



Hawkesbury City Council

attachment to item 47

Draft Sponsorship Policy

date of meeting: 13 March 2007
location: council chambers
time: 5:00 p.m.

PART A - POLICY FOR RECEIVING SPONSORSHIP

1. Introduction

- 1.1 From time to time, Hawkesbury City Council may seek to supplement its funding by securing financial and other support from private benefactors, the community and corporate sectors.
- 1.2 Sponsorship has the capacity to support the activities and programs that Council delivers for the benefit of its residents and visitors. Some activities and programs may be dependent on private sponsorship and may not proceed without this sponsorship.
- 1.3 Sponsorship arrangements will enable Council to access resources that would not otherwise be available to it. Such resources may include:
 - (a) Human - in terms of advice, skill and expertise as they relate to Council's strategic, corporate and community planning objectives,
 - (b) Material - in terms of goods and services that may be required to meet the objectives of Council's strategic, corporate and community plans, and;
 - (c) Financial - in terms of capital and operating funds as may be required to meet the objectives of Council's strategic, corporate and community plans.
- 1.4 The purpose of this Policy is to establish a transparent and ethical structure through which Council can:
 - (a) promote opportunities for raising sponsorship for its activities, and
 - (b) minimise the risk and/or perception of corruption and conflict of interest when engaging in sponsorship arrangements.

2. Definitions

- 2.1 Sponsorship is a commercial arrangement in which a sponsor provides a contribution in money or in kind to support a Council activity in return for certain specified benefits.
- 2.2 Sponsorship does not include:
 - (a) the selling of advertising space
 - (b) joint ventures
 - (c) consultancies
 - (d) grants (in regard to received sponsorship)
 - (e) unconditional gifts, donations, bequests or endowments
- 2.3 Sponsorship is not philanthropic. A sponsor expects to receive a reciprocal benefit beyond a modest acknowledgement.

3. Sponsorship Principles

- 3.1 A sponsorship agreement will not impose or imply conditions that would limit, or appear to limit, Council's ability to carry out its functions fully and impartially.
- 3.2 Council will ensure that the values and objectives of the potential sponsor or its parent company do not conflict with those of the Council.
- 3.3 In general, Council (as a regulatory authority) will not seek, or accept sponsorship from people or organisations whose involvement in a sponsorship arrangement could compromise or be seen to compromise Council's ability to exercise its regulatory and planning functions.
- 3.4 Sponsorship arrangements entered into by Council will not involve the explicit endorsement of a sponsor or a sponsor's products. Council will not necessarily accept a sponsor's products because they are offered free of charge.
- 3.5 Councillors or Council employees should not derive a personal benefit from a sponsorship arrangement
- 3.6 Council will endeavor to advertise and promote sponsorship opportunities in a way that does not confer an unfair advantage to potential sponsors.
- 3.7 Council will assess all sponsorship proposals against predetermined criteria. The criteria for assessing sponsorship proposals will be available to the public.
- 3.8 Council will accord preference to entering sponsorship agreements where the costs of servicing such an agreement can be recovered from the funds raised through sponsorship.
- 3.9 All sponsorship arrangement entered into by Council should be described in a written agreement.
- 3.10 All sponsorship arrangements will be approved by the General Manager. The General Manager will determine if a proposal should be reported to Council (where unbudgeted supplementary funding is required, or where some other aspect of the Sponsorship Proposal may require consideration by Council).

4. Risk Management

- 4.1 Commercial sponsorship carries certain risks and benefits. In seeking commercial sponsorship, the public could perceive that Council may expose itself to improper influence from private individuals or corporations. Alternatively a potential sponsor could assume that they had an entitlement to exercise influence over Council's operations for their own advantage.
- 4.2 A risk assessment for each potential sponsorship arrangement will be undertaken to determine the risks which Council may face when engaging in a sponsorship arrangement and whether these risks are acceptable and can be managed. This risk assessment will identify treatment options to address potential risks and the responsibilities and timeframes for required actions. Such risks may include (but not be limited to) the following:

