

# Corporate Sponsorship Policy

## Purpose

This Policy outlines the City’s approach to dealing with sponsorship and details the types of sponsorship arrangements the City will undertake. This Policy must be read in conjunction with the City’s Corporate Sponsorship Procedure which details the process that supports the implementation of this Policy.

The City has a range of responsibilities to deliver programs and services under a wide range of legislation. It also produces events which contribute to the vibrant cultural life of Sydney and are generally free to the public. By seeking and receiving sponsorship, the City provides additional resources with which to support specific events or programs. In addition, the success and public exposure of an activity can be enhanced by sponsorship providing better visitor experiences.

The City has the opportunity to develop world class sponsorships with organisations encouraging and fostering innovation and creativity. These sponsorships will support the City as we implement Sustainable Sydney 2030-2050 – Continuing the Vision.

## Scope

This Policy applies to all incoming sponsorships received by the City. It does not apply to outgoing grants and sponsorships given by the City which are covered by the City’s Grants and Sponsorships Policy or incoming government grants.

This Corporate Sponsorship Policy outlines:

- what sponsorships the City will and will not undertake
- the responsibilities of all parties involved in a sponsorship arrangement in order to ensure there is neither conflict of interest nor negative impact on the City’s reputation or probity
- the process for attracting sponsors
- the sponsorship approval process.

## Definitions

Term	Meaning
Prospective Sponsors Reviewers	The following directors and managers who are responsible for reviewing the sponsor prospect list: <ul style="list-style-type: none"> <li>○ Chief Executive Officer</li> <li>○ Chief Operating Officer</li> <li>○ Chief Financial Officer</li> <li>○ Director Legal &amp; Governance</li> <li>○ Director City Planning Development &amp; Transport</li> <li>○ Executive Manager Planning &amp; Development</li> <li>○ Manager, Planning Assessment – Planning Assessments</li> </ul>

Term	Meaning
	<ul style="list-style-type: none"> <li>○ Chief Procurement Officer</li> </ul>
Program	Any program, event, project or activity conducted by the City seeking sponsorship.
Sponsorship	<p>A commercial arrangement in which a sponsor provides a cash or in-kind contribution in return for certain specified benefits.</p> <p>Sponsorship can be provided by the corporate sector or private individuals in support of City sponsorship assets.</p> <p>Sponsorship does not include:</p> <ul style="list-style-type: none"> <li>• the selling of advertising space</li> <li>• joint ventures</li> <li>• consultancies</li> <li>• unconditional gifts, donations, bequests or endowments.</li> </ul>
Grant	Cash or value-in-kind support provided to applicants for a specified project or purpose.

## Policy Statement

### Criteria for attracting sponsors

Any sponsorship arrangement that is offered or sought by the City must:

- benefit the City and its residents, workers and visitors
- not create an actual or perceived conflict of interest
- not fetter or interfere with the City’s compliance with and exercise of its legislative obligations under the Local Government Act 1993, the Environmental Planning and Assessment Act 1979 and the City’s planning instruments, the Roads Act 1993 or any other legislation.

### Suitable activities for sponsorship

The general types of events/activities that the City may consider suitable as Sponsorship Assets include activities or events such as:

- public and ticketed events
- awards
- industry research
- publications
- exhibitions
- programs
- conferences i.e., business forums.

## Benefits for sponsors

The primary benefit for sponsors is a competitively-priced strategy for reaching a target audience and to meet corporate social responsibility goals.

Entitlements include, but are not limited to:

- a. licence to use the City's intellectual property for the event or program such as logos, content and imagery
- b. branding on event or program marketing communications including print, press, direct marketing, posters and other collateral
- c. exposure at events through signage, access to floor space for activation and integration into the official event or program guide.
- d. online promotion including banners and sponsored segments
- e. the ability to develop co-branded marketing initiatives.

Entitlements are determined by collaboration and agreement between the City and the sponsor, and are restricted by legislation and public policy.

## Sponsorships not permitted under this Policy

- a. The City will not undertake sponsorships that:
  - (i) require or imply the City's endorsement of commercial products, services, companies, political parties or individuals;
  - (ii) limit the City's ability to carry out its legislative functions fully and impartially;
  - (iii) restrict access to the City's sponsorship assets by the widest audience possible;
  - (iv) are not consistent with the City's social justice principles of equity, participation, rights and accessibility for all groups in the community;
  - (v) personally benefit individual City employees, or their friends/family;
  - (vi) allow ownership and control of the sponsored sponsorship assets to be removed from the City;
  - (vii) pose a conflict with the broader policies and practices of the City; and
  - (viii) pose a conflict between the objectives and values of the City and those of the Sponsor.
- b. The City will not accept sponsorship from entities which derive their principle source of revenue from any of the following activities:
  - (i) pornography
  - (ii) production or the sale of tobacco
  - (iii) armaments and weapons manufacturing
  - (iv) sexual services
  - (v) gambling activities
  - (vi) the use and sale of fur and exotic animal skin products and feathers, other than

- where is permitted under traditional First Nation cultural practices
- (vii) the extraction or sale of coal, oil or gas.
- c. Organisations that receive some or all of their income from the provision of the sale of alcohol may provide sponsorship to the City for events that are considered by City employees to be appropriate.

