

<b>POLICY:</b>	SPONSORSHIP
<b>DATE ADOPTED:</b>	Director Corporate Services & Finance's Report #1 Policy 5 December 2012 Council 6 February 2013 Minute Book No. 11477
<b>ORIGINAL ADOPTION:</b>	Director Corporate Services Report #1 Policy 1 December 2004, Council 8 December 2004 Minute Book No. 9416 (former BCC Policy)
<b>FILE REFERENCE:</b>	18.00004
<b>OBJECTIVE:</b>	To establish general principles to apply to the negotiation and implementation of sponsorship agreements.  To ensure the public interest is best served when entering into sponsorship arrangements.

## Definition

**Sponsorship:** means a contribution in money or kind, generally by the corporate sector or private individuals, in support of a public sector activity. It does not include the selling of advertising space, joint ventures, consultancies and gifts or donations where the reciprocal benefit provided by Council does not extend beyond some modest acknowledgement.

## Sponsorship

Bathurst Regional Council welcomes any opportunity to increase the amenity of the city area for the community. Sponsorship is an opportunity to increase the level of service provision to the community, whilst at the same time containing the direct community cost of service provision to affordable levels. Council views sponsorship activities as an ideal way of increasing community participation, which is essential to a healthy and vibrant community.

For private sector organisations, sponsorship of government activities is an important part of many marketing programmes. Sponsorship of Government activities helps to raise the corporate profile and allows the private sector to market their products and increase sales. At the same time, it gives an opportunity for organisations to give something back to the community, as many see this as part of their social responsibility.

The opportunity to be associated with government in an activity is good for the business reputation. It encourages and develops the concept of community and business working together, which is important, and results in a better community for all.

Sponsorship opportunities are thus an ideal way for all involved to achieve various desired outcomes, with the community in particular being the "winners".

This Policy provides a set of principles which have been developed to give all parties concerned, clear and concise guidelines to ensure that the integrity and probity of the sponsorship decision making process are maintained.

## **General Principles**

1. No sponsorship agreements will be entered into which impose or imply conditions that would limit, or appear to limit, Council's ability to carry out its functions fully and impartially.

Any attempt to influence Council's functions will result in an automatic review and/or termination of the sponsorship agreements. Such termination will not entitle the sponsor to claim compensation.

2. Sponsorship agreements are not to be entered into that involve a conflict or a perceived conflict, between the objectives and mission of Council and those of the sponsor. This includes but is not limited to:
  - (a) Persons/bodies involved in the manufacture, distribution or wholesaling of tobacco related products;
  - (b) Persons/bodies involved in the manufacture, distribution and sale of illegal drugs, or any other illegal activity;
  - (c) Persons/bodies whose services or products are injurious to health, or are seen to be in conflict with Council's policies and responsibilities to the community;
  - (d) Persons/bodies who are in breach of regulations or ordinances administered by Council eg an organisation operating without development approval;

Each project is to be assessed on the individual merits of the sponsor and the items/event to be sponsored.

Council shall establish criteria by which any proposals will be assessed. The criteria should either be published in advance or be made available to all persons/bodies who submit expressions of interest. Where a sponsor's corporate mission or objectives change, Council will review the sponsorship arrangement to see whether the arrangement should be maintained. Where Council considers such changes create or involve a conflict or a perceived conflict, between the objectives and mission of Council and those of the sponsor, Council may terminate the sponsorship agreement. Such termination will not entitle either party to claim compensation.

3. When sponsorship is secured from persons or bodies which are, or are likely to be, subject to regulation and/or inspection by Council during the life of the sponsorship, sponsors are to be advised in writing that:

*Such sponsorship negotiations have no relationship or bearing on Council's exercise of its regulatory and/or inspectorial functions.* Sponsors are to be informed in writing, that Council may terminate any sponsorship agreement if the sponsor should engage in any activity that contravenes Council regulations. Such termination will not entitle either party to claim compensation.

If the sponsor should become involved in a regulatory and/or inspectorial activity Council will have the right to forthwith terminate the sponsorship agreement and no party shall be entitled to compensation. The Council may also seek appropriate independent advice on the merits of the regulatory application, whether it ought to be approved, and if so, on what conditions.

- 4 Sponsorship of any Council activities will not involve explicit endorsement of the sponsor or the sponsor's products.
- 5 Where a sponsorship agreement involves the provision of a sponsor's product, Council will evaluate the product for fitness of purpose relevant to the Council's needs.
- 6 Sponsorship must not involve Councillors or employees of Council receiving a personal benefit. Where a benefit is provided by a sponsor on a corporate basis (eg meeting the cost of hospitality at a conference) Council should ensure there is not perception of a public benefit being given to a public official as an individual. The issue of personal benefit is addressed in greater detail in Council's Code of Conduct.
- 7 Sponsorship opportunities will generally be promoted widely by Council and will not be limited to invited sponsors.
- 6 Where a sponsorship arrangement is entered into between Council and any person/body such agreement is to be described in a written agreement, often an exchange of letters will suffice. The agreement should clearly set out:
  - (a) Objective of the sponsorship;
  - (b) The benefits, including economic benefits, available to the sponsored agency and to the sponsor;
  - (c) Any personal benefits available to the sponsor's employees and their relatives;
  - (d) The form or forms of sponsorship acknowledgement which will be available;
  - (e) The scope of uses which the sponsor can make of the sponsorship arrangement;
  - (f) Consequences of changes which may occur over time (for example, a shift in the relationship, new policies, new corporate missions or objectives);
  - (g) Financial accountability requirements;
  - (h) Provisions for conflict resolution, termination or suspension of the agreement;
  - (i) Any special conditions that apply (should include specific exclusions contained in this policy at Items 1, 4 and 6);
  - (j) Evaluation process to occur after the sponsor agreements.
- 7 The General Manager or his/her nominee, in accordance with the sponsorship policy adopted by the Council must approve all sponsorship agreements;
- 8 The Council Officer responsible for the Sponsorship agreement must ensure that sufficient resources are available to enable the promised sponsor benefits to be delivered. The Council Officer should provide sufficient information on progress for the sponsor to evaluate the outcomes of the sponsorship.

Any consideration given to the establishment of sponsorship agreements shall include regard to the maintenance of a consistent and professional image of Council and the sponsor within the community at all times.

