

# Policy

## Corporate Sponsorship



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Further Document Information and Relationships	
<b>Related Legislation*</b>	<a href="#">Local Government Act 1993</a> <a href="#">Local Government (General) Regulation 2021</a> <a href="#">Government Information (Public Access) Act 2009</a> <a href="#">Government Information (Public Access) Regulation 2018</a> <a href="#">Independent Commission Against Corruption Act 1988</a>
<b>Related Policies</b>	Code of Conduct Public Interest Disclosures Policy Statement of Business Ethics
<b>Related Procedures/ Protocols, Statements, documents</b>	<a href="#">Guide to Sponsorship in the Public Sector (Independent Commission Against Corruption, 2006)</a>
<p><b>Note:</b> Any reference to Legislation will be updated in this Policy as required. See website <a href="http://www.legislation.nsw.gov.au/">http://www.legislation.nsw.gov.au/</a> for current Acts, Regulations and Environmental Planning Instruments.</p>	

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## **1. Purpose**

The purpose of this Corporate Sponsorship Policy ("this Policy") is to provide a uniform, consistent and transparent framework for Parkes Shire Council ("Council") to seek, negotiate, secure and manage external sponsorships for its programs, services and events.

## **2. Commencement**

This Policy is effective from date of adoption by Council resolution, and shall remain in force until repealed by resolution of Council.

## **3. Scope and Application**

This Policy applies to all incoming sponsorships received by Council, and all Council Officials involved in seeking, negotiating, securing and managing such sponsorships. It does not apply to outgoing grants and sponsorships given by Council, which are covered by Council's Grants and Sponsorships Policy.

This Policy outlines:

- (a) What sponsorships Council will and will not undertake,
- (b) The responsibility of all parties involved in a sponsorship arrangements in order to ensure there is neither conflict of interest nor negative impact on Council's reputation or probity,
- (c) The process for attracting sponsors, and
- (d) The sponsorship approval process.

## **4. Policy Statement**

Parkes Shire Council ("Council") is responsible for delivering a wide range of programs and services under various legislation. Council also produces events which contribute to the vibrant cultural life of the Parkes Shire and are generally free to the public. By seeking and receiving sponsorship, Council achieves additional resources with which to support specific activities or programs. In addition, the success and public exposure of an activity can be enhanced by sponsorship providing better visitor experiences.

Through sponsorship, Council can enhance, extend or reduce the cost of current activities or programs, or develop new ones. Council can achieve this by providing benefits to private sector companies or other government agencies in exchange for money, goods or services to support their activities. In some cases, a sponsor can participate in Council events by producing their own associated event.

### **4.1. Appropriate External Sponsorship Arrangements**

- 4.1.1. Council will generally only accept sponsorship for short-term activities or programs such as:
  - (a) Community awareness campaigns,
  - (b) Community development and cultural activities and programs of a limited time period,
  - (c) Community or industry awards,
  - (d) Education or recreation programs,
  - (e) Environmental projects,
  - (f) Events and festivals,

- (g) Exhibitions, and
- (h) Public conferences, seminars and workshops.

#### **4.2. Benefits for Sponsors**

- 4.2.1. The primary benefit for Sponsors is a competitively priced strategy for reaching a target audience or to meet corporate social responsibility goals.
- 4.2.2. Entitlements include, but are not limited to:
  - (a) Licence to use Council's intellectual property for the event such as logos, content and imagery,
  - (b) Branding on event marketing communications including print, press, direct marketing, posters and other collateral,
  - (c) Exposure at events through signage, access to floor space for activation and integration into the official event program,
  - (d) Online promotion through banners, splashes and sponsored segments, and
  - (e) The ability to develop co-branded marketing initiatives.
- 4.2.3. Entitlements are determined by collaboration and agreement between Council and the Sponsor and are restricted by legislation and public policy. Such benefits should be commensurate with the level of sponsorship and significance of the sponsored asset.

#### **4.3. Restrictions to Sponsorship**

- 4.3.1. Council will not undertake sponsorships that:
  - (a) Require or imply Council's endorsement of commercial products, services, companies, political parties or individuals,
  - (b) Limit Council's ability to carry out its legislative functions fully and impartially,
  - (c) Restrict access to Council's sponsorship assets by the widest audiences possible,
  - (d) Are not consistent with Council's social justice principles of equity, participation, rights and accessibility for all groups in the community,
  - (e) Personally benefit individual Council Officials or their friends/family,
  - (f) Allow ownership and control of the sponsored sponsorship assets to be removed from Council,
  - (g) Pose a conflict with the broader policies and practices of Council, or
  - (h) Pose a conflict between the objectives and values of Council and those of the Sponsor.

