

7.5 ADVERTISING OF AMENDED POLICY - SPONSORSHIP TO THE CITY POLICY

- Attachments:**
1. Updated Sponsorship to the City Policy
 2. Current Sponsorship to the City Policy 4.1.32

RECOMMENDATION:

That Council **APPROVES** the updated Sponsorship to the City Policy, at Attachment 1, for the purpose of community consultation.

PURPOSE OF REPORT:

For Council to approve, for the purpose of community consultation, the proposed updated Sponsorship to the City Policy as detailed at **Attachment 1**.

BACKGROUND:

The requirement of provisions outlined in clause 1.3 of the Policy Development and Review Policy were presented to Council Members through the monthly Policy Paper in August 2022.

Feedback was received regarding the wording of the Suitable Sponsorship Partner section of the policy. This section was subsequently amended to provide more clarity around the type of organisations or individuals who may not provide sponsorship. It now specifies that sponsors should not be sought from organisations whose business conflicts with the City's public health objectives including the sale or promotion of gambling, alcohol or tobacco.

DETAILS:

The policy was adopted in November 2010 to establish guidelines for City staff when sponsorship is sought or obtained for City run programs, facilities, and events.

The consultation requirements, set out in clause 1.3 of the Policy Development and Review Policy, have been considered as set out below.

It is proposed that the policy objective be amended as follows: To establish the principles for sponsorship agreements between the City of Vincent and other parties when the City is seeking sponsorship. The Policy has been developed to provide a transparent process in the interest of public accountability.

Requirement for a documented City position (including community need or legislative requirement):

The policy was established in 2010 with the rationale that 'Council adopt a policy relating to sponsorship as this will provide guidance to Administration in the future.'

There is no legislative requirement for this policy.

The high-level aspirations of the policy have been retained and the policy simplified with guidance on acceptable and unacceptable sponsor partners (clause 2), conflicts of interest (clause 3), personal benefits (clause 4) and the role of Council Members (clause 5).

Procedural guidance for staff in how they seek sponsorship has been removed from the policy.

A number of other local governments do not have policies relating to sponsorship. Those that do, have policies that are broader in scope, and may include guidelines for seeking, and providing, sponsorship. Some of these policies also incorporate guidelines for seeking grants on behalf of the Council, and other external funding avenues.

CONSULTATION/ADVERTISING:

In accordance with the City's Community and Stakeholder Engagement Policy, community consultation of all new and significantly amended policies must be provided for a period exceeding 21 days in the following ways:

- notice published on the City's website;
- notice posted to the City's social media;
- notice published in the local newspapers;
- notice exhibited on the notice board at the City's Administration and Library and Local History Centre.

Public notice of this proposed new policy will be provided from 24 November 2022.

LEGAL/POLICY:

Section 2.7(2)(b) of the *Local Government Act 1995* provides Council with the power to determine policies.

The City's Policy Development and Review Policy sets out the process for the development and review of the City's policy documents.

RISK MANAGEMENT IMPLICATIONS

Low: It is low risk for Council to undertake community consultation of the proposed amended policy.

STRATEGIC IMPLICATIONS:

This is in keeping with the City's *Strategic Community Plan 2018-2028*:

Connected Community

We have enhanced opportunities for our community to build relationships and connections with each other and the City.

Innovative and Accountable

Our resources and assets are planned and managed in an efficient and sustainable manner.

SUSTAINABILITY IMPLICATIONS:

This does not contribute to any environmental sustainability outcomes. This activity may have some negative environmental impacts.

PUBLIC HEALTH IMPLICATIONS:

This does not contribute to any public health outcomes in the *City's Public Health Plan 2020-2025*.

FINANCIAL/BUDGET IMPLICATIONS:

Nil

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Legislation / local law requirements	N/A
Relevant delegations	Nil
Related policies, procedures and supporting documentation	Code of Conduct for City of Vincent Employees and Contractors ; Nominated Members Code ; and Attendance at Events Policy

PRELIMINARY

INTRODUCTION

This document outlines appropriate ways to seek financial and in-kind sponsorship support for City projects, facilities and events.

PURPOSE

This document establishes the principles for sponsorship agreements between the City of Vincent and other parties when the City is seeking sponsorship. The Policy has been developed to provide a transparent process in the interest of public accountability.

OBJECTIVE

To provide guidelines for City officers on seeking financial and in-kind sponsorships for the City.

SCOPE

This policy relates to sponsorships sought by the City of Vincent for City managed facilities, projects, programs or events.

Sponsorship does not include the selling of advertising space, joint ventures, partnerships, grant programs, consultancies, grants (received sponsorship) and unconditional gifts, donations, bequests or endowments.

