



Sponsorship Policy

Sutherland Shire Council

Document review and approval

This document has been approved by

	Name	Minute No	Date approved
1	Finance, Resources & Management Committee – FIN 268-98	1541	29 June, 1998

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Version	Author	Date	Revision
1	Manager Administration	22 June, 1998	Original Version
2	Manager Communications & Events	21 May, 2012	<i>Policy reviewed as part of annual review process. Policy is to be maintained and minor amendments may be necessary at a future point.</i>

SPONSORSHIP POLICY - *Probity Issues*

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1. OVERVIEW

- 1.1 Sutherland Shire Council actively seeks financial and/or in-kind sponsorship from time to time from organisations, bodies, companies or individuals to support specific promotions, events, services and other activities of Council.
- 1.2 The Sponsorship Policy adopted by Sutherland Shire Council is aimed to ensure that probity is maintained in the selection or appointment of sponsors and in managing those sponsorships.
- 1.3 The Policy recognises Sutherland Shire Council's Code of Conduct which states in its introduction:

"Sutherland Shire Council is an elected body responsible for administration of the Sutherland Shire in accordance with the applicable legislation. Council strives to manage that responsibility in the best interests of the local community, as well as the public in general.

In doing so, it is acknowledged that the Sutherland Shire Community is entitled to expect that:

- *the business of the Council will be conducted with efficiency, impartiality and integrity;*
- *Councillors, staff and delegates of Council will obey the spirit and letter of the law and, in particular, the provisions of all relevant statutes, ordinances, regulations and instruments; and*
- *duty to the public will always be given absolute priority over the private interests of Councillors, staff and delegates of Council"*

- 1.4 The Sponsorship Policy is also in line with ICAC advice that public sector organisations, including local government councils, need to develop a specific sponsorship policy to cover all their current and future sponsorship agreements with the private sector. ICAC has highlighted two important principles:
 1. The public should be confident that government decisions are made, and appear to be made, on objective grounds, and;
 2. Private sector organisations should have equal access to the tangible and intangible benefits which flow from the sale of a government asset, ie its goodwill.

2. AIMS

2.1 Sponsorship

To maximise financial and in-kind assistance to identified activities Undertaken during the year in accordance with Council's policies and legislative requirements, to the mutual benefit of both parties.

2.2 The Sponsorship Policy

1. To heighten awareness of probity issues within Council and protect Council, councillors and staff from being compromised.
2. To reduce the risk of corrupt conduct and provide a useful starting point for potential commercial sponsors.
3. To ensure a consistent corporate approach to seeking sponsorship opportunities.
4. To set rules for entering into sponsorship agreements.
5. To clearly identify responsibility and accountability levels.

3. WHAT IS A SPONSORSHIP?

- 3.1 A sponsorship as defined by ICAC is a contribution in money or kind, generally by the corporate and government sector or private individuals, in support of an individual Council related activity, in return for agreed benefit(s).
- 3.2 A sponsorship does not include the selling of advertising space, joint ventures, consultancies and gifts or donations where the reciprocal benefit provided by the Council does not extend beyond some modest acknowledgment.
- 3.3 Sponsorship, used well, is an important business tool where both parties benefit.

4. SUTHERLAND SHIRE COUNCIL SPONSORSHIP OPPORTUNITIES

- 4.1 The Sutherland Shire is a large metropolitan Council of 200,000 people. Sutherland Shire Council is one of the largest Councils in Australia, whose range of activities are wide and diverse offering many sponsorship opportunities for the mutual advantage of both Council and potential sponsors.

4.2 Sponsorships have previously been obtained for:

- Australia Day activities
- Community Arts activities
- Beach Vehicles
- Bus Shelters
- Public seating - street and parks
- Sporting Events
- Clean Up Australia Day
- Sutherland Leisure Centre
- Community Bus
- Keep Australia Beautiful activities

4.3 Other potential sponsorship opportunities may be possible for activities such as:

- Child care centres
- Tennis courts
- Sporting fields/facilities
- Community halls
- Parks and reserve assets - benches, pergolas, facilities
- Swimming Centres
- Plant & Vehicles

4.4 Council does however reserve the right to restrict or not seek sponsorship for activities which conflict with council or community viewpoints (*see Section 5 - Ethical Issues*)

5. THE SPONSORSHIP POLICY

5.1 Ethical Issues Being Considered In A Sponsorship Relationship

PRINCIPLES

- 5.1.1 Sponsorship arrangements shall not be entered into which could limit Sutherland Shire Council's ability to carry out its functions fully and impartially.*

Sponsors need to clearly understand this principle. All sponsorship agreements will positively state that Council's functions will continue to be carried out fully and impartially, notwithstanding the existence of a sponsorship arrangement.