#### **4.4. Sponsor Eligibility**

- 4.4.1. Council will only enter into sponsorship arrangements with organisations, entities and individuals whose standing, reputation and image are high and consistent with the values, objectives of Council and whose sponsorship is not likely to be viewed unfavourably by the wider Parkes Shire community. As such, Council will not accept sponsorship from:
  - (a) Organisations, entities or individuals who are who are under investigation or have been found guilty of any criminal or improper conduct by a Court, ICAC or any other judicial, investigative or legal authority.
  - (b) Organisations, entities or individuals that are involved in any current planning, regulatory or legal matter involving Council, or if it is reasonable

known that such matters are likely to arise in the foreseeable future (e.g., developers with a Development Application before Council).

(c) Organisations, entities or individuals whose products or services are considered to be injurious to health, or are seen to be in conflict with Council's responsibilities and duty of care to the community, including:

- Armaments and weapons manufacturing,
- Gambling products or services,
- Pornography,
- Sexual services, or
- Tobacco production, distribution or wholesaling.

(d) Organisations, entities or individuals who engage in activities that discriminate against and/or disadvantage any particular section of the community, or contribute to the inhibition of human rights generally.

(e) Organisations, entities or individuals who engage in unethical practices and/or activities involving ethical or moral issues.

4.4.2. Council retains the discretion not to accept sponsorship from any organisation, entity or individual for any reason.

#### **4.5. Conflict of Interest and Personal Benefits**

4.5.1. Any sponsorship arrangement Council undertakes must not compromise Council's reputation, public image, probity or its ability to fulfil its legislative functions. Any sponsorship arrangement must not impose or imply conditions that would limit or be perceived to limit Council's ability to carry out its functions fully and impartially. There should be no actual or perceived conflict between the objectives and values of Council and that of the Sponsor.

4.5.2. All sponsorship proposals will be subject to an assessment process and consideration will be made by authorised Council staff of conflict-of-interest issues that may arise prior to entering into negotiations with potential sponsors. Information will be provided to potential sponsors about Council's expectations, objectives, ethical requirements, sponsor benefits, sponsorship procedures and the criteria against which a proposal will be assessed.

4.5.3. Council will not enter into sponsorship arrangements with a potential sponsor whose interests, objectives and/or mission are in actual conflict with those of Council.

4.5.4. Conflicts arising from personal relationships or financial arrangements of staff involved in sponsorship assessment, approval or administration will be managed in accordance with the conflict of interest provisions of Council's Code of Conduct.

4.5.5. No Council Official may seek or receive a personal benefit or be perceived to receive a personal benefit from a sponsorship. Any contribution from the sponsor must be received by Council, not directly to an individual, and must be seen to benefit Council, not an individual.

4.5.6. Sponsors should be aware of and comply with Council's Statement of Business Ethics.

#### **4.6. Seeking Sponsorship**

4.6.1. In order to ensure equitable opportunities for the business community and other interested parties to consider sponsorship of Council's Sponsorship Assets, Council will promote this opportunity via a two-stage process:

- (a) **Expression of Interest advertisement:** Council will facilitate an annual Expressions of Interest process to ensure interested organisations, entities and individuals have the opportunity to participate in sponsorship opportunities.
- (b) **Pitching a sponsorship:** Council may identify potential sponsors for Council's Sponsorship Assets and may wish to initiate direct contact with the potential sponsor or via third parties that represent the potential sponsor such as advertising, media, public relations, experiential or event agencies. Council may also decide to use an external agent to secure sponsorship.

#### **4.7. Assessing Sponsorship Proposals**

- 4.7.1. Sponsorship proposals must be assessed against the below predetermined and publicly available criteria:
  - (a) The sponsoring organisation must be compatible with Council's values and strategic objectives,
  - (b) The sponsoring organisation must agree to the sponsorship benefits offered,
  - (c) The sponsoring organisation must not be involved in conflict or conflict of interest with Council,
  - (d) The sponsoring organisation must be seen to have the capacity to fulfill its sponsorship obligations,
  - (e) The sponsorship arrangement must benefit both parties, and
  - (f) The sponsorship arrangement must adhere to this Policy.
- 4.7.2. Council must ensure that sufficient resources are available to enable the promised sponsor benefits to be delivered. Sufficient and timely information must also be provided to the sponsor to enable them to evaluate the sponsorship.

