

# Sydney Opera House Policy

<b>Title:</b>	Sponsorship Policy
<b>Policy Number:</b>	SOH142
<b>Effective Date:</b>	02 December 2016
<b>Authorisation:</b>	Chief Executive Officer
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<b>Superseded Policy:</b>	<i>SOH142; Budget Relieving Contra Sponsorship Policy and Procedures 2009</i>
<b>Accountable Director:</b>	Director, Corporate Services & CFO
<b>Responsible Officer:</b>	Head of Partnerships

## 1. CORE PROPOSITION

- 1.1. Securing sponsorships, in the form of cash or contra, enables the Opera House to achieve its business objectives and to continue to invest in all key areas of the House.
- 1.2. As a government business, the Opera House is mindful that it must minimise any actual or perceived risk to itself and the NSW Government through its sponsorship program. This Policy sets out the process for seeking, securing and servicing sponsors (referred to in this Policy as **Partners**) and is designed to guide staff in the assessment of sponsorship opportunities to ensure consistency, transparency and direct alignment with the Opera House's strategic priorities.

## 2. SEEKING SPONSORSHIP

### What is sponsorship sought for?

- 2.1. The Opera House pursues cash and contra partnerships, which are aligned with the Opera House brand and:
  - are budget-relieving to key areas of the business; or
  - enable it to carry out projects that align with the Opera House's strategic priorities.
- 2.2. Sponsorship is sought for a broad range of activities, including public programs; specific ticketed events or series; awards; scholarships; building programs (for example, Renewal); community and social responsibility programs (for example, accessibility), sustainability and Indigenous initiatives; education; industry research; and training.

### Relationship to procurement

- 2.3. All arrangements where contra goods and/or services are provided in return for sponsorship benefits fall within the Procurement Policy. It must be made clear in such circumstances that no privilege or preferential treatment in the supply of goods and/or services will be afforded to any Partner of the Opera House.
- 2.4. Sponsorship involves the procurement of services (whether comprising contra or not) from external parties and therefore the Procurement Team should be consulted prior to developing sponsorship opportunities, upon receiving unsolicited offers, and before renewing sponsorship arrangements.

### How are sponsorship opportunities identified?

- 2.5. The Opera House identifies sponsorship opportunities:
  - by publicising opportunities for sponsorship on the Opera House website (and listing the benefits of association);
  - by calling for expressions of interest from particular industries (for example, automotive, airline, consumer goods);
  - as a result of introductions by key stakeholders;
  - where they arise from existing relationships e.g. with current suppliers;
  - in the tender context, where sponsorship is offered by a respondent in conjunction with a tender; or
  - via Young & Rubicam's BrandAsset™ Valuator.
- 2.6. The Opera House often seeks Partners with highly specialised characteristics and may, at its discretion, deal directly with a targeted group or single potential Partner. In such cases, the

Partnerships Team will record the nature of the circumstances, the decision making process and strategies for addressing any potential conflicts of interest as a result of direct approaches.

#### **Unsolicited sponsorship offers**

- 2.7. Unsolicited sponsorship offers must be carefully assessed to ensure that no conflicts of interest exist; and that better value for money could not be obtained for the Opera House by seeking expressions of interest or carrying out other market testing.
- 2.8. The Partnerships Team will record the reasons for accepting or declining any unsolicited offers.

#### **Renewal of sponsorships**

- 2.9. All proposed sponsorship renewals must go through the same assessment and approval procedures as outlined below.

