

BUSINESS SUPPORT OVERVIEW AND SCRUTINY COMMITTEE

5 JULY 2018

MEMBER'S ITEM: GILLINGHAM FOOTBALL CLUB SPONSORSHIP BY MEDWAY COUNCIL

Report from: Richard Hicks, Director of Regeneration, Culture, Environment and Transformation & Deputy Chief Executive

Author: Michael Turner, Democratic Services Officer

Summary

This report sets out a response to issues raised by Councillor Maple concerning the sponsorship agreement between the Council and Gillingham Football Club.

1. Budget and Policy Framework

- 1.1 Under Medway Constitution Overview and Scrutiny rules (Chapter 4, Part 5, Paragraph 9.1) Councillor Maple has requested that an item on this matter is included on the agenda for this meeting.

2. The Issue

- 2.1. Councillor Maple has requested that an item be placed on the agenda and the reasons set out by Councillor Maple are as follows:

The decision for Medway Council to sponsor Gillingham Football Club was taken with no public scrutiny, there are a number of questions which are needing to be answered, particularly following the publication of the Licence:

1 – What would the value be of hiring the Southern Plateau area (including changing facilities) over the potential usage period if hired out on the normal rates agreed at this years budget meeting?

2 – What marketing of the facilities at the Southern Plateau have been carried out over the past three years?

3 – *The Leader of the Council on local broadcast media stated money would be spent on banners for the ground – could we have clarification as to the amount that will be spent on these banners?*

4 – *What will the cost to taxpayers be for point 6 of the Terms and Conditions regarding maintenance of the football pitches?*

5 – *What will the cost to taxpayers be for point 14 of the Schedule regarding cleaning and maintenance of the dressing room areas?*

6 – *How many complementary tickets did Gillingham Football Club give to the local community to use over the past three years and is there an intention to continue at this same rate? Will the 50 tickets mentioned in point 7 of the Schedule be additional to that figure?*

7 – *Looking at point 7 of the Schedule who will be responsible for the distribution of the 50 complimentary match day tickets and what method will be used to select who receives them?*

8 – *Looking at point 8 of the Schedule who will be responsible for the distribution of the 4 VIP tickets to each home league fixture, what method will be used to select who receives them and what is the market value if purchased at the standard box office rate from Gillingham Football Club?*

9 – *Who will be responsible for the copy and images as per point 5 of the Schedule and will the copy and images change on a game by game basis?*

10 – *Referring to point 15 of the Schedule would that conversation not be happening without this Licence in place?*

11 – *If point 15 of the Schedule also includes potentially extending this licence and sponsorship deal, what will be the democratic process and decision making criteria for continuing this licence?*

12 – *Referring to point 16 of the Schedule what is the estimated cost to tax payers for the officer time for the work likely to be carried out by the marketing team?*

13 – *Are there any other council officer costs which will be incurred as a result of this Licence and Schedule?*

14 – *This Licence carries over into the Purdah period, what impacts will that have particularly on the points within the Schedule?*

15 – *What is the council's process and protocol for agreeing to sponsorship schemes of this nature and what democratic scrutiny is given to these decisions?*

16 – *In 2012 the Licensee was found guilty of racial victimisation – is the council concerned that if they had been the sponsor at that time or if a similar*

incident was to occur during the time of the Licence of the damage to the council reputation by association?

- 2.1 A representative from Gillingham FC has been invited to attend the meeting to answer any questions Members have on the agreement insofar as it relates to the football club.

3. Director's comments

- 3.1 Responses to each of the questions raised by Councillor Maple are set out below

Question 1

What would the value be of hiring the Southern Plateau area (including changing facilities) over the potential usage period if hired out on the normal rates agreed at this years budget meeting?

Outside of the Saturday and Sunday football leagues, the Southern plateau has been hired by the universities for events each year during the summer at minimal cost (approximately £90 per event). There are normally 6 during the summer generating income of approximately £540 per year.

If the pitches were to be hired out during weekdays then in theory this could generate approximately £3,240 (i.e. £90 x 36 weeks). Currently there is very little demand to hire these pitches outside of the current bookings programme.

Question 2

What marketing of the facilities at the Southern Plateau have been carried out over the past three years?

The facilities have not been marketed

Question 3

The Leader of the Council on local broadcast media stated money would be spent on banners for the ground – could we have clarification as to the amount that will be spent on these banners?

Paul Scally, the Chairman of Gillingham FC, clarified later in the broadcast interview that there would be no charge to the Council for the hoardings. The only cost to the Council will be the design costs which would be incurred by the in-house Graphic Design Team who estimate this will cost approximately £120.

