic impact will be gauged through discussions with the applicant.

This will be evaluated by the return on investment. The return on investment is calculated by total value of indirect and direct economic impact of the event divided by Council investment. The daily spend used to calculate economic impact will be the annual figure determined by Tourism Council WA. If an event scores below a six Council may recommend a reduced sponsorship. Where the event scores above a ten then an increased sponsorship value may be considered.

7

<u>Score</u>	<u>Return on Investment</u>
<u>0</u>	<u>0</u>
<u>1</u>	<u>0.40</u>
<u>2</u>	<u>0.80</u>
<u>3</u>	<u>1.20</u>
<u>4</u>	<u>1.60</u>
<u>5</u>	<u>2.00</u>
<u>6</u>	<u>2.40</u>
<u>7</u>	<u>2.80</u>
<u>8</u>	<u>3.20</u>
<u>9</u>	<u>3.60</u>
<u>10</u>	<u>4.00+</u>

#### MEDIA IMPACT/EXPOSURE

The media plays a significant role in creating awareness of the Pilbara as a place to live, work and play. Events that can promote the Pilbara and specifically the City of Karratha as an attractive destination

using imagery and footage of the area in a unique context as well creating new content about the region that can be used within media and marketing campaigns conducted by the Council will be favoured.

Furthermore the applicant will be required to acknowledge the City of Karratha's support through a range of branding and leverage opportunities to be detailed within contracting documents inclusive of, but not limited to:

- Opportunity to speak to participants/audience of event
- Signage displayed at event
- Logo inclusion in all marketing collateral associated with event
- Complimentary tickets to attend or participate in the event
- Access to imagery and content generated by the event to be used by the Council for it's own marketing purposes

The City will also allocate an amount of the budget to allow the City to achieve the media profiling objective of the scheme. A sponsorship leveraging plan will be developed as part of each events sponsorship contracting documents and may include:

- Post event media evaluation
- Economic evaluation data collection
- Purchasing of City of Karratha merchandise for event exposure
- Marketing tools such as videography, scheme promotion and advertising
- Travelling journalists and media personal

Financial allocation for individual leveraging plans will be made against the annual budget allocation - Major Event Sponsorship Scheme.

The media impact at the time of evaluation will be evaluated by the media return on investment. This is calculated by event media and marketing spend divided by sponsorship.

<u>Score</u>	<u>Return on Investment</u>
<u>0</u>	<u>0</u>
<u>1</u>	<u>0.20</u>
<u>2</u>	<u>0.40</u>
<u>3</u>	<u>0.60</u>
<u>4</u>	<u>0.80</u>
<u>5</u>	<u>1.00</u>
<u>6</u>	<u>1.20</u>
<u>7</u>	<u>1.40</u>
<u>8</u>	<u>1.60</u>
<u>9</u>	<u>1.80</u>
<u>10</u>	<u>2.00 +</u>

Post event the formal media monitoring report will present a dollar value to both marketing and editorial received by the event.

## **2.4 Allocation of funds**

Funding requests must not exceed 40% of the total event costs. A lower amount than what is requested may be offered. Applicants can apply for one, two or three year funding, however applicants requesting multi-year funding must provide a detailed budget and proposal for each year of the term. Multi-year agreements will provide the opportunity for the Council to exit the agreement at the end of any year of the term.

Applicants must not be current recipients of funding from any other City of Karratha funding rounds for the same event/project proposed.

On confirmation of a successful application, a sponsorship agreement will be prepared by the City of Karratha for the purpose of detailing the obligations of both parties. Both parties are required to sign the contract and funding will be distributed according to the contract conditions. Funds will not be available until contract is signed (funds must be accessed within six months of the dated Letter of Acceptance as per below), milestone payments set out in the contract are met, conditions adhered to and a relevant tax invoice is received.

### 3. GENERAL CONDITIONS

#### 3.1 Eligibility

The City of Karratha will accept applications from any entities for the consideration by Council.

The City of Karratha will endeavour to provide support to projects, activities and events that are consistent with the values and strategies contained within the Council's Events & Festivals Business Plan.

Specifically:

1. The proposal must support the values and strategic direction of the City of Karratha's major events sponsorship scheme.
2. The applicant organisation must demonstrate:
  - a) Their capacity to manage financial and funding accountabilities of the project, as well as their overall project management capabilities; and
  - b) That the project is inclusive and encourages local community participation and/or attendance.
3. The event/project must be staged within 12 months of the application being submitted.
4. The event/project must be staged within the City of Karratha
5. All applications must include at a minimum a proposal addressing all aspects of the Application Form. Additional materials are welcome to be provided to support applications.

#### 3.2 Unspent Funds

Funds that are not accessed within ~~six~~ twelve months of the dated Letter of Acceptance will be automatically forfeited. The date the sponsorship contract is executed does not constitute the commencement of the partnership.

Funds that are not paid to the recipient due to non-compliance with contractual obligations within three months of the conclusion of the event/project will be retained by Council for reallocation to another sponsorship and will not be accessible again by the recipient. Once evaluation of the event/project has been conducted, Council reserves the right to retain funds allocated to the events/project, that when evaluated, where it is considered unsatisfactory and non-compliant with the original application.

#### 3.3 GST

Where groups and individuals have an ABN (Australian Business Number) and are registered, GST will be applicable and will be paid. Unregistered groups and individuals will need to complete an Australian Taxation Council declaration form prior to receiving payment of sponsorship funds.

### 4. CONSEQUENCES

This policy represents the formal policy and expected standards of the City of Karratha. Appropriate approvals need to be obtained prior to any deviation from the policy. Elected members and employees are reminded of their obligations under the council's code of conduct to give full effect to the lawful policies, decisions and practices of the City.

### 5. REFERENCES TO RELATED DOCUMENTS

- Major Events Sponsorship Scheme Application Form

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*This Policy takes effect from the date of adoption by Council and shall remain valid until it is amended or deleted.*