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Policy

Sponsorship Policy

Communications and Stakeholder Engagement

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Policy

1. Statement of intent

The Victorian Building Authority (VBA) is committed to ensuring its sponsorship agreement process is transparent, ethical and accountable.

Regardless of cost any VBA sponsorship , must offer value for money and align with our core business functions and business plan. Approved sponsorships must follow the evaluation process as detailed in this policy.

The VBA sponsorship policy follows the direction outlined in the Victorian Government sponsorship policy and guidelines, which can be found at www.vic.gov.au/sponsorship.

2. Policy objectives

- Compliance with ethics and probity requirements.
- Aligns sponsorship with VBA's core business and ensures it reflects the brand positively.
- Ensures a centralised system of managing sponsorship requests is followed.
- Ensures VBA staff, board members and external stakeholders understand the sponsorship position and can respond to queries accordingly.
- Ensure any approved sponsorship benefits VBA through appropriate and positive association.
- Approved sponsorship is within budget and provides value for money.

3. Sponsorship approval process

To ensure the best possible brand exposure for VBA, all sponsorship enquiries should be dealt with through a process that starts with the Communications Division as the central point of contact.

The Communications Division will evaluate all sponsorship opportunities and respond in line with the policy and proposals templates (See Appendix 1).

If a sponsorship request does not align with VBA's core business, it will be rejected (see Appendix 2).

If a sponsorship request aligns with the VBA's core business and:

- a) is valued at less than \$10,000, it will be approved by the Director of Communications and Stakeholder Engagement.
- b) is over \$10,000, it will be forwarded to the Chief Executive Officer for review and approval.

VBA staff should contact the Communications Division about possible sponsorship activities early and regularly so that a strategic and planned approach can be taken.

4. Criteria and scope

4.1 Criteria

Sponsorship is an agreement with an external party which grants the permission to associate VBA's name and brand with another organisation's event, service or product, in return for agreed benefits, including the ability to advance specific communication objectives.

Sponsorship may take the form of in-kind support, which includes, for example, providing goods and services, or the use of a venue (among others) to support or promote an initiative, service or program.

As part of the agreement, VBA's brand must be recognised on any event, service or product collateral. VBA's brand must be approved by the Communications Division and align with VBA guidelines before publication.

VBA seeks to enter strategic partnerships that will deliver one or more of the following key objectives:

- build awareness of our organisation and our role as the industry regulator
- communicate key messages relating to building, plumbing and architecture
- support building and plumbing practitioners' efforts to comply with requirements under the *Building Act 1993*, *Building Regulations 2018*, *Plumbing Regulations 2018* and all applicable standards.

4.2 In scope

Building and plumbing industry and consumer events or programs that relate to VBA's regulatory or enforcement matters must be the focus of any sponsorship agreement. Examples include:

- apprenticeship events
- Victorian Government initiated schemes and projects
- speaking opportunities at industry events (for example, an address to key stakeholders at an industry event)
- industry conferences.

4.3 Not in scope

The VBA does not accept sponsorship requests from organisations that do not relate to the VBA's core business.

Sponsorship does **not** include:

- grants (money, goods or other benefits) provided to the recipient for a specified purpose with no expectation of attaining rights and benefits – for example, research grants provided under the VBA research program;
- endorsements, bequests, donations, philanthropic gestures and gifts to the people and State of Victoria; and
- the purchase or sale of advertising space, editorial comment or advertorials. This is managed through the whole of Victorian Government State Purchase Contract.

5. VBA's key principles

5.1 Appropriate benefits of sponsorship

Sponsorship should deliver an agreed set of benefits to both parties. These may include:

- the ability to communicate VBA initiatives to target audiences;
- enhancing effectiveness and promoting specific programs;
- assisting with the development and strengthening of relationships with Victorian and Federal partners;
- the opportunity for the government's support to be appropriately acknowledged (acknowledgement should be commensurate with the value of support provided); and
- enhancing the reputation of both parties through appropriate and positive association.

5.2 Effective management of sponsorships

When providing sponsorship, the VBA must develop agreements and implementation plans to ensure that all agreed benefits are delivered.

All sponsorship agreements should have:

- clearly defined objectives and deliverables
- key performance indicators (KPIs) related to the objectives; and
- an evaluation strategy that measures the achievement of KPIs.

All sponsorship agreements should be documented and clearly articulate:

- the terms and conditions of the arrangement, including the procedures for making payments;
- the reporting requirements of benefit recipient; and
- the consequences for the other party to the sponsorship arrangement in the event of non-delivery of benefits.

VBA will ensure that the sponsored organisation delivers all agreed benefits including products, services, opportunities, branding or any other benefit specified in the agreement.

Sponsorship arrangements, particularly those relating to naming rights, must have explicit end dates.

5.3 Achieving value for money

It is important that any sponsorship agreement provides value for money, as evaluated by a pre-sponsorship template (see Appendix 1).

'Value for money' should not be interpreted as simply the highest price when **seeking** sponsorship, or the lowest price when **providing** sponsorship, but should also involve consideration of other factors including:

- strategic benefits and risks of the association;
- value of opportunities for networking or reaching new audiences;
- value of alternative uses of the sponsorship budget;

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- ensuring sponsorship benefits are commensurate with the level and/or value of sponsorship or financial support provided;
- ensuring sponsorship offers the opportunity to advance VBA priorities/corporate goals and objectives;
- would similar promotion and audience reach be achieved through direct advertising or does sponsorship represent a cost efficiency or improved effectiveness; and
- identification of the direct and indirect costs of servicing and managing the sponsorship (for example, staffing and collateral needed for a trade event).

