



**BYRON  
SHIRE  
COUNCIL**

**DRAFT Policy**

**Sponsorship Received by Council**

**20212022**

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## Information about this document

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### Document History

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357215	29/3/1994	Policy 1.7 – Sponsorship of Council – due for review on 4/6/1996
993114	09/08/2010	First Draft – Sponsorship Policy
1038056	10/12/2010	Amendments for Public Exhibition as per Council resolution 10-851
1065530	04/03/2011	Final Draft for formal adoption at Strategic Planning Committee meeting 24 March 2011
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#E2013/51767	14/08/2013	Amended for Public Exhibition as per Council resolution 13-397
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E2021/3034	3 February 2021	Minor amendments endorsed by ET: Updated format for accessibility and improved readability
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## Further Document Information and Relationships

Related Legislation	
Related Policies	E2019/6941 – Policy: Community Initiatives Program
Related Standards, Procedures, Statements, documents	ICAC Sponsorship in the Public Sector (May 2006) (#DM1006143) Byron Shire Council Code of Conduct (E2019/858)

Note: Any reference to Legislation will be updated in the Policy as required. See website <http://www.legislation.nsw.gov.au/> for current Acts, Regulations and Environmental Planning Instruments.

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# 1. Objectives

Byron Shire Council has a range of responsibilities to deliver services and facilities and to provide assets under relevant legislation and policies. To enhance, vary or reduce the cost of Council services, facilities or assets, Council may enter sponsorship agreements to receive sponsorship.

While sponsorship can be advantageous for parties, Council must ensure all sponsorship agreements do not compromise or question the integrity of Council operations.

This Policy formalises general principles and procedures applicable when negotiating and implementing sponsorship agreements. These principles include Council:

- (a) maximising receipt of sponsorship to offset costs of services, facilities and assets;
- (b) assessing risk and managing potential conflicts of interest;
- (c) ensuring there is public accountability and transparency for all sponsorship agreements;
- (d) maximising long term financial sustainability of Council;
- (e) securing best value for the community;
- (f) consistency with Council’s Community Strategic Plan.

# 2. Scope

This Policy covers Council receiving sponsorship not Council providing sponsorship.

This Policy applies to the General Manager and all delegated staff.

# 3. Definitions

Policy acronym	Definition
Sponsorship	<ul style="list-style-type: none"> <li>(a) is a commercial arrangement in which a sponsor provides a contribution in money or in kind to support an activity in return for certain benefits.</li> <li>(b) is provided by the corporate sector or private individuals, in support of Council activity.</li> <li>(c) does not include:               <ul style="list-style-type: none"> <li>• selling of advertising space</li> <li>• joint ventures;</li> <li>• consultancies;</li> <li>• grants to Council;</li> <li>• unconditional gifts, donations, bequeaths or endowments to Council.</li> </ul> </li> <li>(d) is not philanthropic because a sponsor expects to receive a reciprocal benefit beyond a modest acknowledgement.</li> </ul>

Sponsor	an organisation or individual providing sponsorship to Council in return for specific benefits.
ICAC Sponsorship Principles	the principles set out in the Independent Commission Against Corruption “Sponsorship in the Public Sector” May 2006 Guide. The Guide can be downloaded from <a href="http://www.icac.nsw.gov.au/preventing-corruption/knowning-your-risks/sponsorship/4900">http://www.icac.nsw.gov.au/preventing-corruption/knowning-your-risks/sponsorship/4900</a> and the Principles are reproduced at Attachment 1.

## 4. Statement

### 4.1 General Principles

Sponsorship agreements must reflect the objectives of and be consistent with the Community Strategic Plan.

The General Manager and his/her delegates have authority to seek and enter sponsorship agreements.

Any consideration given to the establishment of sponsorship agreements shall have regard to the following:

- maintaining the reputation of the Council and of the sponsor at all times;
- the ICAC Sponsorship Principles;
- achieving best value for the community; and
- capacity to realistically service the sponsorship agreement;
- complying with statutory requirements (eg provisions of the Local Government Act in relation to tendering or public land etc);
- putting adequate risk management regimes in place.

### 4.2 Roles and Responsibilities

In accordance with ICAC Sponsorship Principle 10, final approval for sponsorship agreements rests with the General Manager.

Consistent with Council’s Code of Conduct, it is inappropriate for a Council employee, delegate, designated person or Councillor, a person associated with any of them, (each role as defined in the Local Government Act 1993) to receive a personal benefit from sponsorship.

Depending on the conditions of the contract, contractors and consultants can also be regarded as employees or delegates of the Council and they must not receive a personal benefit from sponsorship. It is the responsibility of contractors and consultants of Council to ensure that they comply with the Code of Conduct and this Policy.

### 4.3 Suitable Activities for Sponsorship

Council can enter into sponsorship agreements with any company, partnership or sole trader who wishes to participate in Council’s sponsorship program and which is a

reputable organisation whose public image, products and services are consistent with the values, goals and specific policies of local government in Byron Shire.