The provision of donations and gifts to or from Council are covered by the City's Code of Conduct.

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POLICY PROVISIONS

DEFINITIONS

Sponsorship is a commercial arrangement in which a sponsor provides a financial contribution or 'in-kind' support in return for certain specified and definable benefits.

POLICY

1. Principles

- (i) The City of Vincent, from time to time, invites and seeks sponsorship for selected City facilities, projects, events, services or activities to maximise financial and 'in-kind' assistance for the benefit of the City of Vincent community.
- (ii) When City officers seek and obtain sponsorship, they will do so in a professional and co-ordinated manner that will withstand scrutiny and comply with the City's Code of Conduct.
- (iii) The City will consider engaging in sponsorship agreements where:
 - (a) connection with a reputable sponsor could enhance the City's image and reputation;
 - (b) sponsorship could make it possible for the City to undertake beneficial non-core activities that could not otherwise be funded or undertaken to the same extent;
 - (c) sponsorship could either reduce the cost of a particular event or activity or enable it, in the public interest, to be expanded or enhanced;
 - (d) sponsorship could achieve greater community awareness or public profile for the City, a particular service, program or activity, than may otherwise have been possible.

2. Suitable sponsorship partners

- (i) Suitable sponsorship partners include reputable companies/organisations/individuals whose objectives and products do not conflict with the City's values and objectives and/or provide goods and services which are required by and benefit the City and the Vincent community.
- (ii) Sponsorship should not be sought from political parties or organisations/individuals with an identifiable political purpose/agenda. Sponsors should not be sought or obtained from organisations whose business conflicts with the City's public health objectives including the sale or promotion of gambling, alcohol or tobacco.

3. Conflict of interest

- (i) There should be no real or perceived conflict between the objectives and mission of the City and those of the sponsor or the company/organisation/individual seeking sponsorship.
- (ii) Sponsorship arrangements that impose or imply conditions that limit the City's ability to carry out its functions fully and impartially will not be agreed to.

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- (iii) any attempted influence of the City's functions will result in an automatic review and/or termination of the sponsorship arrangement.
- (iv) A sponsorship agreement may be reviewed in any case where, during the life of the sponsorship, the sponsor has a current application or matter before the City, or the City is aware of the possibility of an application or matter coming before the City in the near future.
- (v) Sponsor benefits or sponsorships do not include implied endorsement by the City of the sponsor's goods or services. Sponsorship agreements do not permit the use of the City's logo to promote their products/services.

4. Personal benefits

No City officer or Council Member should seek or receive a personal benefit or be perceived to receive a personal benefit from a sponsorship agreement.

5. The role of Council Members

Council Members interested in assisting with sponsorship arrangements should liaise with the City's Chief Executive Officer and not seek to negotiate sponsorship independently on behalf of the Council.

OFFICE USE ONLY	
Responsible Officer	Manager Marketing and Partnerships
Initial Council Adoption	DD/11/2010
Previous Title	Applicable if the policy has been renamed
Reviewed / Amended	OCTOBER 2022
Next Review Date	MM/YYYY

POLICY NO: 4.1.32**SPONSORSHIP TO THE CITY****OBJECTIVES**

The objective of this Policy is to provide guidelines in relation to sponsorship provided to the City of Vincent.

POLICY STATEMENT**1. INTRODUCTION**

This document establishes the principles for sponsorship agreements between the City of Vincent and other parties. It provides guidelines for seeking sponsorship and outlines the procedures to be met by the City and the sponsorship partner. The Policy has been developed to provide a transparent process in the interests of public accountability.

2. DEFINITIONS

"Sponsorship" is a commercial arrangement in which a sponsor provides a financial contribution or "in-kind" to support for a programme or project in return for certain specified and definable benefits. Sponsorship can be provided by the:

- corporate sector or private individuals, in support of a public sector activity; or
- public sector in support of related and worthwhile private or public activities.

Sponsorship does not include the selling of advertising space, joint ventures, partnerships, grant programmes, consultancies, grants (in regard to received sponsorship) and unconditional gifts, donations, bequests or endowments. The provision of donations and gifts to or from Council are covered by the City's Code of Conduct.

3. PRINCIPLES

- (i) The City of Vincent, from time to time, invites and seeks sponsorship for selected City projects, events, services or activities to maximise financial and 'in-kind' assistance for the benefit of the City of Vincent community. The City is also committed to supporting, through partnership agreements, various projects, events, services and activities which provide benefit to the City of Vincent community.
- (ii) All sponsorships will be undertaken in accordance with the City's policies and legislative requirements and to the mutual benefit of both parties.
- (iii) When the City and its Officers seek and obtain sponsorship, it will do so in a professional and co-ordinated manner that will withstand scrutiny and complies with the City's Code of Conduct standards. When the City agrees to sponsor a project, event, service or activity it will do so in a professional and co-ordinated manner and which will withstand scrutiny and complies with the City's Code of Conduct standards.