The VBA Communications Division maintains a register of all sponsorships (received or provided), which is published on the VBA website (see below)

All sponsorships (received or provided) are evaluated when concluded, and their outcomes documented and reported.

5.4 Alignment with VBA priorities

Sponsorship activities should support the achievement of VBA goals and objectives and, where possible, be aligned with key themes and priorities.

Proposals to provide or seek sponsorship must demonstrate how the sponsorship meets one or more of the following criteria:

- contributes to advancement of VBA priorities;
- supports VBA goals and objectives;
- increases effectiveness of the VBA's strategic programs;
- communicates key messages to target audiences; and
- engages or builds relationships with key stakeholders.

5.5 Probity and transparency

As with any financial agreement or partnership, an appropriate background and probity check must be undertaken to ensure that:

- the potential sponsorship partner is appropriate for government and would not reasonably be seen to compromise the public interest or affect the VBA's ability to perform its duties impartially;
- the sponsorship is confined to value-adding and supplementary activities such as events and program support, rather than for delivery or replacement of core government services;
- the VBA does not provide sponsorship to individuals or political parties;
- the VBA upholds the highest levels of transparency, ensuring that all sponsorship is in the public interest and promotes government activities and values; and
- the sponsorship partner does not expose the VBA or government to financial or reputational risk.

Sponsorship agreements and contracts should always be prepared with appropriate legal advice from the VBA's Legal Services team.

The VBA should not provide sponsorship to organisations, if the sponsorship fee will be passed on to a third party in the form of a sponsorship or grant.

Sponsorship procedures should be transparent, provide potential sponsors with a genuine opportunity to do business with the VBA and, where possible, ensure competition among sponsors to provide 'value for money' offers.

5.6 Ethical behaviour and fairness

The sponsorship activities of VBA will demonstrate high standards of ethical behaviour and fairness.

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

- disclosure and resolution of conflicts of interest;
- refusal of gifts, invitations to events and functions, or other favours;
- disclosure and/or refusal of approaches from organisations that might be interpreted as attempts to obtain influence or advantage;
- maintenance of confidentiality in respect to commercial-in-confidence, intellectual property issues, matters under negotiation and any other confidential information; and
- maintenance of high standards of accountability.

The [Codes of Conduct for the Victorian Public Sector](#) and any other directions issued by the [Victorian Public Sector Commission](#) or agency management should be considered in respect to these matters. Breaches of ethical standards can lead to disciplinary action or dismissal.

In line with Victorian Government sponsorship guidelines, VBA will ensure sponsorship arrangements do not include or allow the provision of private benefits, either to the parties to the arrangements or to third parties, except as permitted by the Code of Conduct or other Victorian Public-Sector Commission directions.

The independence of VBA's purchasing and sponsorship activities must be maintained by ensuring decisions are not made by a person where an actual or perceived conflict of interest exists.

6. Risk management

6.1 Appropriate association

VBA will ensure that all associations with external organisations created through sponsorship arrangements are appropriate, and that necessary safeguards are taken to protect VBA'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 VBA:

- the VBA must ensure that sponsorship arrangements are entered only with organisations where the risk of damage to the reputation of the VBA and/or the government is low
- the VBA will carry out reasonable background checks on potential sponsorship associates to ensure that their full range of business interests and activities, and any potential risks are identified
- sponsorship agreements should specify that the VBA sponsorship is not a general endorsement of the organisation or its products by government, and that the arrangement must not be promoted or publicised as such

- the VBA will ensure that sponsorship agreements provide for termination of the arrangement, should the association cease to be appropriate or circumstances arise that may damage the VBA's reputation
- Ministerial authorisation is required for any sponsorship agreement that confers naming rights for a government asset, event or initiative
- CEO authorisation is required for any sponsorship agreement that involves government acquisition of naming rights for an external asset, event or initiative

6.2 Financial risks

VBA sponsorship procedure ensures effective financial risk management. It does this in the following ways:

- through a financial viability check on potential sponsorship associates to ensure that potential financial risks are identified; and
- ensuring all sponsorship agreements include procedures to recover or withhold financial benefits where there is inadequate delivery of agreed benefits by the other party, particularly if the sponsorship recipient becomes subject to enforcement action by the VBA while the sponsorship agreement is in effect

7. Documentation

Documentation of all sponsorship requests received by VBA and our responses must be filed in TRIM (see classification Stakeholder Relations – Sponsorships).

All sponsorship arrangements must have a written agreement in place outlining the benefits, costs, obligations, a termination clause and a specified start and end date. The written agreement must be signed by the relevant Director of Communications and Stakeholder Engagement, the CEO or financial delegate. Where the sponsorship arrangement relates to in-kind benefits, the nature of the offer rather than the market value of the sponsorship will be noted.

8. Evaluation

8.1 Evaluation

At the end of the sponsorship agreement, an evaluation must be carried out to determine if the agreement achieved its desired objectives (these may be audience reach, relationship building with new partners, promoting a specific policy or program).

A pre and post sponsorship evaluation must be completed, outlining the objectives, anticipated and realised benefits and total costs. Refer to the pre-sponsorship evaluation template and the post-sponsorship evaluation template in the Appendix for the forms to complete.

8.2 Public reporting requirements

VBA will apply effective monitoring and reporting processes to ensure sponsorships achieve maximum value and accountability.

Sponsorships provided by VBA as part of a reputation management strategy or to achieve communications objectives, will be reported to the Strategic Communication, Engagement and Protocol Branch (DPC).

VBA will publicly report sponsorships on its website.