



Scottish Disability
Sport

Scottish Disability Sport Sponsorship Policy

Reviewed by Board – February 2022

Introduction

Sponsorship can provide a good basis for a partnership between Scottish Disability Sport (SDS) and an external organisation, taking many forms to suit differing needs and capabilities. Sponsorship, when managed correctly, should benefit both organisations, but for this to happen it requires work and the understanding that both parties have a role to play. If it is not managed well, sponsorship has the potential to cause financial, reputational and operational damage to both parties. To ensure maximum benefit and to protect against liability, this policy sets out how SDS will enter into sponsorship agreements.

This policy applies to SDS Directors and all staff, be they executive or non-executive, paid or unpaid, professional or volunteer.

Definition of Sponsorship

Any agreement where SDS receives a conditional benefit from a third party. The sponsorship relationship is designed to develop a beneficial relationship that achieves mutually agreed objectives. SDS's sponsorship portfolio may include a variety of properties, including:

competitions, events, projects, programmes, athletes, teams, clothing and equipment.

- **Benefit** – Any money, service or product provided by the third party organisation. (A non-exhaustive list of examples; money, products, services, administrative support, marketing assistance, etc.)
- **Conditional** – Where the benefit is provided in return for a specific action from SDS. (A non-exhaustive list of examples; the displaying of logos on SDS kit/equipment/webpage/letterheads or at events, preferential access to SDS events/services/products/data, strategic change on behalf of SDS, etc.)

This policy relates to those properties where SDS is the Rights Holder or has an agreement for some rights, for certain events the rights may be owned by a third party.

Exclusions

The following are examples of what would not be considered as sponsorship;

- Any donations, which is where the benefit is provided without any conditions.
- Organisations providing grant funding or partnership investment.
- Any benefit for which SDS pays the market rate.

Advantages of Sponsorship

For businesses, sponsorship offers the opportunity to publicise the company or organisation's name through its links with SDS, thereby raising its profile and image. Sponsorship of SDS also gives companies the opportunity to positively position their brand and in particular to

showcase inclusive values and support for the community. SDS values sponsorship because it offers the opportunity for financial or in-kind support which might otherwise be unavailable. There is also the additional benefit of the sponsors marketing and communications activities amplifying SDS's own messaging and the benefit of being associated with a high profile or recognisable brand.

Risk Associated with Sponsorship

Sponsorship is a commercial arrangement and should not be entered into without a full evaluation of the pros and cons. The risks must be assessed in terms of both the likelihood of occurrence and the impact on SDS should the identified risk occur. Due to the liabilities that potential sponsorship arrangement place on SDS, there needs to be strict controls in place to assess and decide on which opportunities are suitable.

Aims

SDS aims to secure sponsorship funding as well as in-kind support and added value benefits, to the Association, its development programmes, athletes, members, and events. The aims of this policy are to ensure that;

- Sponsors and partners are selected on the basis that they provide an appropriate and ethical fit with the strategic aims of SDS.
- Sponsor relationships do not compromise the independence of SDS or its ability to act independently.
- Sponsor relationships do not compromise the values or reputation of SDS.
- The opportunity of partnering with one brand versus another in terms of financial benefit, marketing support and image are considered
- All understandings or contractual arrangements are entered into only with the prior approval of the SDS CEO or Board of Directors.

Scope

To ensure that the requirement for due diligence does not impact on operational efficiency there is a sponsorship threshold based on a range of factors listed below. Below the threshold, SDS Board approval is not required and the sponsorship agreement will progress to the SDS Board as a recommendation. Sponsorship agreements that meet/exceed any of the following, require Board approval;

- The sponsorship agreement applies beyond a single event or programme.
- The benefit to SDS has a value in excess of £5,000.
- The conditions of sponsorship include any of the following: exclusivity, preferential treatment or membership wide advertising.
- The sponsorship agreement may create conflict within SDS structures and / or with existing key partners.
- Where legal constraints or ethical considerations exist, for example relating to betting, tobacco or alcohol.
- Where the organisations aims, or operation, are, or may be perceived to be, incompatible with those of SDS, or conflict with any SDS Policy

SDS will not:

- Provide sponsors or partners with access to members' personal data, in line with SDS's Privacy & Data Protection Policy.

Activation

Sponsorship is activated by both parties on receipt of a signed contract. No sponsorship rights will be delivered until a contract is signed. The Sponsorship Proposal and the Agreement will provide an overview and the detailed list of commitments/activities provided by each party. Any subsequent additional activities will need to have costs attributed and be agreed by both parties. On entering into a sponsorship, SDS is responsible for communicating the details of the sponsor organisation and any programme lead, team or athlete obligations to the relevant individuals. All sponsorship associated activity will be arranged in reasonable time and full briefing notes provided to the SDS CEO and the sponsor.

All SDS staff, representatives or athletes as brand ambassadors for sponsor and partner organisations, must represent themselves appropriately in a professional manner and not jeopardise any agreements through their behaviour, communication or endorsement of conflicting brands and/or organisations.

Cancellation

The sponsor and SDS shall have the right to withdraw from any relationship where new developments mean that aspects of this sponsorship policy are breached. Details of cancellation or termination will be set out in writing within the contract.

The Sponsorship Process and Associated Roles and Responsibilities

(Please refer to the flowchart in Appendix 1)

- **Complete an audit of rights - ie the assets we can sell and how we are packaging these up.**
- **Identify** - All SDS staff, Directors and identified volunteers will actively identify sponsorship opportunities with the potential to benefit the work of the Association.
- **Assess** - The responsibility for fully researching sponsorship potential rests with the SDS Fundraising Working Group or staff with a responsibility for organising and delivering the activities to which the sponsorship relates.
- **Propose** - Following an assessment of suitability (we should have a due diligence document), the details of any agreement need to be written up and provided to the relevant individuals for assessment. (we should create a cost / benefit analysis report which should be signed off by the CEO and possibly Board.
- **Approval/Sign Off** - For proposals where the scope of the sponsorship agreement exceeds the threshold, the Board has responsibility for approval and sign off. Where the agreement does not exceed the threshold, responsibility for approval and sign off rests with the SDS Fundraising Group and the sponsorship agreement will progress to the SDS Board as a recommendation. Approval is subject to the SDS legal adviser/expert resource reviewing any paperwork, regardless of the threshold.

The SDS Board will respond to any proposals within 28 calendar days. The response will take the form of one of the following:

- An approval.
- An outright rejection. Feedback will be provided for such rejections.
- A request for amendments to the proposal prior to making a decision.

Guidelines

The following needs to be included in any proposal and provides a clear process of thought which SDS sponsors, Directors, volunteers and staff can use when trying to identify suitable opportunities.

- What SDS hopes to gain from the sponsorship and what SDS can offer to the sponsor

in return. (What is the benefit and what are the conditions)

- How SDS intends to utilise the sponsorship benefits and how much time/money/input it will take for SDS to fulfil its obligations to the sponsors conditions.
- How SDS can prove to the sponsor that any obligations have been met.
- How SDS intends for the sponsor to meet any agreements.

Appendix 1.

