



CUMBERLAND
CITY COUNCIL

Cumberland City Council Sponsorship Guidelines

AUTHORISATION & VERSION CONTROL

Policy Number	GDL-04
Policy Owner	General Manager's Unit
Date Approved	13 July 2018
Version No	1
Document ID	3171142
Review Date	April 2020

Contents

1. Introduction	3
2. Sponsorship Defined	3
3. Outgoing Sponsorship	4
3.1 Eligibility	4
3.2 Ineligibility	4
3.3 Criteria for Assessment	5
3.4 Application Process	5
4. Sponsorship Agreement	7
5. Risk Management	8
6. Sponsorship Funding and Frequency	8
7. Conflict of Interest	8
8. Appendix	10
8.1 Ethical Framework	10

1. Introduction

Cumberland City Council is dedicated to the development of a strong, sustainable and diverse economy, as detailed in the Cumberland City Council Community Strategic Plan. One of the ways we can achieve this is by offering sponsorship to support various projects and activities that benefit the community and support the continued growth of the Cumberland Local Government Area.

Sponsorship addressed in this guideline differs from the Cumberland City Council Community Grants Program and Mayoral Fund, as these programs require less recognition of the funding body.

The sponsorship programs and packages are highly competitive and as such all applicants should read Council's Sponsorship Policy and these Sponsorship Guidelines before they apply. These guidelines will provide a framework for criteria and assessment so that applicants are informed and have the information they need to successfully apply for outgoing or incoming sponsorship. Adherence to these guidelines also ensures that there is a transparent, ethical and accountable process for the assessment of sponsorship applications to ensure that Council's sponsorship programs are transparent and follow correct governance.

Council faces a number of corruption risks when engaging in sponsorship arrangements and as such Council has been guided by the NSW Independent Commission Against Corruption (ICAC) 2006 Guidelines for Sponsorship in the Public Sector in the development of this Sponsorship Guideline.

2. Sponsorship Defined

Sponsorship is a commercial arrangement in which a sponsor provides a contribution in money or in-kind to support a project or activity in return for certain specified benefits. A sponsored project or activity will have a defined scope of work or set of objectives which provides a basis for sponsor expectations.

Generally a sponsored project involves a written agreement representing the voluntary transfer of money, property or in-kind, often including rights and access to results of the outcomes of the activity being sponsored. Such agreements are enforceable by law. Performance of the agreements is expected to be achieved within the agreed timeframe and sponsored amount.

Definition:

Outgoing Sponsorships: Financial or in-kind contributions by Cumberland City Council to organisations, clubs, groups or individuals for programs or activities that can build or enhance the reputation and brand of Cumberland City Council and the Local Government Area.

3. Outgoing Sponsorship

Outgoing Sponsorship provided to applicant should contribute to one or more of the following outcomes:

1. Provide an opportunity for measurable economic, social, environmental and/or cultural benefits to Council and the Cumberland Local Government Area.
2. Provide opportunities for the community to participate and contribute in activities in the Cumberland Local Government Area.
3. Create a valuable strategic alliance for Council.
4. Provide extensive coverage and promotional/publicity opportunities across a range of media outlets.
5. Promote Council's reputation as a great place to live, visit, work, and invest.

3.1 Eligibility

Meeting Council's eligibility criteria does not guarantee sponsorship, given that Council will need to prioritise sponsorship within its available budget.

To be eligible for outgoing sponsorship funding, applicants must:

- i. Demonstrate that they are capable of delivering the project or activity for which funding is being sought.
- ii. Be located within the boundaries of the Cumberland Local Government Area or deliver the funded project or activity in the Cumberland Local Government Area.
- iii. Be either a not-for-profit or for-profit organisation.
- iv. Be a registered business or incorporated association, and hold a current ABN number.
- v. Demonstrate direct benefits for Cumberland based organisations and/ or Cumberland residents as per the outcomes outlined above when applying for sponsorship towards an activity.
- vi. Have an appropriate level of insurance for any sponsored project or activity that has the potential to cause harm or loss to those involved. Insurance coverage must be provided to council with the application. Council requires a minimum of \$20 million Public Liability Insurance for each project or activity that receives sponsorship.
- vii. Give consideration to using sponsorship to make the project or activity free.
- viii. Must be registered with the Australian Charities and Not-for-profits Commission if an application is for a local charity event.
- ix. Be interviewed if more information is required.

3.2 Ineligibility

Outgoing sponsorship will not be provided to:

- i. Projects or programs that duplicate existing Council services or programs.
- ii. Projects or programs that directly contravene existing Council policies.
- iii. Projects or activities that are political or perceived to benefit a political party or organisation.
- iv. Charities seeking general donations including the purchase of tickets or fundraising tables at an event.

