

STRATHFIELD COUNCIL

SPONSORSHIP POLICY

2024

 <p>STRATHFIELD COUNCIL</p>	<h2>SPONSORSHIP POLICY</h2>		
RESPONSIBILITY	Communications and Events Section		
AUTHOR	Communications Coordinator		
DATE ADOPTED	17 March 1998	MINUTE	CC 19/98
REVISED	March 2024	REVIEW	2028
ECM NO			
ASSOCIATED LEGISLATION	<ul style="list-style-type: none"> • <i>Local Government Act 1993</i> 		
ASSOCIATED POLICIES	<ul style="list-style-type: none"> • • Strathfield Council Code of Conduct • Strathfield Council Financial Assistance Policy 		

1. Introduction

1.1. Title and Commencement

This policy is titled *Sponsorship Policy*. This policy was first adopted on 17 March 1998 by Council resolution CC 19/98. The following amendments have been made.

Date	Type	Minute
17 March 1998	Policy adoption	19/98
6 December 2006	Revision	256/06
7 December 2017	Revision	
7 March 2024	Revision	
17 June 2024	Policy adoption	79/24

1.2 Purpose of Policy

Strathfield Municipal Council has a range of responsibilities to deliver services and programs under relevant legislation and policies. Council also delivers a variety of events which foster community

and a vibrant cultural life, which are usually free to the general public. To enhance, vary or reduce the cost of current activities, Council may enter into sponsorship agreements. Additionally, sponsorship may provide greater exposure of the activities which may increase visitation.

Seeking sponsorship for various programs, activities and events is in line with the Community Strategic Plan *Strathfield 2035* and the objective of Responsible Leadership, specifically:

5.2.1 Prepare and implement plans and strategies to deliver and resource efficient and accountable services, programs and infrastructure.

Sponsorship is a commercial arrangement in which a sponsor provides a contribution in money or in kind to support an activity in return for a certain specified benefit. Sponsorship agreements can involve either granting or receiving of sponsorship. When receiving sponsorship, Council can provide benefits to a private sector company, corporation or other government agency in exchange for money, goods or services to support its activities.

This Sponsorship Policy applies only to arrangements where a third party provides a contribution to Council. Requests for sponsorship by Council are managed separately. Information in regarding sponsorship opportunities from Council can be found through the Community Grants program and the associated Community Grants Policy.

1.3 Objectives and Coverage of the Policy

Strathfield Council's Sponsorship Policy outlines the principles and procedures for acceptance of sponsorship proposals. The Policy is concerned primarily with:

- i. Assessing risk and managing potential conflicts of interest
- ii. Public accountability and transparency of decision making
- iii. Financial management and benefits

1.4 Definitions

"Sponsorship" means a contribution of money or in-kind support from one entity to another entity, or their activity or event. It does not include the selling of advertising space, joint ventures, consultancies, grants and unconditional gifts, bequests, endowments or donations. Sponsorship is not philanthropic as a sponsor expects to receive a reciprocal benefit beyond a modest acknowledgement.

"Sponsor" means an organisation or individual providing resources to the Council, for use in achieving Council objectives, in return for specific benefits.

2. Policy Statement

2.1. Principles

- a) All sponsorship agreements will be in the form of a written agreement and comply with principles and procedures outlined in this policy.
- b) In deciding whether to accept a sponsorship proposal Council will consider the provisions of the *Local Government Act Section 356[2]* and whether the proposal would be deemed as 'financial assistance'.
- c) Consistent with ICAC guidelines Principle 1, sponsorship agreements must include a statement that Council's functions will continue to be carried out fully and impartially, notwithstanding the existence of a sponsorship arrangement.
- d) Consistent with ICAC guidelines Principle 2, Council will not accept a sponsorship proposal where there is a real or apparent conflict between the objectives and mission of Council and those of the Sponsor.
- e) The Sponsorship agreement will include a statement to the effect that any attempted influence of Council's regulatory functions will result in an automatic review and/or termination of the sponsorship arrangement.
- f) Any consideration given to the establishment of sponsorship agreements will have regard to the following principles:
 - i. The sponsorship must not be perceived to influence or hinder how Council operates.
 - ii. The sponsorship must not impose or imply conditions that would limit or appear to limit Council's ability to carry out its functions fully or impartially.
 - iii. That the reputation and credibility of Strathfield Council must not be damaged by making agreements with unsuitable third parties, as determined under clause 2.2 and 2.6.
 - iv. The sponsorship must not give rise to a real or apparent conflict between the objectives and mission of Council and those of the Sponsor.
 - v. The form of sponsorship must be consistent with the stated objectives of Council, which includes image.
 - vi. That sponsorship agreements can be terminated if conditions of this policy are not met.
 - vii. That sponsorship agreements are formed with consideration to public accountability and transparency, and thus contain clear statements of objectives and benefits negotiated.
 - viii. That sponsorship will not require or imply any Council endorsement of commercial products, services, companies, political parties or individuals.
 - ix. Sponsorship agreements must not restrict access to the Council's community assets, such as sporting fields, by the widest audience possible.
 - x. Sponsorship agreements must not personally benefit individual Council employees, or their friends/family.

