



## The Healthway co-sponsorship policy:

### *A report on the revised policy's implementation for the year ended 30/6/11*

#### **EXECUTIVE SUMMARY**

Concerns regarding co-sponsors, or other sponsors of Healthway-funded activities and events with the potential to undermine health promotion objectives, were first discussed by the Healthway Board in early 2004. A co-sponsorship policy was approved by the Board on 21 October 2004.

A revised policy and approach to the assessment of co-sponsorship risk were adopted in 2009 and became effective from March 2010. The policy approach is underpinned by strong peer-reviewed evidence and seeks to support Healthway's objective *to reduce the promotion of unhealthy messages or brands which undermine Healthway objectives* and ensure funding arrangements comply with legislative requirements.

Organisations applying for Healthway sponsorship are routinely required to provide details of any sponsorship arrangements with alcohol, food or drink sponsors at the time of application. This process ensures all co-sponsorship arrangements are captured at the application stage and organisations applying for sponsorship are treated equitably. An expert committee assesses all co-sponsorship arrangements and provides non-binding advice to Healthway's advisory committees and Board regarding the risk that these arrangements will undermine health promotion objectives.

This report scrutinises the implementation of the revised policy and reviews a number of risks identified at the time the new approach was adopted. The effectiveness of the co-sponsorship policy as a health promotion strategy is analysed and the implications of the policy for sponsored organisations over the year ended 30 June 2011 are examined. The report provides an overview of the various co-sponsorship arrangements assessed by Healthway and conditions of funding required as a consequence.

The key findings of this review are:

- The introduction of the revised co-sponsorship policy and risk assessment process does not appear to have deterred organisations from applying for Healthway sponsorship. The total number of organisations applying for sponsorship (over \$5,000) in the 2010/11 financial year was 236, compared with 163 organisations in 2009/10 and 171 in 2008/9.
- Over the period from 31 March 2010 to 30 June 2011 the Healthway Board approved offers of sponsorship to 252 organisations. Of these organisations, 28 (11%) were offered sponsorship with specific conditions relating to existing alcohol or food/drink sponsors.
- Approximately 1% of organisations offered sponsorship since 31 March 2010 have declined Healthway's offer of sponsorship.
- Only 4 sponsorship applications have been rejected by the Board as a consequence of co-sponsorship concerns. Two of these were for the same event.

- Half of the organisations offered sponsorship on a conditional basis are unlikely to have suffered any loss of existing sponsorship income as a direct consequence of Healthway's conditions of funding. These organisations were only required to guarantee that participants in specific programs would be quarantined from sponsorship promotions, or comply with conditions regarding the precise positioning of signage or other promotions, and were not required to discontinue existing sponsorship arrangements. In other cases, loss of alcohol or unhealthy food sponsorship income was offset by an increase in Healthway sponsorship.
- During the year ended 30 June 2011 Healthway received requests from 12 organisations to enter into new sponsorship arrangements with alcohol, food or drink sponsors. Healthway denied 9 of these requests. A number of Healthway's decisions to veto new sponsorships had minimal financial impact on the sponsored organisation. At the other extreme, the opportunity cost to one organisation was estimated to be in the range of \$50,000 to \$100,000 p.a. Two organisations elected to proceed with the co-sponsorship arrangement and withdraw from Healthway sponsorship.
- The co-sponsorship policy has significantly reduced the exposure of West Australians to alcohol and unhealthy food promotions through sponsorship. According to demographic data supplied by the sponsored organisations, the combined reach of the sponsored arts, sport and racing activities that agreed to reduce or modify unhealthy promotions linked to sponsorship arrangements during 2010/11 was over 900,000. The majority of this number would be children and young people.
- The WA Sports Federation and some of their member organisations have been critical of Healthway's approach to co-sponsorship issues and there has been considerable media coverage of their concerns. Support for Healthway's approach to alcohol and unhealthy food sponsorship appears to be stronger in the general population, as evidenced by a number of recent community surveys.