



**DATE ADOPTED: 25 SEPTEMBER 2018**

**VERSION: 1.0**

## **POLICY OBJECTIVES**

The objectives of this policy are to:

- Establish a framework with suitable and appropriate principles and guidelines to allow the negotiation and implementation of sponsorship arrangements for Maitland City Council.
- To achieve a greater community and business connection with Maitland City Council.
- Establish transparency around the level of sponsorship available and the process for applying.
- Apply a consistent approach in responding to and processing all sponsorship requests.

## **POLICY SCOPE**

This policy applies to both the granting and receiving of sponsorship for Maitland City Council. This policy applies to Council officers, Councillors, contractors, volunteers and others acting on behalf of Council. This policy does not apply to Council user groups in the context of the Sponsorship Signage Within Recreation Facilities Policy.

## **POLICY STATEMENT**

Maitland City Council has a range of responsibilities to deliver services and programs under relevant legislation and policies. There are a range of sections within Council that, at times, may enter into sponsorship agreements, either granting or receiving, to enhance, vary or reduce the cost of activities or programs, increase community connections or to extend marketing activities for mutual benefit.

A sponsorship is a commercial agreement in which Maitland City Council or an external party provides a contribution of money or in kind to support in return for specified benefits. Sponsorship differs from grant programs, donations and financial assistance as these programs do not involve a benefit beyond modest recognition.

This policy defines principles and guidelines to ensure appropriate decisions are made in developing sponsorship agreements for Maitland City Council.

### **1. PRINCIPLES**

All sponsorship agreements developed, both receiving and granting, must adhere to the following principles:

- Take the form of a written agreement.
- Be consistent with the Independent Commission Against Corruption (ICAC) guidelines.

- State that Council's functions will continue to be carried out fully and impartially, notwithstanding the existence of a sponsorship arrangement.
- State that any attempted influence of Maitland City Council's regulatory functions will result in an automatic review, which may result in the termination of the sponsorship arrangement.
- Not infer any real or apparent conflict between the intent and actions of Maitland City Council and those of the sponsor.
- Not impose or imply conditions that would limit or appear to limit Maitland City Council's ability to carry out its functions fully and/or impartially.
- Ensure that the sponsorship does not compromise or question the integrity of Maitland City Council operations.
- Be formed in public accountability and transparency with clear statements of objectives and benefits negotiated.
- Ensure Council considers the value for money received in return for Council's investment.
- Ensure Council considers the value for money in granting sponsorship.
- Granted sponsorship will not include Council's explicit endorsement of the organisation or organisation's product.

## **2. RISK ASSESSMENT**

Each sponsorship proposal will be accompanied by a risk assessment.

The risk assessment will assess areas such as cost/benefit of the sponsorship, consistency with the objectives of Maitland City Council, reputation, capacity to execute agreements, level of personal benefit, the regulatory role of Council is not compromised, and conflicts of interest do not occur.

## **3. COUNCIL EMPLOYEES/COUNCILLORS/CONSULTANTS**

Council will put in place measures to ensure any employee of Council, designated person or Councillor including relatives/partners will not receive a personal benefit from the sponsorship agreement. Depending on the condition of the engagement, contractors and consultants could be regarded as employees of Maitland City Council and will be considered when assessing the status of personal benefits in a sponsorship agreement.

## **TYPES OF SPONSORSHIP**

Maitland City Council has identified two core sponsorship opportunities, these being granting sponsorship and receiving sponsorship. Sponsorship opportunities can be sought and granted at any time throughout the year, dependant on the individual program, through solicited and unsolicited proposals.

Sponsorship arrangements will be entered into with reputable organisations whose public image, products and services are consistent with the values, goals and specific policies of local government in the City of Maitland.

### **1. GRANTING SPONSORSHIP**

#### **1.1. FINANCIAL**

Maitland City Council is open to granting sponsorship funding (cash) to community and industry groups, events and organisations that fit within the guiding principles of this policy, located, operating or providing direct benefit within the local government area.



## **1.2. IN KIND**

Maitland City Council offers in kind sponsorship to community and industry groups, events and organisations that fit within the guiding principles of this policy, located, operating or providing direct benefit within the local government area.

To ensure maximum community benefit, funding of any one initiative/organisation is restricted to one source of funding from Council i.e. an applicant is not eligible for sponsorship if, for example, the applicant has received funding via another funding source of Council.

## **2. RECEIVING SPONSORSHIP**

### **2.1. FINANCIAL**

Maitland City Council will seek financial sponsorship by inviting businesses or organisations that service the local area to consider sponsoring specific activities, events or projects. These sponsorship arrangements aim to assist Council to fund or enhance activities and services delivered in the community.

### **2.2. IN KIND**

Maitland City Council will seek in kind sponsorship by inviting businesses or organisations that service the local area to consider sponsoring specific activities, events or projects through supplying products or services to enhance activities or services delivered in the community.