- (a) a conflict of interest - for example, where a potential sponsor may be subject to regulation or inspection by Council (as part of its regulatory functions) during the life of the sponsorship;
- (b) a sponsorship arrangement that does not eventuate – for example, the financial impact of a sponsorship arrangement not proceeding;
- (c) embarrassment to Council - for example, where the activities or business of a potential sponsor could impact adversely on Council's reputation;
- (d) the possibility that Council may be influenced or perceived to be influenced by a sponsor – for example where a potential sponsor is involved in other business dealings with Council;
- (e) Council endorses or appears to endorse a sponsor's product – for example where Council's logo may appear in conjunction with the advertising of a sponsor's product as part of a sponsorship promotion.

5. Responsibilities

- 5.1 Final approval for all sponsorship arrangements will rest with the General Manager.
- 5.2 Sponsorship assessment, approval and administration will be progressed in accordance with the delegations and responsibilities as set out in Council's *Operational Standard for Sec 356 Financial Assistance Programs*.

6. Advertisement and Promotion of Sponsorship Opportunities

- 6.1 Council will endeavour to advertise and promote sponsorship opportunities in a way that does not confer an unfair advantage to potential sponsors. Council will provide the same information to potential sponsors and seek expressions of interest from potential sponsors through an open tendering process.
- 6.2 In some circumstances, where sponsor interest is poor or restricted, or there is a requirement for a sponsor with highly specialised characteristics, Council may deal directly with potential sponsors. In such cases, Council will record the nature of the circumstances, the decision making process by which it has been determined to approach a specialist sponsor, and strategies for addressing potential risks.
- 6.3 In most circumstances, Council will identify projects which are likely to attract sponsorships. Unsolicited sponsorship proposals will not generally be received from corporate entities or private individuals. In some circumstances Council may choose to assess sponsorship proposals received from corporate entities or private individuals provided these proposals are consistent with Council's objectives and goals, and are assessed in accordance with this Policy.

7. Suitable Activities and Acceptable Sponsors

- 7.1 Council will generally seek sponsorship for programs, events or activities which are not related to Council's core regulatory or planning functions. Suitable activities or events that could be sponsored include;
 - (a) exhibitions and displays;
 - (b) community or industry awards;
 - (c) industry research and publications;

- (d) community, cultural and civic events;
- (e) public education and community awareness programs;
- (f) public conferences and workshops;
- (g) acquisition of public art and cultural artefacts;
- (h) community resources & facilities;
- (i) traineeships

7.2 In general, Council will not seek or accept sponsorship from people or organisations which are, or may be, subject to regulation by Council during the life of the sponsorship. Where adhering to this principle would unduly limit Council's sponsorship prospects with regard to a particular Council activity or function, Council may enter into a sponsorship agreement provided that alternative strategies can be developed to ensure that Council can carry out its regulatory responsibilities in relation to sponsors in an open, fair, accountable and impartial manner. Where Council is considering entering into a sponsorship agreement with a sponsor, Council will manage the risks associated with this sponsorship agreement by:

- (a) recording the circumstances resulting in the sponsorship decision and its decision-making process.
- (b) Council will have a procedure in place to ensure it carries out its functions in regard to such parties in a fair, accountable, open and impartial manner. At a minimum, Council will ensure that the people or Branch involved in the sponsorship arrangement will have no involvement in the regulation or inspection of the party.
- (c) Council will also have a procedure in place in the event that a sponsor becomes subject to regulation or inspection while the sponsorship arrangement is in effect. The procedure will ensure that Council can carry out its regulatory functions in a fair, accountable, open and impartial manner. Council will also require that any sponsorship agreement includes provision for Council to terminate or suspend a sponsorship arrangement in such cases if it is appropriate.
- (d) Council will ensure that all parties involved in a sponsorship agreement understand clearly that the sponsorship arrangement has no bearing on Council's exercise of its regulatory functions. This will be clearly stated and acknowledged in all documentation including the sponsorship agreement.

