**Suspension of the Council’s Sponsorship Policy for the Armed Forces Day National Event 2015**

**Executive Summary**

The Council was successful in its bid to host the National Armed Forces Day in 2015. On 8 July 2014, the Council approved the bid on the recommendation of the Executive. The report to Council had estimated that the cost of hosting the event would be in the region of £325,000, which would be funded, in part, by income of £150,000 to be derived through sponsorship, advertising and concessions.

The Council’s current Sponsorship Policy specifically prohibits sponsorship from some organisations, including those involved in the production and sale of weaponry including firearms. Officers believe that it is appropriate that the Armed Forces Day National Event is sponsored by organisations that have a direct relationship with the Armed Forces; this includes organisations that are involved in the defence industry whose business may be associated with this category. It is also considered that we are holding this event on behalf of the Ministry of Defence (MoD).

On 19 September 2014, the Managing Director, in consultation with the Leader of the Council, took the decision, under the urgency provisions within the scheme of delegation to officers, to suspend the Sponsorship Policy to enable the Council to secure sponsorship of the event. The Executive is asked to confirm the decision to suspend the policy which will allow officers to secure relevant sponsors for the event as, without a suspension in place, we are unlikely to meet our target of £150,000.

**Recommendation to Executive**

That the Executive endorses the decision taken by the Managing Director on 19 September 2014 to suspend the Council’s Sponsorship Policy to enable sponsorship of the Armed Forces Day national event 2015 to be secured.

**Reasons for Recommendation:**

- To provide appropriate sponsorship for the national celebration of the Armed Forces.
- To prevent additional costs, not currently accounted for, of £150,000.
1. **Purpose of Report**

1.1 To report action taken by the Managing Director under Council Constitution Part 3 (page 63), Paragraph 2 of powers delegated to the Head of Paid Service.

2. **Strategic Framework**

2.1 We estimate based on the experience of others that have held the event that successfully hosting this prestigious event in Guildford would bring over £1 million into the local economy and would, therefore, support the Economy theme in the Corporate Plan. It would also attract extensive national and regional media coverage and publicity, thereby promoting Guildford as an attractive visitor destination across the UK.

3. **Background**

3.1 The MoD has chosen Guildford Borough Council to host the Armed Forces Day national events in 2015.

3.2 Historically, the sponsors have been organisations relevant to the event. At Stirling’s event, 2014, the main sponsors were BAE Systems and Finmeccanica while further sponsorship was received from Weir Engineering, Holts Military Banking, Poppy Scotland and the Royal British Legion. The first three sponsors are defence companies, while the final three support the armed forces through their services. Unusually, for this event, in 2013 the main sponsors were the two hosts; Nottingham City Council and Nottinghamshire County Council. In 2012, the main sponsor was Babcock and, in 2011, the principal sponsors were BAE Systems and Finmeccanica, again these three companies are all organisations involved in the defence industry.

3.3 Officers believe that it is appropriate that the Armed Forces Day national event is sponsored by organisations that have a direct relationship with the Armed Forces, this includes organisations that are involved in the production defence industry but these are organisations that the Council’s current Sponsorship Policy specifically prohibits sponsorship from.

3.4 Without sponsorship from these large, multinational, defence companies, there is a chance that we will not receive enough sponsorship money. This has a number of implications. The most likely is that we will have to fund the event ourselves at significant additional financial cost. This is detailed in section 4.

3.5 If we are able to only partly finance the event it is likely to be a poor event. As Armed Forces Day national events generate national media coverage, officers believe that the negative publicity would be embarrassing to the Council and to the town itself.

3.6 Following identification of this problem, the Managing Director, in consultation with the Leader of the Council, used her authority under paragraph 2 of powers delegated to the Head of Paid Service under the scheme of delegation to officers
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(Part 3 of the Constitution (page 63)), to suspend the Sponsorship Policy for this purpose.

3.7 The Executive is asked to confirm the action taken by the Managing Director in this regard.

4. **Financial Implications**

4.1 Details of the proposal for this event were submitted in the report to Council on 8 July 2014. The total cost of hosting the event was estimated as £325,000. This would be funded by a £25,000 grant from the MoD, £150,000 from earmarked reserves and £150,000 income from sponsorship.

4.2 If sponsorship is not found, the Council will have to find a further £150,000 from its current reserves; this is not currently budgeted for.

5. **Legal Implications**

5.1 The authority for the action taken by the Managing Director is under Council Constitution Part 3 (page 63), Paragraph 2 of powers delegated to the Head of Paid Service. This requires us to inform the Executive at the earliest opportunity.

6. **Human Resource Implications**

6.1 There are no Human Resource implications.

7. **Conclusion**

7.1 The Council’s current Sponsorship Policy specifically prohibits sponsorship from some organisations, including those involved in the production and sale of weaponry including firearms. Officers believe that it is appropriate that the Armed Forces Day national events are sponsored by organisations that have a direct relationship with the Armed Forces; this includes organisations that are involved in the defence industry whose business may be associated with this category.

8. **Background Papers**

- Guildford Borough Council Sponsorship Policy

9. **Appendices**

Appendix 1: Notice of decision taken by the Managing Director.