



Sponsorship Policy

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1. SCOPE

- 1.1 The City of Parramatta Sponsorship Policy applies to all sponsorships agreements between third parties and the City of Parramatta Council. Under this policy sponsorship support by the City of Parramatta is compliant with Section 356 of the Local Government Act and independent of the regular procurement of goods, works and services.
 - 1.2 This policy covers both sponsorship support to third parties by the City of Parramatta Council and sponsorship received by the City of Parramatta Council.
 - 1.3 Sponsorships by definition are a financial and/or in-kind commercial agreement in exchange for a tangible value of benefits. Sponsorships attract GST at the agreed financial or determined in-kind value. Sponsorship is not a donation or grant.
 - 1.4 Sponsorships are considered as part of the City's strategic marketing mix and their consideration and administration coordinated through the City Marketing and Development Team within the Marketing and City Identity Directorate of the City of Parramatta Council. Should a request for sponsorship support be considered for any strategic purpose other than strategic marketing of the City or positioning of Council, then responsibility for the recommendation and all coordination of the leveraging of the benefit should be delivered through the relevant business unit of Council. This policy applies to all sponsorship agreements, including their design, application process, assessment and decision making, agreement making, monitoring and delivery.
 - 1.5 This policy must be followed by all employees as well as all consultants and contractors engaged within any business units of the City of Parramatta Council.
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City of Parramatta Council Sponsorship Policy		
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2. PURPOSE

- 2.1 This policy establishes how the City of Parramatta Council's sponsorship activities support the implementation of the Council's Community Strategic Plan, Delivery Plan and Operational Plan, in effect from time to time, in an efficient, effective and ethical manner. The objective of this policy to ensure that the administration of sponsorship activities follows best practice principles of corporate governance as detailed in the Sponsorship 'Policy Principles' at the City of Parramatta.
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3. POLICY PRINCIPLES

- 3.1 Sponsorship activities and projects at the City of Parramatta are assessed, administered and delivered according to the following principles:
- **Robust design and process** which underpins efficient, effective and ethical sponsorship assessment and administration, including through the establishment of effective risk management processes.
 - **Leadership and innovation** which supports the City brand positioning as 'Sydney's dual CBD' and 'Parramatta Smart City'.
 - **Community engagement** which focuses on supporting local organisations, businesses and residents to achieve their community's goals.
 - **Communication and messaging** through which Council can communicate the City's vision, brand and identity.
 - **Collaboration and partnership** which provides opportunities for strategic partnership development aligned with the City's vision and Major Priorities.
 - **Achieving value with public money** through careful consideration of costs, benefits, options and risks.
 - **Return on investment** in which the City receives a return on its investment through demonstrated benefits.
 - **Governance and accountability** in which a robust governance framework clearly defines the roles and responsibilities of all parties in the process and supports public accountability for decision making, sponsorship administration and delivery, and performance monitoring.
 - **Probity and transparency** in which sponsorship partnerships reflects ethical behaviour, in line with Council's Statement of Business Ethics and Code of Conduct, and complies with public reporting requirements.

Types of Sponsorship Relationships with the City of Parramatta Council

- 3.1 This policy outlines the two types of sponsorship relationships with the City of Parramatta.
- a. **Sponsorship by the City of Parramatta:** City of Parramatta Council's sponsorship of third parties - businesses, organisations, activities or projects.
 - b. **Sponsorship of the City of Parramatta:** Sponsorship acquisition by the City of Parramatta for activities and projects.

4. SPONSORSHIP BY THE CITY OF PARRAMATTA

- 4.1 In line with the principles outlined in this policy document, all sponsorship requests to City of Parramatta are considered through an established and endorsed set of criteria and assessment process to determine if the proposed project seeking support meets the Council's strategic objectives and delivers value for public money.

Sponsorship Categories:

- 4.2 The City of Parramatta Council considers financial or in-kind contributions from organisations and individuals through this policy for projects that are strategically aligned to the City's vision, values and corporate objectives under the following categories:
- a. Economic: Delivers significant economic benefits to the City of Parramatta.
 - b. City Identity: Delivers identity, brand and reputational benefits to the City of Parramatta.
 - c. Smart: Delivers on innovation and leadership benefits for the City of Parramatta.
 - d. Community: Delivers on significant social and community benefits for the City of Parramatta.
 - e. Liveability: Delivers on enhanced liveability for City of Parramatta residents, workers and visitors.
 - f. Environmental: Delivers on sustainability benefits to the City of Parramatta.