### **3. ASSESSING AND APPROVING SPONSORSHIP PROPOSALS**

#### **The following steps must each be documented.**

- 3.1. The Partnerships Team will assess sponsorship proposals (including proposed renewals) against the following overarching principles:
  - a) The Opera House **will** enter into sponsorship arrangements where they:
    - are strategically aligned with the Opera House brand and involve a positive brand-equity exchange or otherwise enable Opera House strategic priorities;
    - provide benefit to the Opera House, its patrons, its resident companies and other stakeholders such as the NSW Government;
    - do not create an actual or perceived conflict of interest;
    - do not pose unmanaged reputational risk for the Opera House; and
    - do not conflict with, or pose unacceptable opportunity cost in relation to existing Partners.
  - b) The Opera House **will not** enter into sponsorship arrangements where they would:
    - limit the Opera House's ability to deliver its artistic program fully and impartially;
    - be inconsistent with the Opera House's principles of equity, participation and access for all groups in the community;
    - personally benefit individual Opera House staff, Trustees or their friends/family;
    - allow ownership or control of assets to be removed from the Opera House;
    - pose a conflict with the broader policies and practices of the Opera House; or
    - pose a conflict between the objectives and values of the Opera House and those of the Partner.
- 3.2. The Partnerships Team will also assess the net value of each sponsorship proposal.
- 3.3. Once these assessments have been undertaken the Partnerships Team will complete a risk assessment in consultation with the relevant business units.
- 3.4. Once the above have been completed and the recommendation is to proceed, the Partnerships Team will then seek the approval of the sponsorship proposal from the relevant delegated authority. All proposals should have the endorsement of the Director responsible for partnerships, the Chief Executive Officer, and where appropriate the full Executive Team, before approval is sought.

### **4. SPONSORSHIP AGREEMENTS**

- 4.1. Following assessment and approval of the sponsorship proposal, including consideration of the Procurement Policy, a sponsorship agreement must be prepared in consultation with the appropriate departments (the Legal and Finance teams must always be consulted). The agreement should set out the agreed terms of the sponsorship arrangement and, once settled, should be executed by the Chief Executive Officer or an appropriate delegate as set out in the *Delegations of Authority Policy*.
- 4.2. Once the agreement has been signed on behalf of the Opera House and the Partner, the agreement must be registered on the Contract Register. Please see the *Access to Information (GIPA) Policy* for more information about the registration of contracts.
- 4.3. All approved sponsorship agreements must also be described in the Opera House's Annual Report.

## 5. SERVICING OUR VALUED PARTNERS

- 5.1. Our sponsors are valued Partners of the Opera House. All staff have a responsibility to ensure that the relationship is maintained to the highest standard and all contracted benefits are delivered to the Partner. Any staff who are responsible for servicing a Partner should seek guidance from the Partnerships Team in relation to procedures that are in place with respect to that Partner.
- 5.2. When servicing a Partner the [Reimbursable Expenditure Procedure](#) must be followed when dealing with Third Parties (e.g. a Partner's creative agency).
- 5.3. Staff outside of the Partnerships Team who do not normally service Partners should only approach or contact a Partner after contacting the relevant Partnerships Account Manager. Under no circumstances should approaches be made to Partners without the knowledge and authorisation of a member of the Partnerships Team. In general, all contact must be through the Partnerships Account Manager responsible for the relationship, as listed on InTouch.
- 5.4. Where staff have been briefed about standing arrangements when dealing with Partners, those staff are required to log their interactions with the Partner. The log must be collated by their Manager and communicated back to the Partnerships Team on a quarterly basis so that they can accurately report back to the Partner about the value they have received from the sponsorship or for other internal metrics.

## 6. RESPONSIBILITIES

### All staff

- 6.1. All staff have a responsibility to comply with this Policy.

### Managers and supervisors

- 6.2. Managers and supervisors are responsible for ensuring that all staff under their supervision understand and comply with this Policy (including any requirement to report back to the Partnerships Team about the level of servicing each Partner received over a period of time).

## 7. SUPPORTING DOCUMENTS AND RELEVANT LEGISLATION

*Independent Commission Against Corruption Act 1988*

Independent Commission Against Corruption Guidelines – Sponsorship in the Public Sector

SOH Access to Information (GIPA) Policy

SOH Delegations of Authority Policy

SOH Procurement Policy

[SOH Reimbursable Expenditure Procedure](#)

[SOH Reimbursable Expenditure Request Form](#)

## APPROVED



Chief Executive Officer

Date: 02 December 2016