Council considers that activities suitable for sponsorship include but are not limited to:

- Community wellbeing programs and events eg library or youth programs;
- Festivals and community events eg New Year's Eve;
- Programs and or events which promote increased opportunities for participation in sport and recreation;
- Training, scholarships, awards, education programs and economic, business and industry development;
- Events or programs that promote awareness of environmental or social principles such as disability awareness campaigns or sustainability programs etc;
- Publications produced by Council;
- Provision, construction and/or maintenance of infrastructure, facilities or assets.

A sponsorship must not:

- involve or create an actual or perceived conflict of interest;
- influence or hinder how Council operates;
- impose or imply a fetter or influence on Council's ability to carry out its functions fully or impartially.

#### 4.4 Suitable Sponsors

Sponsors are to be reputable entities or individuals.

The objectives, values and products of sponsors must be consistent with the values, objectives and services of Council.

The following companies, partnerships, sole traders or individuals are not suitable sponsors in Byron Shire, those:

- involved in the manufacture, distribution and wholesaling of tobacco related products, involved in the extraction and sale of coal, petroleum and gas, pornography and/or addictive drugs;
- found guilty of illegal or improper conduct by ICAC or any similar authority;
- involved in political fields eg political parties;
- involved in a competitive tender or purchasing process at or around the time of negotiating a sponsorship agreement;
- who have an unacceptable sponsorship record with Council or with any other government authority.

#### 4.5 Suitable Types of Recognition of Sponsorship

The extent of Council recognition for sponsorship will be determined having regard to the level, nature and benefits to Council of the sponsorship.

Sponsorship recognition should be tasteful and discreet taking into account the type and location of the sponsorship recognition and should not create situations of potential embarrassment or criticism for Council.

Suitable types of recognition of sponsorship include but are not limited to:

- Signage (compliant with applicable Council regulatory standards);
- Media releases and associated media opportunities;
- Invitations to selected Council functions, which may include hospitality, preferential seating or award presentation etc;
- Inclusion of sponsor's name and logo in Council's Annual Report or other external publications;
- 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;
- Professional footage and photography of a Council asset, service or event etc for use by a sponsor in their advertising or sales promotion in a form and on occasions as mutually agreed;
- Use of a Council asset or facility, subject to approval in each individual case, in static displays or for an activity of the sponsor when not required for Council's use;
- Merchandising of goods at selected points of sale;
- Opportunity for sponsor's name and/or logo to be promoted through appropriate general advertising by Council;
- Print advertising campaign to thank major sponsors.

Recognition must not involve explicit endorsement of the sponsor or the sponsor's products.

#### **4.6 Public Accountability, Transparency and Reporting**

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

- Decisions, with reasons, to enter into or terminate a sponsorship agreement will be recorded.
- Sponsorship agreements will be written agreements.
- As much of the information relating to sponsorship agreements as can be made public will be open for public inspection (examples of exceptions could be copyrighted, privileged or commercial in confidence information).
- Council's Sponsorship policy will be publicly available and listed on Council's website.
- A public list of sponsorship agreements will be maintained by Council and will be included in each Annual Report.

#### **4.7 Sponsorship Brokers**

Council may contract the services of sponsorship brokers to assist Council in attracting or negotiating with sponsors. Council will exclusively retain the right to select sponsors. Any sponsorship brokers must, like all consultants, disclose all conflicts of interest to Council including any potential commissions or payments that may become payable to the broker other than under the terms of the consultancy agreement with the Council.



# ATTACHMENT 1

## The Independent Commission Against Corruption's 'Ten Sponsorship Principles'

1. *A sponsorship agreement should not impose or imply conditions that would limit, or appear to limit, a public sector agency's ability to carry out its functions fully and impartially.*
2. *There should be no actual conflict between the objectives and/or mission of the sponsored agency and those of the sponsor.*
3. *In general, a public sector agency with regulatory or inspection responsibilities should not seek, or accept sponsorship from people or organisations which are, or may be, subject to regulation or inspection by the agency during the life of the sponsorship. Where adhering to this principle would unduly limit the agency's sponsorship prospects, the agency should develop alternative strategies to ensure it can carry out its regulatory or inspection responsibilities in relation to sponsors in an open, fair, accountable and impartial manner.*
4. *Sponsorship of a public sector agency or activity should not involve explicit endorsement of the sponsor or the sponsor's products.*
5. *Where sponsorship involves the sponsor providing a product to the agency, the agency should evaluate the product for its fitness for purpose against objective criteria that are relevant to the agency's needs.*
6. *It is inappropriate for any employee of a public sector agency to receive a personal benefit from a sponsorship.*
7. *In most circumstances, the public interest is best served by making sponsorship opportunities widely known. To this end sponsorships should be sought and granted by using broadly based, open processes that are not limited solely to invited sponsors.*
8. *Public sector agencies should assess sponsorship proposals against predetermined criteria which have been published in advance or which are circulated to organisations that submit an expression of interest.*
9. *A sponsorship arrangement is a contract and should be described in a written agreement.*
10. *All sponsorship arrangements should be approved by the CEO or another designated senior officer of the agency and described in the agency's annual report in a form commensurate with the significance of the sponsorship.*