



Policy Title	Corporate Sponsorship of Council Activities
Related Documentation	Corporate Sponsorship Procedure Statement of Business Ethics Code of Conduct for Councillors, members of staff and delegates of Council Independent Commission Against Corruption Guidelines to Sponsorship in the Public Sector (available at www.icac.nsw.gov.au)
Relevant Legislation	<i>Local Government Act 1993</i>
Responsible Officer	Manager Governance and Risk

UNCONTROLLED WHEN PRINTED

Objective

The Corporate Sponsorship of Council Activities policy documents the general principles, and outlines the mechanisms, that apply to the negotiation and implementation of agreements concerning corporate sponsorship of Council’s activities to the benefit of the community of Campbelltown.

The policy aims to establish a single, coordinated, transparent approach to the way Council enters into sponsorship agreements with organisations.

Policy Statement

Sponsorship is a commercial arrangement in which an organisation or individual provides a contribution in money or kind to support a Council activity in return for certain specified benefits.

The purpose of Council’s corporate sponsorship policy is to enhance the provision of community services and facilities by raising additional funding not otherwise available, which may be used to supplement asset, program delivery or operational costs or could be in the form of increased exposure for the program.

The approval of Council’s corporate sponsorship agreements is based on value-for-money, ethical behaviour and fair dealing and transparent decision-making, in accordance with the *Local Government Act 1993*.

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Organisations or individuals may choose to support Council activities through sponsorship for many reasons; for example, out of a sense of social responsibility, because of the goodwill that may enhance their public profiles and businesses generally, or the opportunities that sponsorship provides for marketing and advertising.

It is fundamental that the public should also perceive that Council's decisions on sponsorship are made objectively and for the public benefit.

The policy has been developed to ensure all corporate sponsorships are negotiated in accordance with the sponsorship principles detailed in the Independent Commission Against Corruption Guidelines for Sponsorship in the Public Sector.

Scope

The policy applies to the sponsorship of events, facilities, activities or the functions of Council.

Definitions

In kind - term to describe products or services provided in lieu of cash in exchange for sponsorship rights.

Sponsor - an organisation or individual providing resources to Council, for use in achieving Council objectives, in return for specific benefits articulated in a sponsorship agreement.

Sponsorship - a commercial arrangement in which a sponsor provides a contribution in money or in kind to support an activity in return for specified benefits.

Sponsorship agreement - agreement signed by both parties outlining all aspects of the sponsorship, including benefits, communication and payment schedule. This may include multi-year arrangements, where appropriate.

Principles

1. Authority to Act

- a. The General Manager, or an officer authorised by the General Manager, has the authority to seek and negotiate corporate sponsorship agreements.
- b. All sponsorship agreements with a financial contribution of more than \$1000 are to be approved by the Director City Governance.
- c. Sponsorship agreements with financial contributions of less than \$1000 can be approved by the relevant Executive Manager.
- d. Sponsorship arrangements valued at more than \$50,000 must be evaluated by a panel including Director City Governance, the relevant Executive Manager and an independent.
- e. Sponsorship arrangements are a contract and should be executed by written agreement.

2. Alignment with Council Values and Strategic Objectives

- a. A sponsorship agreement will only be entered into with organisations/companies whose image supports the values and strategic objectives of Campbelltown City Council.
- b. There should be no real or apparent conflict between the objectives and values of the Council and those of the sponsor.

3. Conflict of Interest

- a. Conflicts or potential conflicts should be considered before entering into any sponsorship agreement with the following organisations/companies:
 - i. those that may or may be perceived to be in conflict with Council's policies and responsibilities to the community.
 - ii. those with an active involvement in the land development, building industry or real estate in Campbelltown.

4. Sponsorships not permitted under the policy

- a. Council will not undertake sponsorships that:
 - i. conflict with legislation or limit Council's ability to carry out its legislative functions fully and impartially
 - ii. present a health or safety hazard to the community.
 - iii. require or imply Council's endorsement of commercial products, services, companies, political parties or individuals
 - iv. personally benefit individual City employees, or their friends/family
 - v. allow ownership and control of the sponsored sponsorship assets to be removed from Council
 - vi. pose a conflict with the broader policies and practices of Council
- b. Council will not accept sponsorship from entities which derive their principle source of revenue from any of the following activities:
 - i. manufacture, distribution and wholesaling of tobacco and tobacco-related products
 - ii. manufacture, distribution and wholesaling of alcoholic products where such a sponsorship would be related to services or activities for youth.
 - iii. manufacture, distribution and wholesaling of illicit drugs.
 - iv. whose services or products are injurious to health.
 - v. that are in legal dispute with the Council.