- xi. Sponsorship agreements must not allow ownership and control of the sponsored asset to be removed from Council.
- g) Sponsorship fees owing to Council must be paid by the Sponsor prior to the commencement of the project, event, service or activity.
- h) Council events will run in all weather conditions unless extreme conditions persist, in which case the event will be cancelled. There will be a weather consult held 24 hours prior to the event, with final decision made by Council, in its absolute discretion. Council will not refund any sponsorship funds for events that are cancelled due to adverse weather conditions.

2.2 Probity Risk Assessment

- a. Consistent with ICAC Principles 4 and 5, each sponsorship proposal must be accompanied by a probity risk assessment. The assessment will be conducted by the Manager, Communications and Events in coordination with Council's General Counsel and the Manager Governance & Procurement. The probity risk assessment will assess whether:
 - i. The sponsorship proposal meets the principles outlined in part 2.1, above.
 - ii. Sponsorship benefits for the third party do not outweigh the level of sponsorship.
 - iii. The type or form of sponsorship is inconsistent with the objectives or needs of the Council e.g. accepting free products simply because they are free but not of any perceivable benefit to the Council.
 - iv. Any sponsorship proposal expecting explicit endorsement of the Sponsor or Sponsor's products. Such proposals will not be accepted by Council.
 - v. Any Conflicts of interest are likely to arise as a result of the sponsorship proposal.
 - vi. The capacity of Council to provide adequate resources and facilities to meet the terms of the proposed agreement.
- b. If the assessment concludes that the risks are unacceptably high or Council is receiving minimal value from the proposal, Council will not accept the sponsorship proposal.
- c. Every sponsorship proposal will be assessed against the possibility of a conflict of interest and, in particular, will be refused or terminated in any case where during the life of the sponsorship, the Sponsor:
 - i. Has a current development application or planning matter before the Council, or the Council is aware of the possibility of an application or matter coming before the Council in the near future.

- ii. Is, or is likely to be, subject to regulation or inspection by the Council which may impose or imply conditions; and where the sponsorship may limit the Council's ability to carry out its functions fully and impartially.
- iii. Has outstanding monies owed to Council.
- d. If a sponsorship proposal is refused or terminated as a result of 2.2(c), above, the reasons for refusing sponsorship must be clearly recorded
- e. Any individual or organisation with a sponsorship agreement with Strathfield Council must disclose the agreement if lodging an application or tender proposals with Council. Failure to adhere to these terms will result in termination of the sponsorship agreement.
- f. Council will not seek sponsorship from a sponsor or any party engaged in current or pending legal proceedings involving the Council, where the proposed project would contravene any section of the *Local Government Act* or where the proposed project may expose Councillors, the Council or its staff to conflicts of interest.

2.3 Council Employees/Councillors/Consultants

Consistent with Council's Code of Conduct and ICAC principle 6, it is inappropriate for any employee of Council, designated person (as defined in section 441 of the *Local Government Act 1993*), contractor or Councillor including their relatives/partners (as defined in section 443 of the *Local Government Act 1993*) to receive a personal benefit from a sponsorship. Council will not accept a sponsorship proposal that gives rise to a personal benefit to an employee, designated person, contractor or Councillor.

Councillors must refer any sponsorship proposal to the General Manager for allocation to the relevant department for consideration.

2.4 Advertising Sponsorship Opportunities

In accordance with ICAC guidelines, Council will widely advertise sponsorship opportunities including in print and digital communications and may invite potential sponsors.

Unsolicited proposals for sponsorship will be assessed against principles outlined in this policy for their suitability and risk.

2.5 Suitable Council Activities for Sponsorship

The following Council activities are suitable for sponsorship:

- Training
- Scholarships
- Education
- Industry research
- External publications
- Awards schemes such as Heritage Awards, Garden Awards etc.
- Events such as Spring Festival, Christmas Carols, Cooks River Fun Run, etc.
- Bushcare Program
- Community, Library and recreation programs or events
- Competitions such as gardens, photography, etc.