7.3 Council will only seek or accept sponsorship from potential sponsors;

- (a) who are reputable individuals or bodies;
- (b) whose objectives and products (or the objectives and products of parent companies or subsidiaries) do not conflict with the values and the objectives of Council;
- (c) who have an acceptable sponsorship record with Council or other agencies;
- (d) where the goods or services provided would benefit Council and/or the general public and be of the type and quality required for the sponsored activity, program or event.

8. Sponsorship Benefits

8.1 Council will clearly identify, within any sponsorship agreement, the types of benefits a sponsor may receive. Council will not enter into a sponsorship agreement where a

sponsor is seeking conditions which would limit, or appear to limit, Council's ability to carry out its functions fully and/or impartially. Council will ensure this principle is fully understood by all parties in the sponsorship arrangement.

- 8.2 The execution of a sponsorship agreement will not entitle a sponsor to require Council to manage its functions in ways that it would not otherwise have done or to require that any program or project be undertaken differently from the way that Council has determined. In some circumstances, the receipt of sponsorship may be a factor in determining the priority or scheduling of projects provided that Council's objectives and the effectiveness of its operations are not compromised.
- 8.3 Council acknowledges that potential sponsors entering into sponsorship arrangements with Council, do so to derive a benefit from these arrangements. For the sponsor, a sponsorship arrangement with Council has the potential to;
- (a) provide an alternative to mainstream marketing tools;
 - (b) exploit a connection between the sponsored activity and one or more of a company's products;
 - (c) generate goodwill towards a company - from stakeholders (e.g. shareholders and staff), the marketplace and the wider community;
 - (d) build relationships with the wider community;
 - (e) generate brand awareness; and
 - (f) use sponsored activities to offer high-quality hospitality to clients as part of the promotion of their organisation.
- 8.4 In general, the types of tangible benefits which a sponsor may receive could range from naming rights for an event or activity; branding on event signage; commemorative inscriptions; acknowledgment in publications; complimentary tickets to an activity, and invitations to private functions.
- 8.5 Council will not generally agree to a sponsorship arrangement where a sponsor is seeking to require Council to use the sponsor's name or logo on Council publications (other than those prepared for a specific sponsored event or activity) Council's letterhead, business cards, staff uniforms) or signage on Council properties (apart from signs for a specific event).
- 8.6 Where sponsorship involves a sponsor supplying a product to Council, the product will be evaluated for its fitness for purpose against objective criteria that are relevant to Council's needs. Council's acceptance of sponsorship will not involve the explicit endorsement of the sponsor or the sponsor's products.
- 8.7 Council will not enter into a sponsorship agreement where there is not a clearly defined benefit to Council, or to the community deriving from the sponsorship. Such a benefit may include:
- (a) enabling Council to undertake activities or works (as defined in clause 7.1) that could not otherwise be funded or undertaken to the same extent;
 - (b) reducing the cost of a particular event or activity or enable it, in the public interest, to be expanded or enhanced;

- (c) achieve greater community awareness for a particular Council service, program, event or activity, than may otherwise have been possible.

9. Conflicts of Interest

- 9.1 Council will not enter into a sponsorship arrangement with a potential sponsor whose objectives are in conflict with the objectives of Council.
- 9.2 Provision will be made in any sponsorship agreement for Council to terminate the agreement during the term of the agreement if the values or objectives of the sponsor change in a way that could pose a conflict of interest for Council.
- 9.3 As provided for in Section 4 of this Policy, a risk assessment will be undertaken to identify any real or perceived conflicts of interest which may arise from a sponsorship arrangement. Matters to be identified may include;
 - (a) conflicts arising from Council's regulatory role and functions where a sponsor may be subject to regulation during the life of a sponsorship agreement;
 - (b) conflicts associated with the possibility that Council may be influenced or perceived to be influenced by a sponsor where a sponsor is involved in other business;
 - (c) conflicts which may arise as a result of the personal relationships or financial arrangements of staff involved in sponsorship assessment, approval or administration.
- 9.4 Council employees should not derive a personal benefit from a sponsorship arrangement. In situations where it is determined that a benefit provided by a sponsor to a Council staff member is in the public interest (for example, attendance at a conference), the proposed sponsorship:
 - (a) will be offered to and negotiated with Council, not the individual staff member;
 - (b) Council, not the sponsor, will select the individual to receive the benefit (such as attendance at a conference);
 - (c) If there is a regulatory relationship with the sponsor, the individual selected should not be involved in that regulatory function.

