

POLICY NAME

Events Sponsorship Policy

POLICY NUMBER

CACP 007

DATE ADOPTED

22 June 2020

COUNCIL MINUTE NUMBER

ORD 135

ECM NUMBER

N/A

POLICY TYPE

Council

REVIEW DATE

20 June 2023

RESPONSIBLE DEPARTMENT

City Activation, Community and Place

RELATED DOCUMENTS

ICAC Sponsorship in the public sector guide (2006)

Purpose

The purpose of this policy is to provide a framework and establish guidelines for Council staff to manage activities related to sponsorship to ensure positive outcomes within Council's existing governance policies.

Policy Statement

Council supports a range of events, programs and activities that contribute positively to the dynamic and vibrant community of Penrith.

There are two components to Penrith City Council's Sponsorship Policy. These are:

- Incoming - Council receiving financial and/or in-kind support from a commercial or external organisation to conduct an event, program or activity in return for specified benefits
- Outgoing - Council providing sponsorship to a community event or organisation to conduct an event, program or activity in return for specified benefits

Through incoming and outgoing financial and in-kind sponsorship, Council aims to enhance these events, programs and activities to provide the greatest benefit to our community.

Scope

This policy applies to all sponsorships, received or given by Penrith City Council whether in money or in-kind. It applies to all Council staff, Councillors, contractors and stakeholders.

DEFINITION OF SPONSORSHIP

Sponsorship is defined as 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 does not include:

- Selling advertising space
- Joint ventures
- Consultancies
- Grants
- Donations

Council provides a range of opportunities in the form of grants and donations that help to build a strong and resilient community, increase participation in community life and address identified social issues. All grant and donation applications received by Council will be assessed by the appropriate Council staff.

They are a combination of closed round programs for which applications are received at specific times during the year and open programs which can be applied for at any time of the year.

GENERAL PRINCIPLES

- 1.1 Council is not obliged to accept or provide sponsorship to any organisation. Council will only enter into sponsorship agreements where the benefits and value to the community and Council can be assessed and defined.
- 1.2 Council will enter into sponsorship with an organisation whose values and identity align with Council's strategic direction, image and values.
- 1.3 Council may seek independent advice in relation to any sponsorship arrangement to ensure the potential recipient's values, identities and policies support Council's strategic direction and image.
- 1.4 Council will not seek, accept or provide sponsorship to an organisation if the sponsorship arrangement could compromise, or be seen to compromise Council's ability to exercise its regulatory, planning or compliance functions during the life of the sponsorship.
- 1.5 Where Council believes that clause 1.4 will inhibit our ability to gain viable sponsors for a specific event, Council shall ensure that where we accept sponsorship from organisations who are subject to our regulatory authority we will:
 - State the reasons for making such a decision, and ensure that approval is received and recorded by the General Manager; and
 - Implement and record alternative strategies to ensure we can carry out our regulatory or inspection responsibilities in relation to sponsors in an open, fair, accountable and impartial manner.

- 1.6 A sponsorship agreement must not impose or imply conditions that could limit, or appear to limit Council's ability to carry out its functions fully, impartially or ethically.
- 1.7 Potential Sponsorship will be assessed for the possibility of a real or perceived conflict of interest. Council may decline offers of sponsorship where the sponsor (including parent company or subsidiaries) could compromise, or be seen to compromise, Council's role and reputation.
- 1.8 Council representatives must not seek or receive a personal benefit or be perceived to receive a personal benefit from a sponsorship agreement. Any benefits arising as a result of the receiving or provision of sponsorship must be seen to be to the advantage of Council and the community rather than any individual. All Council officers must declare to the General Manager any Conflict of Interest, pecuniary or otherwise posed by a potential sponsor.
- 1.9 Sponsorship (incoming or outgoing) may be provided by way of:
 - Funding (cash payments)
 - Goods and services,
 - Discounts and venue hire fee reductions, or
 - Other in-kind support as determined through the sponsorship agreement.
- 2.0 Sponsorship agreements must outline the details and nature of the activity being sponsored, value of sponsorship, type and timeframes of sponsorship, and the benefits offered.
- 2.1 Incoming sponsorships should only be accepted if the time and resources used to obtain sponsorship is not greater than the value of the sponsorship.
- 2.2 All incoming and outgoing sponsorships will be receipted to the organisation making the sponsorship.
- 2.3 Incoming sponsorships must be allocated to a particular event or activity to enable the event or activity to be undertaken or carried out, or to be enhanced or expanded.

