

ABERDEEN CITY COUNCIL

COMMITTEE	Communities, Housing and Infrastructure
DATE	13 January 2015
DIRECTOR	Pete Leonard
TITLE OF REPORT	Sponsorship of Business Awards
REPORT NUMBER:	CHI/14/058

1. PURPOSE OF REPORT

The report seeks approval of proposals by the Economic and Business Development team regarding Aberdeen City Council's sponsorship of business awards in 2015.

2. RECOMMENDATION(S)

It is recommended that Committee:

1. Continue to sponsor (jointly with Aberdeenshire Council) an award category at the Enterprise North East Trust Grampian Awards for Business Excellence in 2015, at a cost of £7,500
2. Continue to sponsor an award at the Aberdeen and Grampian Chamber of Commerce Northern Star Awards in 2015, but replace sole sponsorship of an award with shared/joint sponsorship with Aberdeenshire Council of the Green Award, at a cost of £4,500
3. Continue to sponsor the Grampian Food Forum Awards for Innovation in 2015 to enable Aberdeen City food and drink sector businesses to enter the awards scheme, at a cost of £1,000
4. Receive an annual report on the impact of this business award sponsorship activity.

3. FINANCIAL IMPLICATIONS

The delivery of the proposals is dependent upon the Economic and Business Development budget for 2015/2016, covering staffing costs and operational programmes. This will be determined in February 2015 as part of the Council's corporate budget setting process. Assuming no change from 2014/2015 to the operational budget for Business Growth, the existing Business Growth operational budget within Economic and Business Development will be utilised to fully cover the costs.

Expenditure on business award sponsorship in 2014 comprised:

£6,750 for Northern Star Business Awards – sponsorship of Lifetime Achievement Award

£7,500 for Grampian Awards for Business Excellence – sponsorship (jointly with Aberdeenshire Council) of Spirit of Enterprise Award

£1,000 “entry fee” sponsorship of the Grampian Food Forum Innovation Awards to enable Aberdeen City businesses to enter the award scheme

Total expenditure on sponsorship of business awards for 2014: £15,250

Proposed expenditure on business award sponsorship in 2015 comprises:

£4,500 for Northern Star Business Awards – (jointly with Aberdeenshire Council)

£7,500 for Grampian Awards for Business Excellence – (jointly with Aberdeenshire Council)

£1,000 “entry fee” sponsorship of the Grampian Food Forum Innovation Awards to enable Aberdeen City businesses to enter the award scheme

Proposed total expenditure on sponsorship of business awards for 2015: £13,000

4. OTHER IMPLICATIONS

Health and Safety: There are no specific health and safety implications to report.

Staffing: One officer will be required to liaise with the event hosts, promote the award schemes, participate in the judging panels, co-ordinate the guest-list and brief Elected Members.

5. BACKGROUND/MAIN ISSUES

Within the Economic and Business Development team, the Enterprise and Sector Development section has traditionally sponsored a number of business awards schemes. In the past, requests were dealt with on an ad-hoc basis but over the last two years, the team has sought to define a more consistent approach.

The team has sponsored business awards schemes as part of its general support service to the business community. Other forms of support specifically from Enterprise and Sector Development have included:

- hosting seminars and workshops,
- providing specific business advice,
- reviewing business plans,
- supporting businesses in difficulty,

- providing land and property advice,
- supporting youth enterprise,
- monitoring the Business Gateway service,
- responding to inward investment enquiries,
- managing a business loan scheme.

The majority of these activities require staff time and expertise rather than a significant operational budget, whereas business award sponsorship is costly but requires relatively little staff time.

Sponsorship of business awards schemes is a high profile way for the City Council to show its support for the local business community. It also demonstrates the value the City Council places on working in partnership with key organisations that also support the business community, such as the Chamber of Commerce and Enterprise North East Trust, for the direct benefit of businesses. Finally, it also provides an opportunity for the City Council to showcase the work it does to directly support local businesses.

However, in an era of increasing budget pressures, the need to obtain maximum return on investment has never been greater. The team has reviewed the 2015 proposals, summarised below, and proposes to continue supporting the existing schemes but on the basis of shared sponsorship with Aberdeenshire Council for the two major award schemes. By doing this, the City Council will save over £2,000 from its existing Business Growth budget and will maintain and seek to build on its profile in terms of support for business.

The **Northern Star Business Awards**, now entering its 12th year, is the flagship event of Aberdeen and Grampian Chamber of Commerce. Awards are presented across 14 different categories to celebrate excellence and entrepreneurship. Around 800 people attended the 2014 ceremony. In 2014, Aberdeen City Council sponsored the Lifetime Achievement Award Category.