Selection Criteria and Conditions:

- 4.3 The selection criteria for the assessment of all sponsorship requests are listed below.
- a. Activity or project must align with, and deliver a demonstrated and significant benefit in at least one of the sponsorship categories.
 - b. Applicant is located within the boundaries of the City of Parramatta local government area and/or the activity or project is delivered in the City of Parramatta.
 - c. Applicant is a for-profit or not-for-profit organisation.
 - d. Activity or project begins after the sponsorship agreement commencement date and does not require retrospective, recurrent or ongoing funding.
 - e. Any previous sponsorships by Council to the organisation have been assessed as achieving the objectives of the funding and the benefits of the funding have been satisfactorily realised.
 - f. Applicant does not have outstanding debts to Council or overdue acquittals.
 - g. Applicant is responsibly managed, and provides accurate financial information demonstrating financial viability.
 - h. Applicant has appropriate insurance coverage for the project or activity.
 - i. Applicants agree to the conditions of the Sponsorship Agreement.
 - j. Activity or project is aligned with the City's brand and delivers on positive reputational benefits for the City.
 - k. Activity or project has been assessed for potential risks and risk management strategies against Council's risk management criteria and are included in the assessment process.
- 4.4 Activities and projects that are not eligible for sponsorship funding:
- a. Activities and projects that duplicate existing Council services, programs or projects.
 - b. Activities and projects that do not deliver a demonstrated benefit to the City of Parramatta and its community.

- c. Community Events and Festivals. Community events and festivals funding requests are considered under the City of Parramatta's grant funding scheme for events. Refer to the City of Parramatta's Grants and Donations Policy for further details.
- d. Activities or projects that are political or are perceived to benefit a political party or organisation.
- e. Activities or projects that are of a strictly religious in nature.
- f. Activities or projects that are supported by tobacco and tobacco related companies.

4.5 Sponsorship by the City of Parramatta Policy Conditions:

- a. Sponsorship funds from the City of Parramatta must only be used for the sole purpose intended in the sponsorship agreement.
- b. The value of the benefits package detailed in a sponsorship agreement should be commensurate with the level of financial and/or in-kind support.
- c. All sponsorship funding by City of Parramatta for activities and projects must be endorsed by the Director, Marketing and City Identity, following consultation with the Parramatta Executive team.
- d. Council must ensure that sufficient dedicated resources are available and allocated to service the sponsorship as detailed in signed sponsorship agreements with the City of Parramatta.
- e. There should be no real or apparent conflict between the values, objectives and ethical standard of the Council and those of the sponsor, and the sponsor parent company. Council staff seeking sponsorship are responsible for undertaking adequate research and due diligence to minimise the risks to Council in relation to a sponsorship agreement with a company that may result in an inappropriate association being established and reputational damage to the City of Parramatta and/ or the Council.
- f. Council will not sponsor proposals for activities and projects that receive sponsorship support from tobacco or tobacco related companies, companies whose services or products are dangerous to health, and alcohol companies where the sponsorship is related to activities or projects for youth, and from companies where there is a conflict of interest, or a perceived conflict of interest, including companies associated with land development.
- g. Council, at their discretion, has the absolute right to refuse an application if it believes any aspect of the activity or project might conflict with Council's social responsibilities.
- h. Sponsorship, and sponsorship agreements, with the City of Parramatta should not impose or imply conditions that would limit, or appear to limit, Council's ability to carry out its functions fully or impartially, or impose any liability on Council in respect of the conduct of the activity or project being sponsored.
- i. There must be no suggestion that either explicitly or implicitly that any individual, organisation or company will be given any favourable or special treatment as a result of granting sponsorship support from Council. Council will enforce all and any processes as set out in its policies and regulations.
- j. No official, elected representative, employee or agent of Council is to receive, or solicit, a personal benefit from a sponsorship agreement with Council.
- k. Any activity or project sponsored by the City of Parramatta may not claim through implied or explicit means that Council endorses any 'products' or companies also associated with the activity or project.
- l. All sponsorships with the City of Parramatta must be formalised with a signed written agreement approved by Council's Legal Services.