5. Impartial exercise of functions

- a. Any consideration given to the establishment of sponsorship agreements shall have regard to ensuring Council is, and is seen to be, impartial with respect to its decision making.
- b. A sponsorship arrangement should not impose or imply conditions that would limit, or appear to limit, Council's ability to carry out its functions fully and impartially.
- c. In general, Council should neither seek nor accept sponsorship from persons or bodies which are, or are likely to be, subject to regulation or inspection by Council during the life of the sponsorship. Where adhering to this principle would limit Council's sponsorship opportunities, alternative strategies should be developed to ensure Council's regulatory or inspection responsibilities can be carried out in an open, fair, accountable and impartial manner. At a minimum, the staff involved in the sponsorship arrangement must have no involvement in the regulation or inspection of the party or in general.
- d. All parties should understand clearly that the sponsorship arrangement has no bearing on Council's exercise of its regulatory or inspection functions and will not influence Council's exercise of these functions.

6. No personal benefit

- a. It is inappropriate for any Councillor or employee of Council to receive a personal benefit from a sponsorship.

7. Open and transparent process

- a. In most circumstances, the public interest is best served by making sponsorship opportunities widely known. Sponsorship opportunities will normally be promoted to the open market by publication of a list of known sponsorship opportunities of services, functions and programs.
- b. Sponsorships should be sought by calling expressions of interest or using other mechanisms not limited to invited sponsors only to ensure transparency in the selection process.
- c. Sponsorship proposals should be processed and assessed in accordance with Council's Corporate Sponsorship Procedure and against pre-determined assessment criteria.
- d. In certain circumstances Council may seek and enter into sponsorship arrangements without a fully open public process. If interest for a particular sponsorship is poor, very limited, or it is a one-off opportunity that Council considers will bring considerable benefit and requires quick action, other approaches may be made using the most open process that is possible to make the sponsorship opportunities widely known.

- e. Council may also choose to consider unsolicited proposals. An unsolicited proposal is one that is initiated by a potential sponsor and is not in response to any action that Council has taken. Consideration of an unsolicited proposal should be undertaken in accordance with the principles outlined in the unsolicited proposals policy.

8. Risk Management

- a. Before a sponsor is appointed or an agreement is entered into, Council will undertake a risk assessment. This will identify potential risks and how these will be managed. Examples of the types of risks associated with sponsorship agreements include, but are not limited to:
 - i. actual or potential conflicts of interest;
 - ii. If any activities (whether or not part of the sponsorship activity) of the sponsor that have the potential to embarrass Council or negatively affect Council's reputation.

9. Recognition mechanisms and benefits

- a. As part of a sponsorship agreement, Campbelltown City Council may recognise its corporate sponsors. The extent of such recognition and/or benefits will be determined in relation to the level and nature of the sponsorships, and the appropriate sponsorship package.
- b. Forms of recognition must also comply with other Council policies and legislative requirements.

10. No Endorsement

- a. Sponsorship of Council should not involve explicit endorsement of the sponsor or the sponsor's products. The act of entering into a sponsorship arrangement in itself sends a message of endorsement of the sponsor and its products. Council cannot control this perception and for this reason must be careful in its choice of sponsors or sponsorship recipients.
- b. Where sponsorship takes the form of provision of a sponsor's product, the product should still be evaluated for its fitness for purpose against objective operational criteria which are relevant to Council's needs.

11. Monitoring and Reporting

- a. All sponsorship arrangements should be included in the Sponsorship Register and detailed in Council's Annual Report.

Responsibility

All staff and Councillors must comply with the requirements of the policy.

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All proposed sponsorship agreements which have a financial benefit of more than \$1000 must be forwarded to the Director City Governance for consideration and if appropriate, approval.

Effectiveness of this Policy

All sponsorships entered into will be fully evaluated on completion, assessing the outcomes of the sponsorship project and the benefits for both Council and the sponsor. The evaluation will be referred to the Executive Leadership Group for information and comment as necessary.

This Policy will be reviewed every three years.

END OF POLICY STATEMENT