

Ordinary Meeting

Meeting Date: Monday, 23 January, 2023

Location: Council Chambers, City Administrative Building, Bridge Road, Nowra

Attachments (Under Separate Cover)

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CL23.8	Policy - Council Sponsorship	
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~~Donations – Council~~ Sponsorship Policy

Adoption Date:	16/12/2003
Amendment Date:	28/9/2004, 27/04/2010, 21/06/2013
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Review Date:	
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Record Number:	POL16/180

Donations – Sponsorship Policy

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Donations – Sponsorship Policy

1. Purpose

To ensure ALL sponsorship arrangements and related processes:

- Are consistent across Council
- Are in compliance with all known legislation, guidelines, etc and are
- Are equitable, transparent and effective
- Will also provide a useful starting point for potential commercial sponsors and should ensure a consistent corporate approach to seeking sponsorship opportunities
- Will clearly identify responsibility and accountability levels and reduce the risk of corrupt conduct
- Will protect Shoalhaven City Council, Councillors and staff from being compromised in any way.
- Will guide Council staff in the determination of sponsorship applications, dealing with sponsorship issues, and in managing sponsors professionally

2. Statement

The policy should complement Council's Code of Conduct and Council's guidelines relating to protocol. Council reaffirmed the policy in its revised format by Minute 04.1165 on 28th September 2004.

2.1. Definition

The Independent Commission Against Corruption (ICAC) defines sponsorship as:

"Sponsorship is a commercial arrangement in which a sponsor provides a contribution in money or in kind to support an activity in return for certain specified benefits. Sponsorship can be provided by the corporate sector or private individuals, in support of a public sector activity, or by the public sector in support of related and worthwhile private or public sector activities."

Sponsorship does not include: the selling of advertising space, joint ventures, consultancies, grants (in regard to received sponsorship) unconditional gifts, donations, bequests or endowments.

Sponsorship is not philanthropic. A sponsor expects to receive a reciprocal benefit beyond a modest acknowledgement." "Sponsorship means a contribution in money or kind, generally by the corporate sector or private individuals, in support of a public sector activity. It does not include the selling of advertising space, joint ventures, consultancies and gifts or donations where the reciprocal benefit provided by the government agency does not extend beyond some modest acknowledgement."

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The difference between a sponsorship and a donation is the extent of the recognition given. Limited publicity (e.g. a news story in a local paper) is acceptable in relation to a donation, however, any larger scale or ongoing publicity would be indicative of a sponsorship support.

Sponsorship relates to funding (either to or from Council) that incorporates any significant publicity. This is distinct from a donation that may incorporate publicity through a news article in the media

3. Provisions

3.1. Details of Policy/Procedure

The revised Sponsorship Principles of the Independent Commission Against Corruption form part of this policy (see Appendix 6). The following principles, specific to Shoalhaven City Council also apply:

- ~~• In most circumstances the public interest is best served by making sponsorship opportunities widely known. To this end sponsorship should generally be sought by calling expressions of interest or by using other broadly based mechanisms not limited solely to invited sponsors.~~
- Sponsorship will not be accepted for any produce or service considered detrimental to health, eg. specific alcohol, tobacco products or prohibited substances.
- It is inappropriate for a sponsorship proposal to provide any personal benefit to any Shoalhaven City Councillor or employee
- ~~• Under no circumstances should there be any endorsement of a sponsor's product or service. The sponsorship agreement should clearly detail how the sponsor's product/name will be used in any advertising or marketing~~
- Sponsorship arrangements should be avoided where there is a clear conflict between the prospective sponsor/receiver's objectives and those of Shoalhaven City Council
- Council should be willing to consider all offers of sponsorship and not just those that have been specifically targeted. All potential tenderers should have an equal opportunity to participate in possible sponsorship with Council
- Sponsorship may be suspended or terminated if a sponsor/receiver attempts to influence any of Council's functions or if the sponsor may be subject to regulation or inspection by Council.
- All sponsorships are to be acquired by way of public invitation and the resultant arrangements are to be evidenced in written form. Written arrangements may be either:
 - a. Formal legal agreements for large sponsorships and/or sponsorships of long duration
 - b. Based on correspondence for small sponsorships
- ~~• Council may accept sponsorship for short and/or long term duration related to specific events projects and/or activities~~

Donations – Sponsorship Policy

- Sponsorships may be in the form of cash or “in kind”. The benefits and entitlements available to sponsors are to be determined prior to the calling of expressions of interest for sponsorships. These benefits and entitlements may take the form of categories set out in the Sponsorship guidelines.

3.2. Management of Process

- A sponsorship arrangement is an agreement and should always be described in an appropriate written form, outlining the terms of the agreement. Any sponsorships valued at \$2,000 or more must be approved by the ~~General Manager~~CEO
- All sponsorship to be reported in Council’s Annual Report
- Council must ensure that sufficient resources are available to honour its side of the agreement.
- All sponsorship agreements should be monitored during the sponsorship and assessed at the end of the period. This assessment could also provide an opportunity for the sponsor to work with Council in evaluating the outcome of the sponsorship
- The sponsorship benefits which are to be provided should be commensurate with the level of sponsorship, and consistent with other sponsorship arrangements
- Any consideration given to the establishment of a sponsorship arrangement will include regard to the maintenance of a consistent and professional image of Shoalhaven City Council and the sponsor within the community at all times
- All sponsorship arrangements whether formal or informal will clearly set out:
 - a. The objective of the sponsorship
 - b. The benefits to Shoalhaven City Council and the sponsor, including economic benefits available
 - c. Any personal benefits available to the sponsor’s employees and their relatives
 - d. The form or forms of sponsorship acknowledgement which will be available
 - e. The scope of uses which the sponsor can make of the sponsorship arrangement
 - f. The terms of the sponsorship and any conditions regarding renewal, if applicable
 - g. Procedures for monitoring the sponsorship, including the consequences of changes which may occur over time
 - h. Financial accountability arrangements
 - i. Provisions for termination or suspension of arrangements
 - j. Provisions for conflict or dispute resolution or termination of the arrangement

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- k. Any special conditions which apply to the sponsorship arrangement
- l. The evaluation process to occur after the sponsored event, project, activity, etc.

3.3. Seeking Sponsorship

- Note: in relation to the Shoalhaven Entertainment Centre seeking sponsorship from external Parties please see POL16/207
- It is inappropriate for a sponsorship proposal to provide any personal benefit to any Shoalhaven City Councillor or employee
- In most circumstances the public interest is best served by making sponsorship opportunities widely known. To this end sponsorship should generally be sought by calling expressions of interest or by using other broadly based mechanisms not limited solely to invited sponsors.
- Under no circumstances should there be any endorsement of a sponsor's product or service. The sponsorship agreement should clearly detail how the sponsor's product/name will be used in any advertising or marketing
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 - b. Based on correspondence for small sponsorships
- Council may accept sponsorship for short and/or long term duration related to specific events projects and/or activities
- Sponsorships may be in the form of cash or "in kind". The benefits and entitlements available to sponsors are to be determined prior to the calling of expressions of interest for sponsorships. These benefits and entitlements may take the form of categories set out in the Sponsorship guidelines.
- The staff member seeking sponsorship must submit a Sponsorship Request to their Group Director