5. SPONSORSHIP OF THE CITY OF PARRAMATTA

- 5.1 In line with the principles outlined in this policy document, all sponsorship acquisition by the City of Parramatta is considered through an established and endorsed set of criteria and assessment process.
- 5.2 Sponsorship acquisition is an important strategy for the City of Parramatta as it contributes to the development of the City of Parramatta as a vibrant city through enhancing and assisting in the delivery of the City's high quality annual events and festivals program, as well as services, activities and projects for the community.
- 5.3 The City of Parramatta actively seeks sponsor partners that are aligned to the City's vision, brand and identity and add value to the community.
- 5.6 Sponsorship acquisition by the City of Parramatta is sought in a number of ways including open expressions of interest through newspaper advertising as well as direct approaches to shortlisted companies where there is a strategic alignment between the prospective sponsors and the activity or project for which sponsorship is being sought.
- 5.7 Sponsorship of the City of Parramatta is considered in association with the following activities and projects:
- a. City of Parramatta annual events and festivals program.
 - b. City of Parramatta animation and activation programs.
 - c. City of Parramatta business events program.
 - d. City of Parramatta community capacity building and social inclusion programs.
 - e. City of Parramatta environmental and sustainability programs.
 - f. City of Parramatta recreational and open space programs.
 - g. City of Parramatta educational programs.
 - h. City of Parramatta arts and culture programs.
 - i. City of Parramatta heritage programs.
- 5.8 Sponsorship of the City of Parramatta Policy Conditions:
- a. Sponsorship may only be acquired to 'value-add' to an existing Council activity, project, or program. There must be no suggestion that Council is abrogating responsibilities to the community due to the lack of sponsorship support.
 - b. Council must use the sponsorship funds for the sole purpose intended in the sponsorship agreement.
 - c. The value of the benefits package detailed in a sponsorship agreement should be commensurate with the level of financial and/or in-kind support.
 - d. Activity or project is aligned with the City's brand and delivers on positive reputational benefits for the City.
 - e. Activity or project has been assessed for potential risks and risk management strategies against Council's risk management criteria and are included in the assessment process.
 - f. All sponsors of City of Parramatta activities, projects, and programs, and their related sponsorship agreements, must be endorsed by the Director, Marketing and City Identity, and any other Director whose Directorate may be the beneficiary of the sponsorship, or who bears responsibility for providing the sponsorship benefits.

- g. Council must ensure that sufficient resources are available and allocated to the delivery of all benefits as detailed in signed sponsorship agreements with the City of Parramatta.
- h. There should be no real or apparent conflict between the values, objectives and ethical standard of the Council and those of the sponsor, and the sponsor parent company. Council staff seeking sponsorship are responsible for undertaking adequate research and due diligence to minimise the risks to Council in relation to a sponsorship agreement with a company that may result in an inappropriate association being established and reputational damage to the City of Parramatta and/ or the Council.
- i. Council will not accept sponsorship from tobacco or tobacco related companies, companies whose services or products are dangerous to health, and alcohol companies where the sponsorship is related to activities or projects for youth.
- j. Council will not accept sponsorship from companies where there is a conflict of interest, or a perceived conflict of interest, including companies associated with land development.
- k. Council, at their discretion, has the absolute right to refuse sponsorship if it believes the company and/or the company's objectives might conflict with Council's social responsibilities.
- l. Sponsorship, and sponsorship agreements, with the City of Parramatta should not impose or imply conditions that would limit, or appear to limit, Council's ability to carry out its functions fully or impartially, or impose any liability on Council in respect of the conduct of the activity or project being sponsored.
- m. There must be no suggestion that either explicitly or implicitly that any individual, organisation or company will be given any favourable or special treatment as a result of providing sponsorship support to Council. Council will enforce all and any processes as set out in its policies and regulations.
- n. No official, elected representative, employee or agent of Council is to receive, or solicit, a personal benefit from a sponsorship agreement with Council.
- o. The sponsor of the City of Parramatta activity, project, event or festival may not claim through implied or explicit means that Council endorses the 'product' or company.
- p. Council must not seek nor accept sponsorship from organisations or individuals who are, or may be, subject to inspection or regulation by Council during the period of the sponsorship agreement.
- q. All sponsorships with the City of Parramatta must be formalised with a signed written agreement approved by Council's Legal Services.