Question 4

What will the cost to taxpayers be for point 6 of the Terms and Conditions regarding maintenance of the football pitches?

Maintenance of the football pitches is budgeted for within the current contract and it is anticipated that no additional works or costs are required.

Question 5

What will the cost to taxpayers be for point 14 of the Schedule regarding cleaning and maintenance of the dressing room areas?

Cleansing of the pavilions is within the current contract service and there is no additional cleansing required. If additional cleansing is required outside of the current remit – this would be expected to be an additional charge and the income for the hire of the location would normally cover this.

Question 6

How many complimentary tickets did Gillingham Football Club give to the local community to use over the past three years and is there an intention to continue at this same rate? Will the 50 tickets mentioned in point 7 of the Schedule be additional to that figure?

You will be able to refer this question directly to the Gillingham Football Club representative attending the Business Support Overview and Scrutiny Committee.

Question 7

Looking at point 7 of the Schedule who will be responsible for the distribution of the 50 complimentary match day tickets and what method will be used to select who receives them?

The distribution, selection and arrangements are currently under discussion and will be finalised once the schedule of matches has been confirmed for the year. It is likely that the tickets will be made available to people who would not normally be able to attend matches and include groups such as our looked after children.

Question 8

Looking at point 8 of the Schedule who will be responsible for the distribution of the 4 VIP tickets to each home league fixture, what method will be used to select who receives them and what is the market value if purchased at the standard box office rate from Gillingham Football Club?

This is currently under consideration but this is likely to be through nomination or community-based competitions. The market value at the standard box office rate can be confirmed by the Gillingham Football Club representative.

Question 9

Who will be responsible for the copy and images as per point 5 of the Schedule and will the copy and images change on a game by game basis?

The Communications Team will be responsible for the copy and images and all advertising will be created in-house by the Council's Graphic Design Team. The adverts will probably change to reflect the different services provided by the Council and different communications campaigns the Council is running.

Question 10

Referring to point 15 of the Schedule would that conversation not be happening without this Licence in place?

This agreement re-enforces the discussion that has been taking place.

Question 11

If point 15 of the Schedule also includes potentially extending this licence and sponsorship deal, what will be the democratic process and decision making criteria for continuing this licence?

The sponsorship arrangement is for one year only.

Question 12

Referring to point 16 of the Schedule what is the estimated cost to tax payers for the officer time for the work likely to be carried out by the marketing team?

This work would be undertaken as part of our day to day activity to promote Medway as a great place to live, to work, to learn and to visit.

Question 13

Are there any other council officer costs which will be incurred as a result of this Licence and Schedule?

Other than the costs mentioned in this report, there are no other anticipated costs as a result of this Licence and Schedule

Question 14

This Licence carries over into the Purdah period, what impacts will that have particularly on the points within the Schedule?

As is standard in the approach to all elections, advice will be given to Members and officers about, amongst other things, council publications. In this instance that advice could include the Council's page in the Gillingham FC programme (schedule section 5) and promotional events and photographs including Gillingham FC staff and players (schedule section 17) during the purdah period

Question 15

What is the council's process and protocol for agreeing to sponsorship schemes of this nature and what democratic scrutiny is given to these decisions?

As this was ostensibly a one year property agreement with no significant value attached to the Licence, the agreement was approved under the Employee Delegation Scheme. Decisions on any future proposals could be referred to the appropriate decision maker in accordance with the decision making rules set out in the Constitution and scrutinised accordingly.

Question 16

In 2012 the Licensee was found guilty of racial victimisation – is the council concerned that if they had been the sponsor at that time or if a similar incident was to occur during the time of the Licence of the damage to the council reputation by association?

The employment tribunal case brought against the club in 2012 related to actions in November 2010 by the manager and assistant manager, both of whom are no longer with the club. Officers would expect to give advice on any matter which could affect the reputation of the Council.

4. Risk Management

- 4.1 There are no specific risk implications for the Council arising directly from this report.

5. Financial and Legal Implications

- 5.1 There are no financial implications other than those mentioned in the report.
- 5.2 The decision to grant a licence to Gillingham FC to use the football pitches and facilities at the Southern Plateau site was made by the Chief Legal Officer under his delegated powers. There are no other legal implications arising from this report.

6. Recommendation

- 6.1 It is recommended that the Committee notes and comments on the Member's item.

Lead contact

Richard Hicks, Director of Regeneration, Culture, Environment and Transformation & Deputy Chief Executive

Tel 01634 332764 email: richard.hicks@medway.gov.uk

Appendices

Appendix 1 – Agreement with Gillingham FC
Appendix 2 – Beechings Cross Site Plan

Background Papers

None.