#### **4.8. Approving Sponsorship Proposals**

- 4.8.1. All sponsorship arrangements will be formalised via a written contract confirming the benefits for both parties. The form this takes will depend on the value and complexity of the sponsorship arrangement.
- 4.8.2. Sponsorship arrangements must not impose or imply conditions that would limit, or appear to limit, Council's ability to carry out its functions fully and impartially.
- 4.8.3. All sponsorship arrangements must be approved by the Council, and/or the General Manager or a Director and will comply with the requirements of this Policy:
  - (a) Sponsorships arrangements up to a total value of \$50,000.00 will be put to the relevant Director for approval, or to the Council if so deemed by the Director with the concurrence of the General Manager.
  - (b) Sponsorship arrangements between the range of \$50,001.00 and \$149,999.00, will be put to the General Manager for approval, or to the Council if so deemed by the General Manager.
  - (c) Sponsorship arrangements to a total value in excess of \$150,000.00, or those involving the naming rights of a sponsorship asset, will be put to Council for approval.

#### **4.9. Managing the Sponsorship**

- 4.9.1. Sponsorship arrangements will be managed in accordance with this Policy and any applicable legislative requirements. It is at Council's discretion where the cash received from the Sponsor is spent.
- 4.9.2. All sponsorship arrangements will be monitored by the relevant Council Official throughout the term of the sponsorship to ensure that the expectations of both parties are being met. If the conditions of the sponsorship are not being met, it may be terminated by either party.
- 4.9.3. Sponsors should be given timely and appropriate information in writing on the results of the sponsored program, service or event in order to evaluate their association with Council.

#### **4.10. Terminating or Suspending the Sponsorship**

- 4.10.1. All sponsorship arrangements will be formalised via a written contract confirming the benefits for both parties. The form this takes will depend on the value and complexity of the sponsorship arrangement.
- 4.10.2. Sponsorship arrangements must not impose or imply conditions that would limit, or appear to limit, Council's ability to carry out its functions fully and impartially.
- 4.10.3. All sponsorship arrangements will be monitored by the relevant Council Official throughout the term of the sponsorship to ensure that the expectations of both parties are being met.
- 4.10.4. Sponsors should be given timely and appropriate information in writing on the results of the sponsored program, service or event in order to evaluate their association with Council.

#### **4.11 Transparency of Information**

- 4.11.1. Council will maintain a register of all sponsorship arrangements, detailing sponsorship opportunities and agreements, including the program, service or event which the sponsorship covers, the sponsor/organisation's details, and the contribution to or from Council. Such details will also be listed in Council's Annual Report.

### **5. Breaches**

Breaches of this Policy may result in disciplinary action and/or revocation of sponsorship. If a crime is alleged, the matter will be referred to the NSW Police. Similarly, if corruption is alleged, the matter will be referred to ICAC.

### **6. Review**

As part of Council's commitment to good governance and continuous improvement, this Policy must be reviewed and re-adopted by Council not less than once every four years or as Council otherwise determines in line with legislative requirements and policy changes.



## 7. Schedules

### Schedule 1: Definitions

In this Policy, the following terms shall be interpreted as having the following meanings:

Term	Definition
<b>Council</b>	means Parkes Shire Council.
<b>Council Official</b>	means a Councillor, employee, Administrator, Council Committee member, delegate, or volunteer of Parkes Shire Council.
<b>Director</b>	means an employee of Parkes Shire Council whose position has been designed as a Senior Staff position pursuant to section 332 of the <i>Local Government Act 1993</i> .
<b>General Manager</b>	means the General Manager of Parkes Shire Council appointed pursuant to section 334 of the <i>Local Government Act 1993</i> .
<b>ICAC</b>	means the Independent Commission Against Corruption.
<b>Sponsor</b>	means any organisation, individual or entity which has entered into a sponsorship arrangement with Parkes Shire Council.
<b>Sponsorship arrangement</b>	means a formal arrangement or agreement between Parkes Shire Council and a Sponsor.
<b>Sponsorship asset</b>	means a program, service or event for which Parkes Shire Council is seeking sponsorship.
<b>Sponsorship</b>	<p>means a commercial arrangement in which a Sponsor provides a cash or in-kind contribution in return for certain specified benefits.</p> <p>Sponsorship can be provided by the corporate sector, the public sector, or private individuals in support of Parkes Shire Council sponsorship assets.</p> <p>For the purpose of this Policy, sponsorship comprises:</p> <ul style="list-style-type: none"> <li>• Sponsorship of Council sponsorship assets by individuals, organisations and companies external to Council, including clubs and community groups; and</li> <li>• Council sponsorship of organisations, programs, services and events external to Council.</li> </ul> <p>Sponsorship does not include grants received by Council or donations made to Council; the selling of advertising space; joint ventures; consultancies; or unconditional gifts, donations, bequests or endowments.</p>