10. Management of Sponsorship Arrangements

- 10.1 A written sponsorship agreement will be prepared for each sponsorship arrangement. Sponsorship agreements will be drafted in accordance with Council's approved procedures, and will follow Council's approved sponsorship agreement template.
- 10.2 Information about sponsorship opportunities will be made available to the public on request. Council will maintain a register/database of sponsorship agreements, that is readily accessible for audit or inspection as required. Council will report on all sponsorship agreements within its Annual Report.
- 10.3 Council will communicate its expectations, objectives, ethical requirements, sponsorship opportunities, sponsor benefits, sponsorship guidelines and the criteria against which a proposal will be assessed to all sponsors. Council will not enter into a

sponsorship agreement where a Sponsor is not in agreement with the provisions of this Sponsorship Policy.

- 10.4 Council will not enter into a sponsorship arrangement for an event/activity/project/program or facility where such an arrangement would prohibit or otherwise prevent the participation of residents regardless of race, gender, disability, sexual preference, religion, philosophy, cultural backgrounds or HIV status within the geographical area served and for the identified target group as defined by the sponsorship objectives.
 - 10.5 Council will accord preference to entering sponsorship agreements where the costs of servicing such an agreement can be recovered from the funds raised through sponsorship. A sponsorship agreement will not be entered into where there is a requirement for Council to provide unbudgeted supplementary funding - i.e. funds currently not provided for within Council's adopted budget estimates – unless approved by Council.
 - 10.6 In negotiating a sponsorship agreement with sponsors, Council will take into consideration the cost of servicing the sponsorship - including staff hours, hospitality, additional printing, signage and advertising, media monitoring, public relations support, contract preparation and evaluation research - to ensure that the sponsorship agreement will not impact on Council's capacity to achieve its strategic and management plan objectives.
 - 10.7 It is recognised that, from time-to-time Council may be required to advance financial and/or in kind assistance to a private individual or corporate entity to enable the individual or entity to conduct an activity or event provided for in an approved sponsorship proposal. Financial and/or in-kind assistance will not be advanced or provided to private individuals or agencies for any unsolicited or unauthorised activity or event.
 - 10.8 Sponsorship payments and related expenditures will be allocated an identifiable account code/job number for each sponsorship agreement to enable payments and expenditures to be monitored. Sponsorship payments will be subject to the same accountabilities as other Council funds and will be processed in accordance with Council's financial policies and procedures.
-

PART B - POLICY FOR GRANTING SPONSORSHIP

11. Introduction

- 11.1 From time to time, Hawkesbury City Council may seek to advance its strategic, and operational objectives by providing financial and other support to community groups and business entities.
- 11.2 Council sponsorship has the capacity to support community groups and/or business entities to fulfil Council's obligations (as defined in its adopted strategic, operational and community plans) by providing facilities, activities and programs for the benefit of residents and visitors. Some activities and programs may be dependent on Council sponsorship and may not proceed without this sponsorship.
- 11.3 Sponsorship arrangements will enable community groups and/or business entities to access resources that would not otherwise be available to them. Such resources may include:
- (a) Human - in terms of advice, skill and expertise
 - (b) Material - in terms of goods and services
 - (c) Financial - in terms of capital and program funds
- 11.4 The purpose of this Policy is to establish a transparent and ethical structure through which Council can
- (a) promote opportunities for community groups and/or business entities to access sponsorship to support activities which can address the needs of the community as identified in Council's adopted strategic, corporate and community plans and
 - (b) minimise the risk and/or perception of corruption and conflict of interest when providing sponsorship to community groups and/or business entities

12. Definitions

- 12.1 Sponsorship is an arrangement in which Council provides a contribution in money or in kind to support an activity or event for the benefit of residents and visitors.
- 12.2 Sponsorship does not include:
- (a) minor donations or gifts (less than \$500);
 - (b) the purchase of goods and services on a 'fee for service' basis;
 - (c) joint ventures and partnerships;
 - (d) consultancies.
- 12.3 Sponsorship is not an unconditional grant. In providing sponsorship Council expects to receive an outcome for the benefit of the community which is consistent with the aims and objectives of its strategic, operational and community plans.