Sponsorship agreements will clearly describe the process and possible consequences of any sponsorship related impacts on Council's responsibilities (including, a statement to the effect that any attempted influence of the sponsored functions will result in an automatic review and/or termination of the sponsorship arrangement).

- 5.1.2 Sponsorship arrangements should be avoided where there is clearly a conflict between the objectives and mission of Sutherland Shire Council and its respective activities and those of the sponsor.*

Staff assessing sponsorship shall continually be aware of the possibility that the objectives and mission of a sponsor may be in conflict with those of the Council.

- 5.1.3 Sponsorship of Sutherland Shire Council activities will not involve explicit endorsement of the sponsor or the sponsor's products.*

Strong implicit endorsement of a sponsor's product will be avoided. Sponsorship agreements shall specify where the sponsor's product(s) or name can be used (eg. in advertising copy), and include a disclaimer that, where appropriate, Council has the opportunity to review such specific uses, prior to the commencement of the sponsorship.

- 5.1.4 Where sponsorship takes the form of provision of a sponsor's product, Council will evaluate the product for its fitness for purpose against objective operational criteria which are relevant to Council's needs.*

Sponsor's products will not be accepted simply because they are offered free of charge. Consideration will be given to implicit agency endorsement of a sub-standard product.

- 5.1.5 *It is inappropriate for any councillors or employee of Sutherland Shire Council to receive a personal benefit from a sponsor/sponsorship.*

Where a benefit is provided by a sponsor on a corporate basis (for eg, meeting the cost of hospitality at a conference), there shall be no perception of personal benefit being given to a public official as an individual (see also *Section 7 of Code of Conduct*).

OPERATIONAL

- 5.1.6 *A sponsorship arrangement is an agreement and should be described in an appropriate written form.*

Sponsorship agreements constitute contracts and should be administered by appropriate, responsible officers.

- 5.1.7 *All sponsorship arrangements must be approved by the General Manager or another designated senior officer and described in Council's annual report in a form commensurate with the significance of the sponsorship.*

Council will ensure the responsible officers will have appropriate delegations to deal with sponsorship and that a reporting system is in place to enable data collection for Council's annual report.

- 5.1.8 *It is important to ensure that sufficient resources are available to enable the promised sponsor benefits to be delivered. Sufficient information should be provided for the sponsor to evaluate the outcomes of the sponsorship.*

The benefits which are provided should be commensurate with the level of sponsorship and consistent with other sponsorship arrangements.

5.2 **Seeking Sponsorship**

- 5.2.1 Following the submission of the sponsorship approval form to the General Manager or designated officer, and subsequent approval, sponsorship can be sought. However only those committees/sub committees or officers with delegated authority may seek sponsorship directly for any Council activity.

- 5.2.2 The most appropriate means of seeking sponsorship will be decided by the respective committee/sub committee or designated officer in accordance with this policy.

- 5.2.3 All sponsorships will comply with relevant legislation and Council's Sponsorship Policy. This applies in particular to the following legislation and/or permissions, the consideration of or need to hold, should be addressed:

- a fundraising authority under the Charitable Fundraising Act 1991;

- a permit under the Lotteries and Art Union Act 1901;
- a liquor licence;
- miscellaneous approvals, e.g. from the police, State Rail Authority etc.