## **3. UNSUITABLE FOR SPONSORSHIP**

Maitland City Council does not consider the following companies, partnerships, organisations or individuals suitable for entering into sponsorship agreements with:

- Those whose services or products are considered to be injurious to health or are seen to be in conflict with Maitland City Council policies and responsibilities to the community, such as those involved in the manufacture, distribution and wholesaling of tobacco related products, pornography and addictive drugs.
- Those found guilty of illegal or improper conduct by the ICAC or any other legal authority.
- Businesses, entities or individuals that are currently in legal dispute with Council.
- Those events and activities that do not obtain appropriate approvals prior to the event or activity occurring (e.g. street trading, road closure, development consent).
- Overtly religious or political activities that could be perceived as divisive within the community including politicians and political parties.
- Agreements which give the sponsor influence or perceived influence over the Council and access to restricted information.

Alcohol related sponsorship may be accepted providing such sponsorship is not directly linked to activities, assets, facilities or service for people under the age of 18.

## **4. POTENTIAL BENEFITS FOR SPONSORS**

Maitland City Council will recognise sponsors in a number of ways. The extent of such recognition will be determined in relation to the level and nature of the sponsorship and subject to a written agreement specifying benefits and costs.

Sponsorship recognition will be tasteful and discreet, avoiding situations of potential embarrassment or criticism of Maitland City Council.



## **5. ADDITIONAL FUNDING CHANNELS**

Maitland City Council offers a range of additional funding channels. All opportunities can be found on Council's website [maitland.nsw.gov.au](http://maitland.nsw.gov.au)

## **PROCESS**

### **1. ROLES AND RESPONSIBILITIES**

Council officers with the appropriate delegations have the authority to negotiate paid sponsorship and in kind sponsorship on behalf of Council within their financial delegations. If the sponsorship agreement for a sponsorship that Council is receiving is over \$25,000 including GST in value (cash, in kind or a combination), it must be authorised in writing by the General Manager.

### **2. PROMOTION OF SPONSORSHIP OPPORTUNITIES**

Sponsorship opportunities can be sought and granted at any time throughout the year, dependant on the individual program, through solicited and unsolicited proposals. Advertisement of available sponsorship opportunities will be completed at least once a year through a broadly based and open process that is not limited to invited sponsors.

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

### **3. AGREEMENTS**

Every sponsorship agreement is a contract and conditions will be fully described in a document which clearly sets out:

- The form or forms of sponsorship acknowledgement and benefits which will be available e.g. naming rights.
- Any personal benefits available to the sponsor's employees and their relatives.
- The term of the sponsorship and any conditions regarding renewal.
- The consequences of change which may occur over time e.g. a shift in the relationship, sponsorship no longer reflecting the principles outlined in this policy, new policies, new corporate ideals or objectives.
- The financial accountability requirements.
- The provision for termination or suspension of the agreement.
- Post sponsorship reporting requirements.
- The names and positions of responsible officers on both sides of the sponsorship.

The agreement will include a statement to the effect that any attempted influence of Maitland City Council's regulatory functions will result in an automatic review and possible termination of the sponsorship arrangement.

Maitland City Council will ensure that sufficient resources are available to ensure delivery of the promised sponsor benefits. A sample agreement is supplied in the Maitland City Council Sponsorship Guidelines.

### **4. FUTURE DEALINGS**

When receiving sponsorship, Council should consider that in any future dealings between the sponsor and Council, that Council may take such steps as it considers necessary and appropriate to avoid any occasion for suspicion of improper conduct or any suggestion of willingness to provide improper concessions or preferential treatment.



## 5. SPONSOR RECOGNITION

Maitland City Council will host an annual function that aims to recognise the contribution that sponsors have made to Council initiatives and programs that have occurred in the previous 12 months. This will also be used as a platform to provide them with information on new opportunities for the coming year.

## 6. EVALUATION AND REVIEW

All sponsorships will require an acquittal to be completed at the conclusion of the sponsorship agreement.

A Maitland City Council Sponsorship Register will be kept as a record of all sponsorship agreements, both granted and received by the Vibrant City department.

## REPORTING TO COUNCIL

An annual report on sponsorship will be completed and reported to Council in August each year outlining the results of granted and received sponsorship.

## RELATED POLICIES, PROGRAMS AND DOCUMENTS

There are policies, programs and documents for that either directly or indirectly impact on this policy. These include:

- Vibrant City Sponsorship Program
- Sponsorship Signage within Recreation Facilities Policy
- Community Grants Program

## DEFINITIONS

External party	A non-individual entity that can legally enter into a written agreement.
Sponsor:	A Council, organisation or individual providing resources for use in achieving defined objectives, in return for specific benefits.
Sponsorship:	A commercial arrangement in which a sponsor provides a contribution of money or in kind to support an activity in return for specified benefits. Further definition can be found in the ICAC Guidelines.
In kind	Where goods or services with a real cost or value are supplied rather than cash as the sponsorship offering.



## POLICY ADMINISTRATION

BUSINESS GROUP:	Vibrant City
RESPONSIBLE OFFICER:	Executive Manager Vibrant City
COUNCIL REFERENCE:	Ordinary Council Meeting 25 September 2018
POLICY REVIEW DATE:	Three (3) years from date of adoption
FILE NUMBER:	35/1
RELEVANT LEGISLATION	NIL
RELATED POLICIES / PROCEDURES / PROTOCOLS	ICAC publication: Sponsorship in the Public Sector

## POLICY HISTORY

VERSION	DATE APPROVED	DESCRIPTION OF CHANGES
1.0	25 September 2018	New policy adopted.