- v. Cover general operational expenditure (e.g. administration, insurance), shortfalls in funding by government departments or completed/retrospective projects.
- vi. Organisations whose activities are not aligned with the Council's ethical framework as outlined in Appendix 8.1.
- vii. Organisations that do not have a valid ABN.
- viii. Project or activities that do not deliver a demonstrated benefit to the Cumberland Local Government Area and its community.
 - ix. Applications which are not in accordance with Cumberland City Council's Sponsorship Policy and Sponsorship Guidelines.

3.3 Criteria for Assessment

The provision of sponsorship is at the sole discretion of Cumberland City Council. Meeting Council's eligibility criteria does not guarantee sponsorship, given that Council will need to prioritise sponsorship within its available budget.

The following criteria will be used when considering outgoing sponsorship applications:

1. Application meets the Cumberland City Council Sponsorship Policy and Sponsorship Guidelines.
2. Economic, community, cultural and social benefits stated in the Sponsorship Policy are met.
3. There is opportunity for strategic partnership / alliance for Council.
4. Demonstrated significant benefits to Council and the community.
5. Range of media and publicity opportunities for Council including opportunity for exclusive naming rights.
6. Uniqueness to the Cumberland area (e.g. LGA marketing benefits).
7. Activity will be held in Cumberland Local Government Area and/or provides benefits to the Cumberland community.
8. Use of local resources (e.g. local Cumberland businesses providing services, local venues).
9. The level of funds being sought and the amount of Council funds available for sponsorship purposes.
10. The total cost of the proposal, level of funding that has been obtained from other sources and the degree of self-financing.
11. The level of planning and research that has been undertaken to ensure feasibility of the project.
12. The level of recognition that Council will receive in response to any sponsorship provided.

The granting of sponsorship awarded does not indicate a commitment for recurring sponsorship by Council of similar, or any other activity moving forward.

3.4 Application Process

- i. All applications must be submitted online using the approved application form found at <https://cumberland.smartygrants.com.au> within the required timeframe.
- ii. Incomplete applications, or applications submitted outside of this system and the required timeframe will not be accepted. If a submitted application is incomplete, Council will notify applicant and provide opportunity to amend and resubmit their application within the application timeframe.
- iii. Applications should demonstrate all other funding sources that will be utilised to fund the activity, project or program.

Assessment and recommendations:

- i. All sponsorship applications received by Council are assessed by an assessment panel consisting of Council staff members and approved by a resolution of Council.
- ii. Applications recommended for sponsorship will be in accordance with section 356 of the *Local Government Act 1993*.
- iii. Unsuccessful applicants are encouraged to seek feedback from Council's Marketing Manager on their application.
- iv. The Corporate Sponsorship Program is highly competitive and Council will only support applications that will provide significant tangible benefits to Council and the community in accordance with the Sponsorship Policy and these Sponsorship Guidelines.

Approval

- i. All outgoing sponsorship arrangements are to be approved by a resolution of Council and included in Council's Annual Report.
- ii. A maximum of up to \$10,000 per sponsorship application will be approved.
- iii. Approval of sponsorship does not imply that Council has given any other consent. Applicants should note that aspects of many festivals require approvals and consents from Council, NSW Police and other NSW Government agencies.

Any consideration given to the establishment of a sponsorship arrangement will include regard to:

- Having corruption free and transparent sponsorship processes.
- Ensuring compliance with relevant legislative requirements and Council's relevant Policies and Guidelines.
- The maintenance of a consistent and professional image of Cumberland City Council and the sponsor within the community at all times.

All sponsorship arrangements will clearly set out:

- i. The objective of the sponsorship.
- ii. The benefits to Cumberland City Council and the sponsor, including economic benefits available.
- iii. Any personal benefits available to the sponsor's employees and their relatives, including any conflict of interest.
- iv. The form or forms of sponsorship acknowledgment which will be available;
- v. The scope of use which the sponsor can make of the sponsorship arrangement.
- vi. The term of the sponsorship and any conditions regarding renewal, if applicable.
- vii. Procedures for monitoring the sponsorship, including the consequences of changes which may occur over time (for example, a shift in the relationship, new policies, new corporate missions or objectives).
- viii. Financial accountability arrangements.
- ix. Provisions for termination or suspension of the arrangements.
- x. Provisions for conflict or dispute resolution or termination of the arrangement.
- xi. Any special conditions which apply to the sponsorship arrangement (including exclusivity, category of sponsorship etc.).

- xii. The evaluation process to occur after the sponsored project or activity etc.