5.2.4 The following limitations apply to the seeking of sponsorship:

- Council's aims, objectives and functions will not be compromised in any way
- all wording for signage and other communications to be approved by the responsible officer in reference, where appropriate, to the Communications Unit

5.3. **Assessing And Approving Sponsorship Proposals**

5.3.1 Need to Document all Proposals

All sponsorship proposals are to be appropriately documented outlining the benefits accruing to any potential sponsor and shall contain the following information:

- Objectives of seeking sponsorship
- Type of event
- Target categories/audiences
- Activities involved - one activity or more activities
- Special requirements of the sponsor(s) - location, timing, expectations
- Conditions of the sponsorship
- Period of the sponsorship

Where two or more approved sponsors are interested in a specific matter, one sponsor will be selected and submitted to the General Manager or designated officer for endorsement.

5.3.2 Obtaining Approval

All sponsorship proposals must be approved by the General Manager or designated officer and will be in compliance with the requirements of the sponsorship policy. (5.1.6 and 5.1.7)

5.3.3 Making a Formal Offer

A formal offer of sponsorship will then be made in writing, specifying in detail the sponsorship and its outcomes to ensure there is no disagreement between Council's and the sponsor's expectations.

5.4 Sponsorship Approvals & Agreements

5.4.1 Sponsorship Approvals

A sample sponsorship approval form required to be completed to obtain approval of the General manager or designated officer is shown in Attachment A. This form may be updated from time to time.

5.4.2 Sponsorship Agreements

There is no stated form for a sponsorship agreement. Sponsorship agreements could vary to be in the form of a letter outlining Council's requirements and conditions, or extend to a detailed legal contract. It may also be a requirement of the Sponsor who may stipulate and supply an agreement to be signed. Depending on the complexity of the sponsorship project, consideration will need to be given by the recommending officer as to the form of agreement that should be used.

All sponsorship agreements need to state essential information as provided in this Policy.

5.5 Monitoring

All sponsorships will be actively monitored during the term of the sponsorship to ensure the expectations of Council and the sponsor(s) are being met.

5.6 Communication

- 5.6.1 Ongoing and open communication will be kept with sponsors during the life of the sponsorship.
- 5.6.2 Sponsors shall receive timely feedback on the results of their sponsorship, and as soon as possible following the end of a particular sponsorship, as appropriate.
- 5.6.3 Practically, this will most likely be in the form of telephone calls or if necessary meetings on site or in a mutually agreed location.

5.7 Acknowledgments And Other Benefits

Acknowledgment and the form of sponsorship, depending on negotiations, will entail one or more of the following (see also Section 5.2.4):

- public acknowledgment through newspapers and/or radio, and at appropriate functions
- acknowledgment on a Council asset as appropriate eg. sticker on car or bus, sign on facility, or at site of the activity
- reports on the conduct of the activity
- formal letter from Council acknowledging the sponsors valuable contribution to a successful project. This could be from the Mayor, a committee, the General Manager or designated officer depending on the circumstances

- at functions, as and when appropriate.

5.8 Assessing Outcomes Of Sponsorship Projects

All sponsorships entered into will be fully evaluated upon completion, assessing the outcomes of a sponsorship project, including benefits, for both the sponsor and Council. The evaluation will be referred to the General Manager or designated officer for information and comment as necessary.

6. PUBLIC AVAILABILITY OF INFORMATION ON SPONSORSHIP AGREEMENTS

All information about the full nature and extent of sponsorship agreements will be available to the public upon request.

7. BREACHES OF CODE

Breaches of this code may result in disciplinary action and, if a crime is alleged, referred to the police and ICAC

ATTACHMENT A

**SUTHERLAND SHIRE COUNCIL
Draft Sponsorship Approval Form**

All sponsorships have to be approved by the General Manager or designated officer. Please complete this form and submit with supporting information for approval.

Strict attention should be given to all sponsorship proposals to ensure conformity with the Sponsorship Policy and ensure probity and ICAC guidelines are met. Any proposal not complying with the policy will be referred back to the originating officer.

Event/Activity (including the period of the sponsorship)		
Objectives of seeking sponsorship		
Target group / audience		
Does this sponsorship comply with the Sponsorship Policy?		
If not, please expand why sponsorship should continue to be sought		
Should Expressions of Interest be called or other means used to attract sponsors?. If not, Why?		
Should this opportunity be advertised widely to attract sponsorship? If so, how?		
Officer (<i>Print</i>)	Division	Date

Approved/Not Approved

General Manager/ designated officer

Date