- (iv) The City will consider engaging in sponsorship agreements where:
- (a) connection with a reputable sponsor could enhance that the City's image and reputation;
 - (b) sponsorship could make it possible for the City or a company/organisation (which includes individuals who may wish to sponsor a City initiative) to undertake beneficial non-core activities that could not otherwise be funded or undertaken to the same extent;
 - (c) sponsorship could either reduce the cost of a particular event or activity or enable it, in the public interest, to be expanded or enhanced; and
 - (d) sponsorship could achieve greater community awareness or public profile for the City, a particular service, programme or activity, than may otherwise have been possible.

4. RISK MANAGEMENT

A risk assessment of each potential sponsorship arrangement will be undertaken to determine if any risks are posed by the arrangement and assess whether these risks are acceptable or can be managed. When companies/organisations express an interest in sponsoring a City initiative or invite the City to sponsor a project or undertaking they will be required to complete a checklist to enable the City to proceed with a risk assessment of the sponsorship arrangement prior to confirming the sponsorship agreement.

5. ROLES, RESPONSIBILITIES AND RESOURCES

- (i) Any City Officer wishing to engage in a sponsorship arrangement with an external company/organisation should do so in liaison with the Public Relations Officer to ensure consistency, good administration and recording of sponsorships and to ensure that the City's Sponsorship Policy and Guidelines are followed.
- (ii) The final approval for all sponsorship agreements rests with the Chief Executive Officer of the City of Vincent.

6. SUITABLE ACTIVITIES FOR SPONSORSHIP

Sponsors are, from time to time, sought for a range of City activities including community events and festivals, community facilities, educational facilities and equipment.

7. ACCEPTABLE SPONSORSHIP PARTNERS

Attributes of suitable sponsorship partners include:

- (a) reputable companies/organisations/individuals whose objectives and products do not conflict with the City's values and objectives;
- (b) companies/organisations whose parent companies' and subsidiaries' objectives and products do not conflict with those of the City;
- (c) companies/organisations/individuals who have an acceptable sponsorship record with the City and with other government bodies; and
- (d) companies/organisations/individuals who provide goods and services which are required by and benefit the City and the Vincent community.

8. UNACCEPTABLE SPONSORSHIP PARTNERS

Given the nature of local government, sponsorship should not be sought from political parties or organisations/individuals with an identifiable political purpose/agenda (e.g. trade unions, political candidates). Sponsors should not be sought from organisations involved in the business of gambling, pornography, brothels or tobacco. The City Officers assessing, administering or approving the proposed sponsorships should declare any personal relationships or financial arrangements pertaining to the agreement.

9. GUIDELINES FOR SEEKING SPONSORSHIP

- (i) When the City is seeking sponsorship support, a sponsorship proposal should be developed which clearly outlines the nature of the project, why it is being proposed, the benefits to potential sponsors and the City of Vincent, and the type or value of sponsorship sought.
- (ii) The public interest is best served by the City making sponsorship opportunities widely known and using broad-based, open processes that are not limited solely to invited sponsors. When sponsorship opportunities arise, the City will seek expressions of interest through the appropriate communications channels.
- (iii) In some instances, letters may be distributed to suitable potential sponsors inviting them to respond to sponsorship proposals. The City will ensure all information provided is consistent for all organisations and there is no advantage or disadvantage for one organisation over another.
- (iv) The Public Relations Officer may assist City Officers with preparation of promotional material, and the development of sponsorship proposals and agreements.
- (v) The department seeking sponsorship should ensure that sufficient resources are available to enable the promised sponsor benefits to be delivered and the project implemented.
- (vi) When companies/organisations/individuals seek sponsorship support from the City, they will be required to provide a sponsorship proposal which clearly outlines the nature of the project, why it is being proposed, the benefits to the City and the local community, and the type or value of sponsorship sought.

10. ASSESSMENT OF SPONSORSHIP PROPOSALS

- (i) Potential sponsors of the City's initiatives will be assessed against criteria which are made available to all interested parties. Each potential sponsor's past and current commercial connection to the City should be considered.
- (ii) Invitations to the City to sponsor external initiatives will be assessed against criteria which includes any past or present business conducted with the City, the company or organisation's statement of principal activities, as well as parent or subsidiary company information. Consideration must also be given to budget available to undertake the agreement, the resources required to service the agreement and an assessment of these against the benefits provided to the City or the community.
- (iii) When a risk assessment of a potential sponsorship agreement is undertaken and no risk is identified, the sponsorship agreement can be established and arrangements commence. When the risk assessment identifies a potential risk to the City, the matter will be referred to the City's Chief Executive Officer who will determine whether the sponsorship agreement should proceed.