13. Sponsorship Principles

- 13.1 In accordance with Sec 356 of the Local Government Act, Council will provide eligible agencies within the City of Hawkesbury with the opportunity to access sponsorship on a equitable and uniform basis.

- 13.2 Council will provide sponsorship to agencies whose values and objectives do not conflict with those of the Council (as defined in Council's adopted strategic, operational and community plans).
- 13.3 Council will sponsor activities, events, facilities or programs which reflect the agreed community priorities identified in Council's strategic, operational and community plans.
- 13.4 Council will accord preference to sponsoring local community groups with limited access to alternate sources of funding.
- 13.5 Council will provide sponsorship on the basis of contracted outcomes and time frames to ensure that Council's sponsorship can be seen to deliver a tangible community benefit.
- 13.6 Council will endeavour to advertise and promote sponsorship opportunities in a way that does not confer an unfair advantage to potential applicants.
- 13.7 Council will encourage agencies to seek sponsorship for the purpose of initiating new projects or to respond to emerging community needs.
- 13.8 Council will assess all sponsorship requests against predetermined criteria. The criteria for assessing sponsorship proposals will be available to the public.
- 13.9 Council will not ordinarily provide open-ended financial assistance to agencies for the purpose of subsidising their day-to-day operations. Council will provide sponsorship to support defined activities or programs.
- 13.10 All sponsorship arrangements entered into by Council will be described in a written agreement.
- 13.11 Council will accord preference to providing sponsorship to an agency, where the agency provides a co-contribution to the cost of a proposed activity, event, facility or program. Council will not ordinarily provide sponsorship for a regular annual activity, event, or program where an agency cannot demonstrate some capacity to secure other sources of revenue for the proposed activity, event, facility or program; or which imposes a long-term financial obligation on Council.

14. Risk Management

- 14.1 Council sponsorship carries certain risks and benefits. To minimise public perception that Council may expose itself to improper influence from agencies seeking to secure sponsorship, Council will ensure that such requests are received and assessed in accordance with its adopted and advertised sponsorship procedures.
- 14.2 A risk assessment for each sponsorship request will be undertaken to determine the risks which Council may face in agreeing to the sponsorship request. This risk assessment will identify treatment options to address potential risks and the responsibilities and timeframes for required actions. Such risks may include (but not be limited to) the following;
 - (a) a conflict of interest - for example, where a sponsorship request may be in conflict with a Council policy or regulation; or where a sponsorship request involves an activity of event which could be perceived by the community as inappropriate;
 - (b) unsustainable financial obligation - for example, where a sponsorship request may impose a long-term financial obligation on Council; or where a sponsorship may subject Council to a public liability risk;

- (c) embarrassment to Council - for example, where the activities of a sponsorship applicant could impact adversely on Council's reputation;
- (d) council endorses or appears to endorse an applicants objectives or services – for example where Council's logo may appear in conjunction with the advertising of a sponsored event or activity.

15. Roles, Responsibilities and Resources

- 15.1 Final approval for all sponsorship requests will rest with the General Manager.
- 15.2 Sponsorship assessment, approval and administration will be progressed in accordance with the delegations and responsibilities as set out in Council's *Operational Standard for Sec 356 Financial Assistance Programs*.

16. Advertisement and Promotion of Sponsorship Opportunities

- 16.1 Council will, on an annual basis, advertise and promote sponsorship opportunities in a way that does not confer an unfair advantage to potential applicants. Council will provide the same information to potential applicants and seek expressions of interest from potential sponsors through an open application process.
- 16.2 In some circumstances, where there may be a requirement for an agency with specialised characteristics, Council may deal directly with potential applicants. In such cases, Council will record the nature of the circumstances and the decision making process by which it has been determined to approach a specialist agency.
- 16.3 In most circumstances, Council will only consider sponsorship requests for events and activities which are consistent with Council's obligations as defined in its adopted strategic, operational and community plans. Unsolicited sponsorship proposals which fall outside these strictures will not generally be received. In some circumstances Council may choose to assess sponsorship requests provided these requests are consistent with Council's objectives and goals, and are assessed in accordance with Sponsorship Request Procedures.

