



Mildura Rural City Council

Mildura Sporting Precinct Sponsorship Policy

Policy – CP074

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MSP Precinct Manager	Leisure and Cultural Services	Council	September 2021	2021/0211
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1. The purpose of this policy is

To ensure there is an equitable and transparent framework for the process Mildura Rural City Council must follow when seeking to obtain sponsorship for the Mildura Sporting Precinct.

2. Policy Statement

This policy establishes the parameters for obtaining sponsorship to maximize revenue opportunities for Council across the range of physical and digital assets located at the Mildura Sporting Precinct (MSP).

Coordination of expressions of interest in sponsorship, logos, branding, print advertising and digital marketing is to be conducted in conjunction with Council's Marketing and Communications unit.

3. Principles

The overarching principles of this policy are:

- To ensure any sponsorship is consistent with Council's objectives, strategic direction and core values.
- To provide promotional opportunities for the Mildura Sporting Precinct externally.
- To ensure that opportunities for sponsorship are open to all members of the public and that the process for obtaining sponsorship is fair, open and transparent.

4. Implementation

The Mildura Sporting Precinct - Precinct Manager is responsible for the implementation of this Policy.

5. Definitions

Direct Sponsorship	The purchase of rights and benefits, including naming rights, delivered through association with the sponsored organisations name, products, services or activities.
In-Kind Sponsorship	A type of sponsorship where the sponsor agrees to provide goods or services instead of cash as part of a sponsorship agreement.
Sponsor	A person or organisation that engages with Council in a commercial agreement for the provision of cash or an in-kind contribution for certain specified benefits.
Sponsorship Assets	The activity (e.g. event, program or service) or physical location for which, or upon which, sponsorship is being sought.

6. Sponsorship Assets

The general types of Sponsorship Assets that Council may consider as suitable for either Direct Sponsorship or In-Kind Sponsorship includes but is not limited to:

- Naming rights to the MSP Indoor Stadium
- Naming rights to the MSP Outdoor Ovals
- Naming rights to individual facilities such as the outdoor pavilion
- Public and ticketed events
- Awards
- Publications
- Exhibitions
- Programs
- Conferences or Business Forums
- Digital Advertising
- Apparel Advertising
- Oval/playing surface.

7. Sponsorship Criteria

Any proposal for Direct Sponsorship or In-Kind Sponsorship must:

- Provide direct benefit to Council.
- Enhance the reputation of Council and the Mildura Sporting Precinct.
- Strengthen and support brand awareness that is mutually beneficial for both Council and the sponsor.
- Contribute towards enhancing participation and attendance at the Mildura Sporting Precinct and in any associated programs or activities.
- Create opportunities for Council to build relationships with community organisations and leaders.
- Provide commercial opportunities such as the supply of goods and services for specific Council purposes.
- Align with the objectives of Council in respect its commitment to implementing the Healthy Choices Policy Guidelines for sport and recreational centres.

8. Sponsorship Thresholds and Authority

High Level Sponsorship	Naming rights of MSP Facilities; and/or Sponsorship proposals to a value exceeding \$20,000* per annum.
Medium Level Sponsorship	Sponsorship proposals to a value exceeding \$1,000* but not greater than \$19,999* per annum.
Low Level Sponsorship	Sponsorship proposals to a value not greater than \$999*.

Note: All amounts exclusive of GST.

Sponsorship proposals for High Level Sponsorship and Medium Level Sponsorship first require consideration from a sponsorship assessment panel (SAP).

The SAP will determine the suitability of the sponsorship proposal against the criteria set out in this policy. Once assessed, the SAP must provide a recommendation of the preferred sponsorship proposal in accordance with the below levels of authority:

- High Level Sponsorship must be approved by Councilors at a duly convened Council meeting following a recommendation by the SAP.
- Medium Level Sponsorship may be approved by the General Manager Community following a recommendation by the SAP.
- Low Level Sponsorship may be approved by the Mildura Sporting Precinct without the need for a recommendation by the SAP.

In determining the fair and reasonable market value of the Sponsorship Assets, Council must undertake reasonable due diligence in determining market value with clear regard to Precinct attendances, opportunities for exposure, the real cost of servicing the sponsorship and any GST implications.

Council may, if necessary, undertake this due diligence with the assistance of an external third-party service provider who holds expertise in the field of valuing commercial partnerships.

9. Attracting Sponsorship

In order to ensure there is a fair and equitable process for the local business community and other interested parties to consider sponsorship of the Sponsorship Assets, Council will promote sponsorship opportunities via a two-stage process:

- Expression of Interest advertisement (EOI)
- Direct Contact

EOI Process

Council will place an annual expression of interest advertisement with local media outlets on all forms of known available sponsorship opportunities at the Mildura Sporting Precinct. This is to be known as the annual EOI process.

The EOI process will be open for sponsors to provide online submissions and to ask questions of sponsorship opportunities for a period of no less than 21 days. This will be known as the EOI advertising period.

Council will establish a SAP made up of three Council employees, two from the same branch and one from an independent branch, to assess expressions of interest in sponsorship of the Sponsorship Assets against the criteria set out in this policy with pre-determined weighting out of a total of 100%.

The criteria and attributed weighting for each will be made publicly available on the Mildura Sporting Precinct or Council website during the EOI advertising period.