11. CONFLICTS OF INTEREST

- (i) There should be no real or perceived conflict between the objectives and mission of the City and those of the sponsor or the company/organisation/individual seeking sponsorship. When assessing potential sponsorship arrangements, the City should review the values and objectives of the potential sponsor or recipient company/organisation (or its parent company) ensuring they do not conflict with the City's values and objectives.
- (ii) The proposed project/sponsorship arrangement must not interfere with the City's ability to carry out its functions fully, impartially and ethically. Sponsorship arrangements that impose or imply conditions that limit the City's ability to carry out its functions fully and impartially will not be agreed to.
- (iii) If any such conflict is declared and the City decides to proceed with the sponsorship agreement, the decision-making process and strategies to manage the conflict should be documented.
- (iv) The City will not implement a sponsorship agreement with any party engaged in current or pending legal proceedings involving the City or where the proposed agreement would contravene any section of the *Local Government Act 1995* or where the proposed arrangement may expose Councillors, the City or its Officers to conflicts of interest.
- (v) A sponsorship agreement may be reviewed in any case where, during the life of the sponsorship, the sponsor has a current application or matter before the City, or the City is aware of the possibility of an application or matter coming before the City in the near future. Similarly, any attempted influence of the City's functions will result in an automatic review and/or termination of the sponsorship arrangement.
- (vi) Sponsor benefits or sponsorships do not include implied endorsement by the City of the sponsor's goods or services. Sponsorship agreements do not permit the use of the City's logo to promote their products/services.

12. PERSONAL BENEFITS

No City Officer or Councillor or their relatives or partners should 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 a sponsorship agreement must be seen to be to the advantage of the City rather than an individual.

13. BENEFITS TO SPONSORS FROM SPONSORSHIP AGREEMENTS

- (i) The City may offer a range of benefits to sponsors which include naming rights, branding on signage, complimentary tickets, corporate profile raising, or increased brand recognition.
- (ii) If the sponsorship agreement involves the support of a product, that product should be evaluated for its fitness for purpose against objective criteria relevant to the City's needs.
- (iii) The sponsorship agreement should not involve explicit endorsement of the sponsor or the sponsor's products/services.
- (iv) The City will acknowledge sponsor or supporter status in publicity regarding the project as negotiated in the sponsorship agreement. These benefits will be detailed in a sponsorship agreement prior to commencement of the sponsorship relationship.

14. GRANTING SPONSORSHIP

- (i) A sponsorship agreement outlining the full terms and conditions of the agreement will be recorded in writing and signed by both parties. The City's Chief Executive Officer will sign on behalf of the City of Vincent.
- (ii) The final sponsorship agreement must be recorded in writing and signed by both parties. This should include:
 - (a) the term or purpose of the sponsorship and any conditions regarding renewal;
 - (b) specific services, products or funds to be provided by the sponsor and the reciprocal benefits;
 - (c) the form or forms of sponsorship acknowledgement, which will be available;
 - (d) the City's request for information on any association or parent company directly or indirectly involved in the sponsorship;
 - (e) any limitations to the sponsorship such as restrictions on seeking additional sponsors;
 - (f) the responsibilities and expectations of each party for the budget;
 - (g) any guidelines for the use of corporate logos or conditions for advertising, media and other publicity;
 - (h) a statement to the effect that any attempted influence of the City's regulatory functions will result in an automatic review and/or termination of the sponsorship agreement;
 - (i) cancellation and termination conditions; and
 - (j) any special conditions which may apply.

15. ADMINISTERING SPONSORSHIP AGREEMENTS

- (i) All information including incoming sponsorship expressions of interest, evaluation documents and agreements should be kept in an official City file. Details should be included in a database of all sponsorships and copies of the proposal, agreements and other documents should be forwarded to the City's Executive Assistant to facilitate consistency and co-ordination of sponsorship throughout the organisation. The Chief Executive Officer's Executive Assistant will maintain a file of this documentation for reference.
- (ii) All sponsorship agreements will be recorded in the City's Sponsorship Register which will be held in the Chief Executive Officer's Office and will be available for viewing by the public.

16. THE ROLE OF COUNCIL MEMBERS

Council Members interested in assisting with sponsorship arrangements should liaise with the City's Chief Executive Officer and not seek to negotiate sponsorship independently on behalf of the Council.

Date Adopted:	November 2010
Date Amended:	-
Date Reviewed:	-
Date of Next Review:	November 2015