17. Suitable Activities for Sponsorship

- 17.1 Council will generally invite sponsorship to support certain activities which can address the needs of the community as identified in Council's adopted strategic, operational and community plans. Suitable activities that could be sponsored include;
 - (a) community and cultural events (sponsorship agreements may initially be entered into for up to three years subject to annual review);
 - (b) subsidised access to Council or community facilities (where Council will contribute a proportion of the hire/lease charge);
 - (c) community and cultural programs or activities which address a need or objective identified in Council's adopted cultural and/or community plans;
 - (d) community resources and minor capital works which address a need or objective identified in Council's adopted cultural and/or community plans;
 - (e) public education and community awareness programs which address a need or objective identified in Council's adopted strategic, operational, cultural and/or community plans;

- 17.2 In most circumstances, Council will not provide sponsorship which is directed at providing an ongoing subsidy to meet the recurrent operating, building or staffing costs of an agency. Council will accord preference to sponsorship requests for the purpose of funding activities as defined in Clause 17.1.
- 17.3 Council will not sponsor activities or events where its involvement as a sponsor could compromise, or be seen to compromise its ability to exercise its role or functions impartially on behalf of the community, or which otherwise might diminish public confidence in Council.
- 17.4 In general, Council will not provide sponsorship to organisations which are, or may be, subject to regulation by Council during the life of the sponsorship. Where there may be exceptional circumstances, and where adhering to this principle would unduly limit Council's ability to sponsor a worthwhile activity or event that would benefit the community, Council may enter a sponsorship agreement provided that alternative strategies can be developed to ensure that Council can carry out its regulatory responsibilities in relation to applicants in an open, fair, accountable and impartial manner. Where Council is considering entering into a sponsorship agreement with an applicant sponsor, Council will manage the risks associated with this sponsorship agreement by:
- (a) recording the circumstances resulting in the sponsorship decision and its decision-making process.
 - (b) Council will have a procedure in place to ensure it carries out its functions in regard to such parties in a fair, accountable, open and impartial manner. At a minimum, Council will ensure that the people or Branch involved in the sponsorship arrangement will have no involvement in the regulation or inspection of the party.
 - (c) Council will have a procedure in place in the event that a sponsor becomes subject to regulation or inspection while the sponsorship arrangement is in effect. The procedure will ensure that Council can carry out its regulatory functions in a fair, accountable, open and impartial manner. Council will also require that any sponsorship agreement includes provision for Council to terminate or suspend a sponsorship arrangement in such cases if it is appropriate.
 - (d) Council will ensure that all parties involved in a sponsorship agreement understand clearly that the sponsorship arrangement has no bearing on Council's exercise of its regulatory functions. This will be clearly stated and acknowledged in all documentation including the sponsorship agreement.
- 17.5 Council will only provide sponsorship to applicants;
- (a) who are reputable agencies;
 - (b) whose objectives and products do not conflict with the values and the objectives of Council;
 - (c) who have an acceptable sponsorship record with Council or other agencies.