2.6 Unsuitable Sponsors

Strathfield Council does not consider the following companies, partnerships, organisations or individuals suitable for sponsorship and will not enter into sponsorship agreements with:

- Those involved in the manufacture, distribution and wholesaling of tobacco related products, pornography, addictive drugs, armaments and weapons, or sexual services.
- Those found guilty of illegal or improper conduct by ICAC or any other legal authority.
- Those which are involved in political fields (e.g. political parties).
- Those whose services or products are considered to be injurious to health or are seen to be in conflict with Council's policies and responsibilities to the Community.

2.7 Acceptable Types of Sponsorship Benefits Provided by Council

The primary benefit for sponsoring Council activities and events, is a competitively-priced strategy for reaching a target audience or to meet social responsibility goals.

Strathfield Council can provide this by recognising sponsors in several ways. The extent of such recognition and benefits will be determined by collaboration and agreement between Council and the Sponsor, are restricted by legislation and public policy, and subject to a written agreement specifying benefits and costs. Sponsorship recognition should be tasteful and not create situations of potential embarrassment or criticism for Strathfield Council.

Sponsor benefits include, but are not limited to:

- Sponsor branding on marketing communications including print, press, digital, social media, direct marketing, posters and other collateral.
- Licence to use Council's intellectual property for the event such as logos, content and imagery.

- Exposure at event or activity with appropriate signage, access to space on site for activation and integration into the official event program.
- Sponsor's name and/or logo to be featured on Council websites and social media profiles.
- Featured posts of Sponsor's contribution on Council's social media profiles.
- Inclusion of Sponsor's branding in external publications.
- Media release acknowledging the role and contribution of the Sponsor.
- Invitations to selected Council functions, which may include hospitality, preferential seating, and award presentation.
- Naming rights for an event, building etc. for the term of the sponsorship.
- Award or trophy struck in the Sponsor's name and publicly presented.
- Merchandising of goods at selected points of sale.
- Digital display of Sponsor branding on monitors in the foyer of the Library and Customer Service (subject to approval in each individual case and when not required for Council's use).

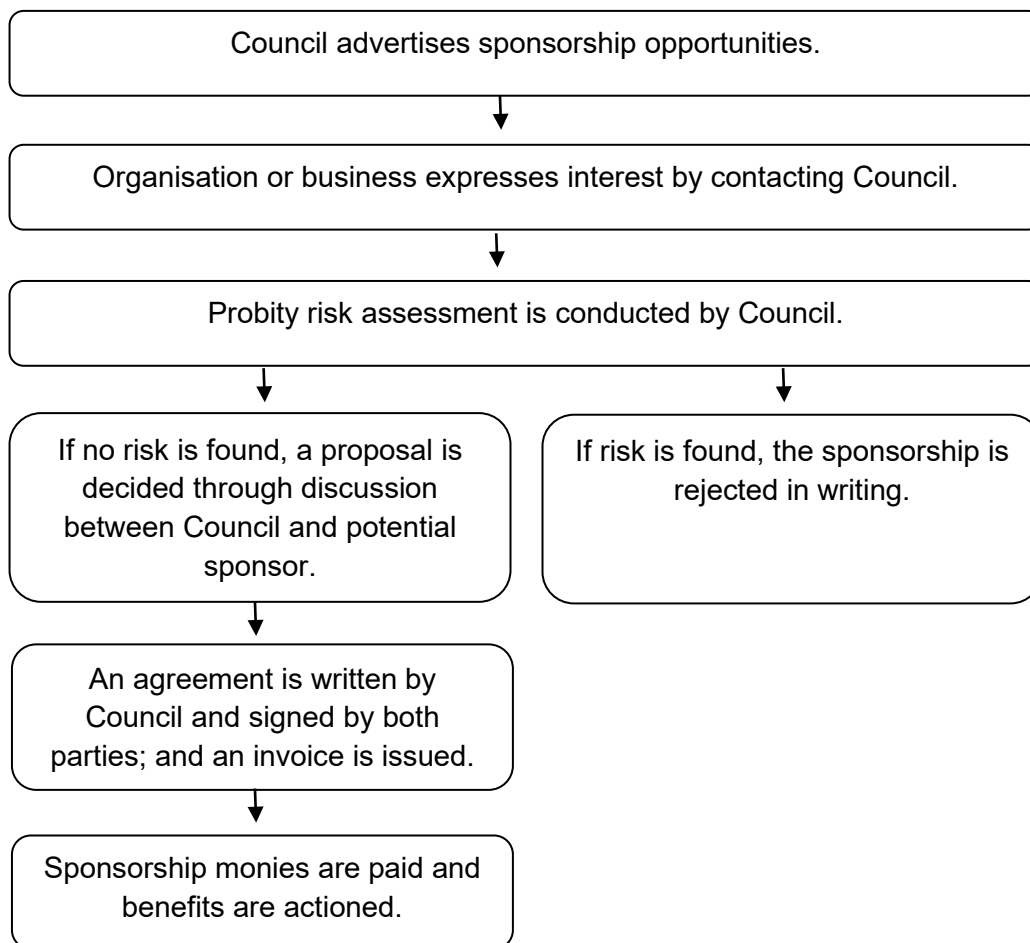
Sponsor benefits or sponsorship do not include implied endorsement by Council of the Sponsor's goods or services, or use of Council's logo to promote their products.