4. Sponsorship Agreement

1. Consistent with Principle 9 of the ICAC's 2006 Guidelines for Sponsorship in the Public Sector, every sponsorship agreement will require a signed written agreement which clearly sets out:
 - i. Itemised benefits including economic benefits, available to Council and the sponsor
 - ii. Roles and responsibilities and accountabilities of the sponsor and the council
 - iii. Limitations to liability for the council
 - iv. Any personal benefits available to the sponsor's employees and their relatives
 - v. The form or forms of sponsorship acknowledgement which will be available
 - vi. The scope of uses of sponsorship which the sponsor can make of the sponsorship arrangement
 - vii. The term of the sponsorship and any conditions regarding renewal
 - viii. The terms for multi-year sponsorships will also include annual review to consider cost-effective provision of services or activities, monitoring of outputs against deliverables, improvements e.g. increased attendance
 - ix. The provision for termination or suspension of the agreement, for example, because of a breach.
2. Forms of recognition will be outlined in the sponsorship agreement to the level and nature of the sponsorship and subject to agreement specifying benefits and costs.
3. A sponsorship agreement may be refused and/or terminated if deemed by the General Manager or delegate as a real or perceived conflict, or where a breach of the terms of an agreement has occurred.
4. Any sponsorship arrangement that provides for Cumberland City Council to use the sponsor's product will ensure that Council reserves the right not to use the product if such product does not meet the operational needs and criteria for the product and/or its use.
5. Consistent with Principle 1 of ICAC's 2006 Guidelines for Sponsorship in the Public Sector, sponsorship agreements must include a statement that Council's functions will continue to be carried out fully and impartially, notwithstanding the existence of a sponsorship arrangement.
6. Reporting

All corporate sponsorship recipients are required to report on and acquit their project as detailed in their funding agreement. Reports provide feedback on the success of the project in terms of the agreed outputs and outcomes, relevant data and any lessons learnt.

For charity activities, Council will require proof of funds raised and provided to each charitable recipient to ensure consistency with the application and funding agreement

7. Evaluation and review

The Sponsorship Policy will be reviewed every year. It will be evaluated to assess:

- i. That the Policy remains transparent, accountable and ensuring corruption free sponsorship processes
- ii. Its effectiveness in enhancing Council's reputation and brand
- iii. The benefits to Council are commensurate with the level of sponsorship provided
- iv. Its eligibility and assessment criteria are consistent with Council's identified priorities and strategic directions
- v. The manner in which Council manages its sponsorship arrangements are professional and the process for providing sponsorships is transparent and accountable

5. Risk Management

ICAC's 2006 Guidelines for Sponsorship in the Public Sector recommend that each proposed sponsorship activity should be subject to a risk assessment. This includes an assessment of:

1. Sponsorship benefits to Council relative to the level of sponsorship contribution.
2. Actual and perceived conflicts of interest.
3. Existing sponsorship arrangements, including with sporting or community groups and potential conflict with a new sponsorship proposal.
4. The potential capacity for the sponsor to deliver the sponsorship.
5. The capacity of Council to provide adequate resources and facilities to meet the terms of the proposed agreement.

Where practical this will be undertaken through a standard checklist and assessed by giving consideration to the level of funding required or sought. The Risk Assessment will be undertaken by the staff assessing the sponsorship approval with the assistance of staff from the Governance and Risk Unit as required.

Council also notes sponsorship arrangements as a standing item in its Enterprise Risk Management Framework.

6. Sponsorship Funding and Frequency

Program	Funding Available	Frequency
Outgoing Sponsorship	Total of \$50,000	Annually
Incoming Sponsorship	Up to \$50,000 per sponsor	Throughout the year
	Greater than \$50,000	By Council resolution

7. Conflict of Interest

Council staff and Councillors assessing and determining applications for sponsorship are required to identify any potential conflicts of interest in accordance with Council's Code of Conduct. In particular, members of Council staff and Councillors need to ensure that any affiliation between them and the applicant is appropriately identified prior to assessing and determining applications for sponsorship.

Every sponsorship proposal will be assessed against the possibility of a conflict of interest.

If a Council staff member involved in the assessment of applications for sponsorship, identifies that they have a pecuniary or significant non-pecuniary interest, the matter will be referred to the Group Manager Corporate and Customer to determine if the staff member is removed from the process or can continue involvement subject to an appropriate conflict of interest management plan.

If a Councillor identifies that they have a pecuniary or significant non-pecuniary interest, they will be required to remove themselves from consideration of the matter when it is before the Council.

8. Appendix

8.1 Ethical Framework

Sponsorships that are found to adversely influence or found to attempt to adversely influence Cumberland City Council in the carrying out of its functions and/or responsibilities will result in the immediate review and possible termination of the sponsorship arrangement.

Council will not support any applications that:

- i. Pollute land, air or water.
- ii. Destroy or waste non-recurring resources.
- iii. Promote or encourage violence or hatred.
- iv. Market or promote products/services in a misleading or deceitful manner
- v. Produce, promote or distribute products/services likely to be harmful to the community.
- vi. Acquire land or commodities primarily for the purpose of speculative gain.
- vii. Create, encourage or perpetuate militarism or engage in the manufacture of weapons.
- viii. Entice people into financial over-commitment.
- ix. Exploit people through the payment of below award wages or poor working conditions.
- x. That contravenes Council's Code of Conduct.
- xi. Discriminate by way of race, religion, or gender.
- xii. Contribute to the inhibition of human rights generally.