6. SPONSORSHIP AGREEMENTS

- 6.1 All sponsorships between the City of Parramatta and third parties must be formalised with a signed written agreement.
- 6.2 Sponsorship agreements must specify any conditions or specific requirements of the activity or project, the payment schedule, the terms on which payment is made, the reporting and acquittal requirements, and the responsibilities of both the signatories.
- 6.3 Sponsorship agreements must include:
 - a. Itemised benefits for the sponsor and the Council.
 - b. Limitations to liability for the Council.
 - c. Roles and responsibilities of the sponsor and the Council.
 - d. Reporting and evaluations requirements of the sponsor and the Council.

- e. Terms and conditions of the sponsorship including termination of the sponsorship agreement.
- f. Other requirements of the sponsor and the Council as applicable in fulfilling the agreement.

7. INSURANCES

7.1 All organisations or individuals receiving sponsorship funding from the City of Parramatta must have an appropriate level of insurance for any funded project that has the potential to cause harm or loss to those involved. Evidence of this insurance coverage must be provided to Council. Any equipment acquired using grant funds from the City of Parramatta must be insured against theft and fire and must remain in the ownership of a not-for-profit incorporated body, unless alternative arrangements have been approved by the City.

8. DEFINITIONS

Activity or Project: These terms are interpreted to include all and any work undertaken as part of the agreement where sponsorship support is provided by the City of Parramatta Council, or for which the City of Parramatta Council is seeking sponsorship.

Acquittal: An acquittal report ensures that recipients of the sponsorship funding responsibly report back to Council in line with the terms and conditions of the Sponsorship Agreement. An acquittal report usually consists of a written report that summarises how the project fared against the objectives. It also provides a financial statement detailing how the funds were spent.

Benefit: The return on investment or the benefit to the community or the City of Parramatta from Council's sponsorship support.

Council: City of Parramatta Council.

Funding Agreement: an agreement that states the purpose of the sponsorship funding, the dollar amount and the conditions attached to the sponsorship. It also defines the rights and responsibilities of the agreement. Once signed, organisations are under a legal obligation to comply with the stated terms and conditions and deliver on the agreed benefits.

Incorporated Organisation: a legal entity separate from its individual members that has been incorporated under Australian State or Territory law.

In-kind Support or Value In-kind Support: A non-financial contribution of goods or services by the City of Parramatta or by third parties.

Insurance: a framework under which the insurer indemnifies (accepts the risk) on behalf of the insured (person or group or people) for loss or damage caused. Insurance protects a business or organisation against its legal liability to pay damages. The most commonly required insurance is Third Party Insurance which covers an organisation for the potential costs associated with:

- a. compensation to third parties (for example, members of the public) for bodily injury; and/or;
- b. property damage that may occur as a result of the business or organisation's activities; and
- c. the legal costs that a business or organisation may have if it needs to defend bodily injury and property damage claims made against it.

Not-for-profit organisation: an organisation which is not operating for the profit or gain of its individual members whether these gains would have been direct or indirect. A not-for-profit organisation can still make a profit, but this profit must be used to carry out the purposes of the organisation and must not be distributed to owners, members or other private individuals.

Sponsor: The business or organisation receiving the agreed benefits in exchange for a financial or value in-kind contribution.

Sponsorship: A financial and/or in-kind commercial agreement in exchange for a tangible value of benefits. Sponsorships attract GST at the agreed financial or determined in-kind value. Sponsorship is not a donation or grant.

9. RELATIONSHIP TO LEGISLATION & ASSOCIATED DOCUMENTS

The NSW Local Government Act 1993 (Section 356) makes provision for Councils to financially assist others by contributing money or goods or services in-kind to persons for the purpose of exercising the council’s functions.

Where successful projects are conducted on sites owned or managed by the City, the recipient will be required to comply with the requirements under the Work Health & Safety Act 2011. All recipients of sponsorship support are required to ensure the safety of the public, clients and workers in all activities.

This policy also has direct relationship to the following Council policies and must be read in conjunction with these, where applicable:

- City of Parramatta Community Strategic Plan
- City of Parramatta Delivery and Operational Plan
- City of Parramatta Corporate Values
- Statement of Business Ethics
- Code of Conduct
- Customer Service Charter
- Grants and Donations Policy
- Social Investment Policy
- Customers Compliments and Complaints Policy
- Procurement Policy
- Corporate Environmental and Sustainability Policy
- Workplace Health and Safety Policy

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