18. Sponsorship Benefits

- 18.1 Council will clearly identify, within any sponsorship agreement, the types of benefits a sponsorship applicant will receive.
- 18.2 The execution of a sponsorship agreement will not require an applicant to manage its functions in ways that it would not otherwise have done or to require that any program or project be undertaken differently from the way the applicant has determined excluding any conditions or stipulations as provided for in the Sponsorship Agreement.
- 18.3 The applicant acknowledges that in accepting sponsorship from Council, Council is seeking to derive a community benefit. For Council, a sponsorship arrangement with an applicant has the potential to;
- (a) promote Council's key messages, programs and activities;
 - (b) build relationships with stakeholders;
 - (c) deliver a benefit to the community in accordance with Council's goals and objectives
 - (d) provide members of the public and community groups with equitable access to Council and community facilities.
- 18.4 In general, the types of tangible benefits which Council may seek include naming rights for an event or activity; branding on event signage; commemorative inscriptions; acknowledgment in publications; invitations to event or activity openings; and acknowledgement in media releases.
- 18.5 Where Council is the sponsor of an event, facility, program or activity, this sponsorship will not be taken to infer Council's endorsement of the applicant agency or its services or products. The sponsored agency is prohibited from using Council's logo outside of the terms of the sponsorship agreement.
- 18.6 Council will not enter into a sponsorship agreement where there is not a clearly defined benefit to Council, or to the community deriving from the sponsorship. Such a benefits may include:
- (a) enabling the sponsored agency to undertake activities or works (as defined in clause 17.1) that could not otherwise be funded or undertaken to the same extent.
 - (b) reducing the cost of a particular event or activity or enable it, in the public interest, to be expanded or enhanced;
 - (c) achieving greater community awareness for a particular community or cultural service, program, event or activity, than may otherwise have been possible;
 - (d) enabling members of the public and community groups to use Council and community facilities;

19. Conflicts of Interest

- 19.1 Council will not enter into a sponsorship arrangement with an agency whose objectives are in conflict with the objectives of Council.

- 19.2 Provision will be made in any sponsorship agreement for Council to terminate the agreement during the term of the agreement if the values or objectives of the sponsor change in a way that could pose a conflict of interest for Council.
- 19.3 As provided for in Clause 14 of this Policy, a risk assessment will be undertaken to identify any real or perceived conflicts of interest which may arise from a sponsorship arrangement. Matters to be identified may include;
- (a) conflicts arising from Council's regulatory role and functions where a sponsor may be subject to regulation during the life of a sponsorship agreement;
 - (b) conflicts associated with the possibility that Council may be influenced or perceived to be influenced by a sponsored agency where an agency sponsor is involved in other business;
 - (c) conflicts which may arise as a result of the personal relationships or financial arrangements of staff involved in sponsorship assessment, approval or administration.
- 19.4 Council employees should not derive a personal benefit from a sponsorship arrangement.

20. Management of Sponsorship Arrangements

- 20.1 A written sponsorship agreement will be prepared for each sponsorship arrangement. Agreements to Sponsor agreements will be drafted in accordance with Council's approved policy and procedures , and will follow Council's approved *Agreement to Sponsor* template.
- 20.2 Information about sponsorship opportunities will be made available to the public on request. Council will maintain a register/database of sponsorships, that is readily accessible for audit or inspection as required.
- 20.3 Council will communicate its expectations, objectives, ethical requirements, sponsorship opportunities, sponsor benefits, sponsorship guidelines and the criteria against which a sponsorship request will be assessed to all applicants. Council will not provide sponsorship to an agency where the agency is not in agreement with the provisions within this Sponsorship Policy.
- 20.4 Council will not sponsor an event/activity/ project/program or facility where such an arrangement would prohibit or otherwise prevent the participation of residents regardless of race, gender, disability, sexual preference, religion, philosophy, cultural backgrounds or HIV status within the geographical area served and for the identified target group as defined by the sponsorship objectives.
- 20.5 Council will accord preference to entering sponsorship agreements where the applicant agency will make a monetary or in-kind contribution to the costs of a sponsored facility, event, activity or program. A sponsorship agreement will not be entered into where there is a requirement for Council to provide unbudgeted supplementary funding - i.e. funds currently not provided for within Council's adopted budget estimates – unless approved by Council.
- 20.6 In providing sponsorship, Council will take into consideration the cost expended by Council in granting and managing the sponsorship to ensure that these costs are more than covered by the benefits that Council derives from the sponsored activity.

- 20.7 Sponsorship payments made by Council should be allocated an identifiable account code/job number to enable payments and related expenditures to be monitored. Sponsorship payments will be subject to the same accountabilities as other funds and will be processed in accordance with the applicant agency's financial policies and procedures.
-

DRAFT