3. Attracting sponsors

- 3.1 Council may seek to attract sponsors in several ways, including:
 - Tenders/expressions of interest, which for major events is considered best practice.
 - Advertising for specific event sponsorship opportunities.
 - Targeting a group of sponsors, for event specific purposes e.g. promotion of canine welfare, may appeal to canine type specific sponsors.
 - Expressing a general willingness to consider sponsorship requests - such as by a standing advertisement on our website with set criteria to assess applications.
 - Using a sponsorship broker, who has been retained in accordance with our procurement policy.
- 3.2 Unsolicited proposals or direct approaches to a single sponsor should only be considered in extraordinary circumstances. When this occurs a record should be kept detailing why this method was required and why a more open method would not have provided a better outcome.

Council must review the unsolicited sponsor's proposal and assess whether there is a method of testing the market, such as through an expression of interest or tender approach that could produce a greater benefit for Council.

Council will clearly record its reasons in writing for accepting or declining such an offer and will include information from the review identifying if there is an open market process that could be implemented in the future.

4. Suitable sponsors

Council will ensure that sponsor's (including subsidiaries or parent companies):

- are reputable organisations or bodies
- objectives, values, mission and/or products do not conflict with council's values or strategic plan, and
- goods or products would benefit council and/or general public and be of the type and quality that Council require.

5. Unsuitable Sponsors

Sponsorships will not be accepted from:

- previous sponsors that have not fulfilled their previous requirements,
- those who are in administration, liquidation, insolvent or bankrupt,
- any party engaged in current or pending legal proceedings involving Council,
- sponsors, where a proposed agreement could contravene any relevant legislation that Council is subject to,
- sponsors where the proposed arrangements could give rise to a conflict of interest on the part of Councillors, the Council or our employees,
- 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 ICAC or any other legal authority, and
- those involved in the political arena.

6. Benefits of Sponsorship

Sponsorship used well, is an important business tool where both parties benefit.

Sponsorship benefits must be agreed upon in advance and included in a sponsorship agreement. The extent of recognition will be dependent on the level and nature of the sponsorship and may include, but is not limited to:

- Temporary signage sites.
- Acknowledgement at events by MCs or speakers.
- Acknowledgement through social media platforms.
- Defined, limited and approved use of Council's name or logo.
- Media or promotional opportunities.
- Sponsor's name, logo or other information included on temporary signage, flyers, brochures, advertisement and newsletters as agreed.

- Naming rights or category sponsorship for major events.
- Invitation to events for the Mayor or Mayor's representative/s, General Manager or the General Manager's delegate and other staff of Council in support of Council's representatives. The attendance at these events must fall within Council's Code of Conduct.
- Opportunity to speak publicly at the sponsored event or activity.
- Name and/or logo on sponsored program's website and/or in associated publications.
- Award or trophy in the sponsor's name and publicly presented (when supplied).
- Event facilities which may include hospitality, temporary car parking spot for the event and preferential seating.
- Merchandising of goods at selected points of sale.
- Display of goods and other material.
- Professional footage and photography of the asset, service or event for use by the sponsor in a form to be mutually agreed (when supplied).
- Opportunity for Sponsor's name and/or logo to be promoted through appropriate general advertising by Council.