The annual EOI process will exclude sponsorship that remains under contract with an existing sponsor and will only detail current available sponsorship opportunities.

A new sponsorship opportunity is any opportunity that has arisen in an ad-hoc nature and that wasn't reasonable foreseeable by Council as part of its annual EOI process.

Only new High Level Sponsorship must go through an EOI advertising period. Any new Medium Level or Low Level Sponsorship that was not included as part of the annual EOI process may go through either an EOI advertising period or by Direct Contact at the discretion of the Mildura Sporting Precinct - Precinct Manager.

The Executive Leadership Team have the discretion to waive the requirement for a new High Level Sponsorship to be advertised through the EOI process if they can be satisfied that the EOI process is unnecessary.

Direct Contact

Council may wish to initiate direct contact with a potential sponsor or via third parties that represent a potential sponsor such as advertising, media, public relations or event agencies.

Council may only initiate direct contact on the following terms:

- Where the annual EOI process has failed to attract a sponsorship proposal for an available sponsorship opportunity; or
- For any new Medium Level Sponsorship Opportunity; or
- For any new Low Level Sponsorship Opportunity.

10. Contracting Sponsors

All levels and kinds of sponsorship must be formalised through a legally binding agreement in accordance with Council's procedures and delegations.

A sponsorship agreement must not impose or imply conditions that would limit, or appear to limit, Council's ability to carry out its functions fully or impartially.

Council may limit the number of sponsors from a particular industry or business type to avoid conflict, whether perceived or actual, between sponsors and to ensure maximum positive exposure is provided to all sponsor parties.

Council must not undertake that any sponsor may have exclusivity over an industry or business type to avoid limiting the sponsorship revenue and advertising opportunities of user groups. Council may only undertake for exclusivity of Council's own sponsorship portfolio at Council's discretion.

11. Terms of Sponsorship

Terms of sponsorship may vary between one and three years in duration from the commencement date, or for the duration of certain specified events where necessary.

Any sponsorship agreement proposing to extend beyond three years in duration must first seek the approval of the General Manager Community.

12. Managing Sponsorship

Following the approval of a sponsorship proposal, the successful sponsor must enter into a sponsorship management plan with the Mildura Sporting Precinct – Precinct Manager which sets out the obligations and reporting structure for each party during the term of the sponsorship agreement.

Where the sponsorship provides for signage to be erected and displayed in accordance with the Mildura Sporting Precinct Sponsorship Signage and Display Guidelines, Council will permit the sponsor to erect the necessary relevant signage on Council land pursuant to the relevant Local Law, the Land Managers Consent process and any relevant building permit requirements.

Any approved sponsorship that requires signage that does not fall within the Mildura Sporting Precinct Sponsorship Signage and Display Guidelines must be approved by the General Manager Community.

13. Transparency and Conflicts of Interest

Council will maintain a register of sponsorships which will outline the obligations of all parties in respect of fulfilling those agreements where not monetary.

Council employees making up the SAP's must first advise of any conflict of interest that may arise prior to assessing sponsorship proposals. This is to be done by completing and signing a Council conflict of interest form.

Where an employee has a direct or perceived conflict of interest in a sponsorship proposal, then that Council employee must make their conflict known and remove themselves from the SAP.

Sponsorship information will be provided to potential sponsors about the Council's expectations, objectives, ethical requirements, sponsor benefits, sponsorship procedures and the criteria against which a proposal will be assessed as part of either the EOI process or via direct contact.

14. Prohibited Sponsorship

Council must not enter into sponsorship arrangements with a potential sponsor whose interests, objectives and/or mission are in actual conflict with those of the Council.

Council should avoid entering into sponsorship agreements with potential sponsors who, as part of their enterprise or activities, are considered to:

- Promote gambling or entice the community into financial over commitment.
- Market, promote or advertise products or services that are misleading or that are deceitful in nature.
- Promote unhealthy or harmful foods and beverages including alcohol. This includes food and beverages that are high in sugar, high in fat and/or high in salt content.
- Produce, promote or distribute products or services likely to be harmful to the community.
- Discriminate by way of race, religion or sex in employment, marketing or advertising practices.
- Exploit people through the payment of below award wages or poor working conditions.
- Contribute to the inhibition of human rights generally.

- Contravene the Healthy Choice Policy Guidelines for sport and recreational centres.

15. Legislation and other references

15.1 Legislation

For further information related to this policy see:

- *Local Government Act 1989*
- *Public Health and Wellbeing Act 2008*

15.2 Documents

This Policy is implemented in conjunction with the following documents:

- Mildura Sporting Precinct Signage Policy.
- Mildura Sporting Precinct Sponsorship and Signage Guidelines.
- Healthy Choice Policy Guidelines for sport and recreational centres.

15.3 Risk Assessment Reference

Risk Category	✓	Risk Category	✓
Asset Management	✓	Financial Sustainability	✓
Committees		Human Resource Management	
Compliance – Legal & Regulatory	✓	Leadership & Organisational Culture	
Contract Management	✓	Occupational Health & Safety	
Contract Tendering & Procurement	✓	Organisational Risk Management	
Corporate Governance	✓	Project Management	
Environmental Sustainability		Public Image and Reputation	✓