ABERDEEN CITY COUNCIL

COMMITTEE Communities, Housing and Infrastructure

DATE 29th August 2017

REPORT TITLE Sponsorship of Business Awards

REPORT NUMBER CHI/17/204

INTERIM DIRECTOR Bernadette Marjoram

REPORT AUTHOR Andrew Stephen

1. PURPOSE OF REPORT:-

1.1 This report considers the Council's annual sponsorship of two local business awards (Elevator and Aberdeen and Grampian Chamber of Commerce) and suggests changes to the approach from 2018 onwards.

2. RECOMMENDATION(S)

- 2.1 It is recommended that Committee:
 - a) considers the contents of this report;
 - b) agrees that in future years, the Council will alternate sponsorship of the two main business awards (Elevator and Aberdeen and Grampian Chamber of Commerce), starting with the Elevator Awards in 2018; or seek co-sponsorship arrangements and
 - c) instructs the Economic Development service to manage sponsorships and attendance at similar events within an annual budget of £7,000

3. BACKGROUND/MAIN ISSUES

- 3.1 Aberdeen City Council has sponsored awards at the two major business celebration events in the city since their inception. These are the Elevator Awards (Elevator / Business Gateway) and the Northern Star Awards (Aberdeen and Grampian Chamber of Commerce AGCC).
- 3.2 In 2017, the Council took joint sponsorship of the Alick Buchanan-Smith Enterprising Communities award at the Elevator Awards with Aberdeenshire Council, at a cost to Aberdeen City Council of £5,000. This package included being named as a partner to the overall event. At the Northern Star Awards, the Council is sponsoring the Achievement in International Business Award, at a cost of £5,500. This is in addition to the Council's Premier Partner

membership of the Aberdeen and Grampian Chamber of Commerce, which costs £7,000 in 2017-18.

- 3.3 Sponsorship packages typically include:
 - Content (with logo and profile) in web and printed copy materials associated with the events:
 - A role in the short-listing and selection process;
 - Profile on the night of the awards, with an Elected Member usually attending to present the award itself;
 - A table or number of places at the awards ceremony, typically filled by a combination of Elected Members, a lead officer and business contacts;
- 3.4 The Council also sponsors or takes places at other functions and awards ceremonies where it is not acting as a formal award sponsor. In 2016, for example, the Council sponsored the Federation of Small Businesses (North East) Annual Dinner at a cost of £800. In 2017, four places were taken at the North East of Scotland Food and Drink Awards at a cost of £300. The Council is also a long-standing supporter of the 'Gateway' series promoted by Granite PR. In previous years, the Council has taken a table at these events (which are focussed on establishing and strengthening trade links with Houston, Stavanger/Norway and Perth, Western Australia) at an average cost of £700. In 2017, the Council has restricted its attendance at these events to two places, averaging £75/head.
- 3.5 It is worth noting that for all of these events, the Lord Provost and / or the Council Leader and Chief Executive are traditionally invited by the organisers as a matter of course and at no cost.

4. FINANCIAL IMPLICATIONS

4.1 The recommendations in this report would result in a significant reduction of expenditure on award sponsorships and events attendance and would provide a maximum amount of £7,000 from 2018-19 onwards for the Council to invest in such activities.

5. LEGAL IMPLICATIONS

5.1 There are no direct legal implications arising from the recommendations of this report.

6. MANAGEMENT OF RISK

Financial

6.1 There is no financial risk associated with this report.

Employee

6.2 There is no employee risk associated with this report.

Customer/Citizen

6.3 There is no customer/citizen risk associated with this report.

Environmental

6.4 There is no environmental risk associated with this report.

Technological

6.5 There is no technological risk associated with this report.

Legal

6.6. There is no employee risk associated with this report.

Reputational

- 6.7 If the report is approved, the Council will have a significantly reduced presence at business awards and similar events, be it as a sponsor or as an organisation supporting the awards more generally (i.e. by taking places at lunch or dinner events).
- 6.8 There is a medium likelihood/impact rating of this risk. However, as noted at paragraph 3.5, civic and political leaders are usually invited to these events as a matter of course and at no cost to the Council.

7. IMPACT SECTION

Economy

7.1 Council investment in sponsorship of business awards and engagement in wider events for the business community is important in terms of relationships with business leaders across the city. However, it would be difficult to demonstrate a tangible link between sponsorship and a positive impact on the economy and business relationship activity. This is why a new approach to key account management is being suggested.

People

7.2 No direct impacts.

Place

7.3 Business awards and networking events contribute to the confidence and pride in a place. As a key stakeholder in the place, the Council's reduced support may therefore contribute to a dip in confidence in the place and its economy.

Technology

7.4 No direct impacts.

8. BACKGROUND PAPERS

8.1 None.

9. APPENDICES

9.1 None.

10. REPORT AUTHOR DETAILS

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