2.8 Council Granting Sponsorship

Council provides sponsorship through the Community Grants program and under the associated Community Grants Policy. For information on how to receive apply for a Community Grant, please refer to the Community Grants Policy available on Council's website.

2.9 Sponsorship Process

The following process will be followed by Council to determine whether to accept a sponsorship proposal



2.10 Agreements

Consistent with ICAC Principle 9, every sponsorship agreement is a contract and conditions will be fully described in a written agreement, signed by both parties, and clearly sets out the following matters as a minimum:

- i. Specific services, products or funds to be provided by the sponsoring organisation and the reciprocal benefits (if a third party is sponsoring a Council project, event, service or activity).
- ii. The form or forms of sponsorship acknowledgement which will be available.
- iii. Any limitations to the sponsorship such as restrictions on seeking additional sponsors (exclusivity agreements).

- iv. The amount, form and delivery of sponsorship payments, noting whether these are paid in instalments or paid in full prior to an event.
- v. The responsibilities and expectations of each party for the project.
- vi. Authority to use, and any associated guidelines for the use of corporate logos or limitations on advertising, media, social media and other publicity.
- vii. The term of the sponsorship and any conditions regarding renewal.
- viii. Consequences of change which may occur over time e.g. a shift in the relationship, new policies, new corporate missions or objectives.
- ix. A statement to the effect that any attempted influence of Council's regulatory functions will result in an automatic review and/or termination of the sponsorship agreement. (Suggested wording: This agreement does not affect the implementation of Council's regulatory functions. Any attempted influence on Council's regulatory functions will result in an automatic review and possible termination of the sponsorship agreement.)
- x. General commitments that neither party will make disparaging remarks about the other
- xi. A statement to the effect that the agreement does not create a relationship between the parties
- xii. Insurance and indemnities clause
- xiii. Any special conditions which may apply.
- xiv. Provision for termination or suspension of the agreement.

All sponsorship agreements must be signed by the Sponsor before being submitted to the General Manager for signature. A copy with both signatures will then be sent to the sponsoring or organisation.

Signed sponsorship agreements must be saved in Council's records system and forwarded to the officer responsible for actioning the agreed upon items.

2.10 Approval of Agreements

2.10.1 Consistent with principle 10 of ICAC guidelines, final approval for sponsorship arrangements is determined by the General Manager.

2.10.2 Council retains the right to reject sponsorship from any entity for any reason.

2.11 Public Register

All sponsorship agreements will be listed in a publicly accessible sponsorship register and current sponsorship agreements will be noted in Council's annual report, in a form commensurate with the significance of the sponsorship.

Council will ensure that sufficient resources are available to enable the promised sponsor benefits to be delivered. Council will provide sufficient information for the Sponsor to evaluate the outcomes of the sponsorship.

2.12 Access to Policy

This Sponsorship Policy will be included in Council's policy register and will be placed on Council's website.

2.13 Public Accountability/Reporting

Strathfield Council is committed to principles of open government, involving public accountability, transparency and accessibility. To meet these objectives, Council agrees that:

- i. Sponsorship agreements will be in the form of a written agreement with Council.
- ii. All documents relating to sponsorship agreements will be open for public inspection.
- iii. Council's Sponsorship policy will be publicly available and listed on Council's website.
- iv. A public register of sponsorship agreements will be maintained by Council.
- v. Sponsorship agreements will be listed in Council's Annual Report.
- vi. Applications for development or rezoning will require sponsorship agreements to be disclosed.