7. General Selection Criteria for the provision and receipt of Sponsorship

Council will assess all applications for providing or receiving sponsorship in relation to the following criteria:

- Costs and benefits to Council, e.g. managing smaller sponsorships may cost more than the actual benefit to the Council
- Sponsor's ability to meet Council's requirement/s
- The suitability and the feasibility of the arrangement and the resources required.
- Actual or potential conflicts of interest between the potential sponsor and council.
- Environmental or sustainability impacts to the city.
- Strategic benefit.
- The corporate reputation and products of the sponsor.

8. Council Sponsorship of Events

Penrith City Council is committed to supporting the development of vibrant, creative and innovative events that enhance the economic, social and cultural life of the City.

All requests for sponsorship by organisations will be assessed against the following events specific criteria:

8.1 Major Events:

- Event must take place in the Penrith Local Government Area
- Ability to increase tourist visitation to the City of Penrith including intra and interstate visitors.
- Demonstrate the ability to deliver a significant and measurable economic and/or social benefits to the city.

- Ability to facilitate community involvement in events/activities.
- Ability for the event to add to the diversity of the City's event calendar.
- Ability to incorporate strategic and targeted marketing practices into event planning and implementation.
- Capacity for the event to be an ongoing event.
- Involvement of and consultation with local businesses, artists and community groups.
- Establishment of partnerships to achieve recognition for Penrith.
- Acknowledgement of Penrith City Council's sponsorship via all advertising and marketing.
- Must possess current public liability insurance to the value of \$20 million.

Penrith City Council will not consider applications where the proposal is for:

- Events that take place outside the Penrith Local Government Area
- Retrospective funding or funding budget deficits.
- The event is not open to the general public.
- The organisation making the application has not fulfilled previous sponsorship obligations, including provisions of an appropriate post event evaluation report.

8.2 Community Events of less than \$1,000:

- Event must take place in the Penrith Local Government Area
- Opportunity for Council's support to be recognised publicly.
- Preference given to events where there is free admission.
- Must possess current public liability insurance to the value of \$20 million.

Penrith City Council will not consider the following applications:

- Events that take place outside the Penrith Local Government Area
- Events whose main purpose is to fundraise.
- Events/activities where attendance is limited to individual organisations and their members.
- Where the proposal is to fund the operating costs associated with running an organisation, e.g. salaries and equipment.
- Events where applications are made on behalf of a registered political party or by someone with a political affiliation

9. Sponsorship Application Process

The event organiser must submit a completed Events Application form and detailed business plan 12 weeks prior to the event. This must include a copy of their public liability insurance to a value of \$20 million dollars.

This form is available on Council's website.

10. Sponsorships Approval

All sponsorship should be assessed by Council's City Activation, Community and Place Manager who receives the request to determine whether it is in Council's best interest to accept sponsorship. The City Activation, Community and Place Manager should then make a recommendation to the relevant Executive Manager for final approval, where the requested contribution falls within an existing budget. Should the sponsorship request fall outside of an identified funding source, a report should be prepared for Council to consider. A record of all decisions and recommendations should be maintained.

11. Conflict of Interest

All Council officials must declare to the General Manager any Conflicts of Interest, pecuniary or otherwise posed by a potential sponsor. These shall be recorded in relation to the sponsorship opportunity.

All Council officials will comply with Penrith City Council's Code of Conduct when it comes to conflict of interest.

12. Monitoring

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

13. Evaluation

All sponsorship agreements 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.

14. 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, subject to legislative requirements.

15. Policy Administration

Council authorises the General Manager to make minor changes to this policy to reflect changes in legislation and changes in Council structure.

This policy will be reviewed every three years to ensure that it meets its objectives and legislative requirements.

Appendices

1. Application for Major Event Sponsorship Form
2. Application for Community Event Sponsorship Form
3. Major Events Sponsorship Guidelines Form
4. Community Event Sponsorship Guidelines Form
5. Sponsorship Decision/Risk and Evaluation Form