It is proposed that, in 2015, Aberdeen City Council should sponsor the Green Award (jointly with Aberdeenshire Council, which already sponsors this category and is keen to sponsor it jointly with Aberdeen City Council), which fits extremely well with the City Council's focus on developing a low carbon economy, for example, through its strategic focus on the development of a hydrogen economy and its continued support of Aberdeen Renewable Energy Group. It also fits with the overarching environmental focus of Shaping Aberdeen, with its commitments to the Sustainable Energy Action Plan and Climate Change Adaptation Plan.

The **Grampian Awards for Business Enterprise**, now in its 15th year, aims to encourage entrepreneurship in Grampian through profiling key achievers in the SME business community and establishing business champions.

Over 400 people attended the event in 2014; the PR value of the coverage of the event (using standard industry formulae) was calculated at nearly £350,000, with 64 pieces of print coverage alone.

The **Grampian Food Forum Innovation Awards** 2012 event was attended by around 180 representatives of the local food and drink industry. Currently, a £1,000 partnership contribution from Aberdeen City Council allows participation of City-based companies in the Awards and a number of other Grampian Food Forum activities. In addition, a contribution of a further £1,000 (approx, TBC) covers hosting a table for 10 at the event.

Appendix One summarises the specific proposals and recommendations.

6. IMPACT

Corporate: The contents of the report relate directly to delivering the economic development aspects of the Single Outcome Agreement:

National Outcome 1 – We live in a Scotland that is the most attractive place for doing business in Europe

National Outcome 2 - We realise our full economic potential with more and better employment opportunities for our people

Local Outcome – Anchor the Oil and Gas Industry

Local Outcome – Diversification of the Economy

The report also links to the Smarter City programme, notably Smarter Economy and Smarter People, to gain recognition as the UK's intelligent business city.

An Equality and Human Rights Impact Assessment is not required for this report.

7. MANAGEMENT OF RISK

The risks associated with sponsoring business awards are:

- Operational budgets for business support are highly constrained and sponsorship may not offer the best return in investment for the expenditure
- There may be public or media concern over whether expenditure on business award sponsorship represents best value.

The risks associated with **discontinuing** sponsorship of business awards are:

- Relationships with key partner organisations in the local business community may be compromised.
- The profile of Aberdeen City Council's support for local businesses may be harmed.

8. BACKGROUND PAPERS

Sponsorship Proposals from Aberdeen and Grampian Chamber of Commerce and Enterprise North East Trust

9. REPORT AUTHOR DETAILS

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Appendix One

Proposed Sponsorship of Business Awards 2015

Name of Awards and Category Sponsored	Organiser	Time, Place, Frequency	Amount
<p>Northern Star Business Awards</p> <p>ACC previously sponsored the Lifetime Achievement Category.</p> <p>New proposal is to jointly sponsor the Green Award with Aberdeenshire Council</p>	<p>Aberdeen and Grampian Chamber of Commerce</p>	<p>24 Sept 2015</p> <p>Aberdeen</p> <p>Annually</p>	<p>Option 1 (recommended): Change to joint sponsorship with Aberdeenshire Council of an award category at a cost to ACC of £4,500</p> <p>Option 2 (not recommended): Continue sponsorship of an award category at a cost to ACC of £8,950 + VAT</p> <p>Option 3 (not recommended): Discontinue sponsorship</p>
<p>Grampian Awards for Business Enterprise</p> <p>ACC jointly sponsors the Alick Buchanan Spirit of Enterprise Award and the Employer of the Year Award</p>	<p>Enterprise North East Trust</p>	<p>25 June 2015</p> <p>Aberdeen or Aberdeenshire</p> <p>Annually</p>	<p>Option 1 (recommended): Continue joint sponsorship with Aberdeenshire Council of an award category at a cost to ACC of £7,500 + VAT</p> <p>Option 2 (not recommended): Discontinue sponsorship</p>
<p>Grampian Food Forum Innovation Awards</p> <p>No category; only entry fee</p>	<p>Grampian Food Forum</p>	<p>March 2015</p> <p>Aberdeen or Aberdeenshire</p> <p>Annually</p>	<p>Option 1 (recommended): Continue sponsorship at a cost to ACC of approximately £1,000, to enable Aberdeen companies to participate in the wards and a number of other Grampian Food Forum activities</p> <p>Option 2 (not recommended): Discontinue sponsorship</p>
			<p>Total for recommended options: £13,000 + VAT</p>