## **Ethics Framework**

The City of Sydney will avoid entering into sponsorship agreements with enterprises which are considered to:

- a. pollute land, air or water;
- b. destroy or waste non-recurring resources;
- c. market, promote or advertise products or services in a misleading or deceitful manner;
- d. produce, promote or distribute products or services likely to be harmful to the community;
- e. acquire land or commodities primarily for the purpose of speculative gain;
- f. create, encourage, or perpetuate militarism or engage in the manufacture of armaments;
- g. entice people into financial over-commitment;
- h. exploit people through the payment of below award wages or poor working conditions;
- i. unlawfully discriminate or encourage lawful discriminatory behaviour, including discrimination based on ability, culture, religion, age gender and sexual orientation in employment, marketing or advertising practices
- j. sell or promote any prohibited items or services on Council land, such as fur and exotic animal skin products and feathers, other than where is permitted under traditional first nation cultural practices; or
- k. contribute to the inhibition of human rights generally.

## **Retainment of discretion to reject Sponsorship**

The City retains the discretion not to accept sponsorship from any entity for any reason.

## **Conflicts of Interest and Personal Benefits**

Any sponsorship arrangement the City undertakes must not compromise the City's reputation, public image, probity or its ability to fulfil its legislative functions. Any sponsorship arrangement must not impose or imply conditions that would limit or be perceived to limit the City's ability to carry out its functions fully and impartially. There should be no actual, potential or perceived conflict between the objectives and values of the City and that of the sponsor.

All sponsorship proposals will be subject to an assessment process and consideration will be made by authorised City employees of conflict of interest issues that may arise prior to entering into negotiations with potential sponsors. Information will be provided to potential sponsors about the City's expectations, objectives, ethical requirements, sponsor benefits, sponsorship procedures and the criteria against which a proposal will be assessed.

The City will not enter into sponsorship arrangements with a potential sponsor whose interests, objectives and/or mission are in actual conflict with those of the City.

Conflicts arising from personal relationships or financial arrangements of employees involved in sponsorship assessment, approval or administration will be managed in accordance with the conflict of interest provisions of the City's Code of Conduct.

No employee may seek or receive a personal benefit or be perceived to receive a personal benefit from a sponsorship. Any contribution from the sponsor must be received by the City, not directly to an individual, and must be seen to benefit the City, not an individual.

Sponsors should be aware of and comply with the City's Statement of Business Ethics. This will be provided to sponsors on execution of a sponsorship agreement.

## **Attracting Sponsors**

In order to ensure equitable opportunities for the business community and other interested parties to consider Sponsorship of the City's Sponsorship Assets, the City will promote this opportunity via a two-stage process:

a. Expression of Interest advertisement

The City will place an annual Expressions of Interest advertisement to ensure the business community and other relevant government and non-government agencies have the opportunity to participate in sponsorship opportunities.

b. Pitching a sponsorship

The City may identify potential sponsors for the City's Sponsorship Assets and may wish to initiate direct contact with the potential sponsor or via third parties that represent the potential sponsor such as advertising, media, public relations, experiential or event agencies. The City may also decide to use an external agent to secure sponsorship.

## **Contracting Sponsors**

Financial decisions in relation to sponsorship arrangements will be made in accordance with the requirements of the Local Government Act 1993. The City will determine how it spends the cash received from the sponsor in accordance with the Local Government Act 1993 and all applicable laws.

## **Managing the sponsorship**

A management plan and legally binding agreement must be entered into for each sponsorship arrangement in accordance with the City's approved procedures, delegations and probity arrangements. The sponsorship agreement must not impose or imply conditions that would limit, or appear to limit, the City's ability to carry out its functions fully and impartially. All sponsorship agreements will include rights for the City to terminate the agreement if the requirements of this policy are not being met by the sponsor.

## Transparency of information

Information about sponsorships (excluding monetary values) will be available to the public on request. The City will maintain a register of sponsorships.

All details of each sponsorship will be listed in the City’s Annual Report. The value of the sponsorship will not be published as if disclosed would confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business as referred to in Section 10A(2)(c) of the Local Government Act 1993.

## Responsibilities

### The Partnerships Manager will:

- manage the annual sponsorship expression of interest advertisement
- develop sponsor prospects list that support the principles and framework in this policy
- send sponsor prospect list via email to the Prospective Sponsors Reviewers for endorsement
- approach potential sponsors and negotiate a sponsorship
- manage sponsorships approved under this policy

### The Prospective Sponsors Reviewers will:

- individually review any sponsor prospect lists to identify any actual, potential or perceived conflicts of interest and advise the Partnerships Manager

## Consultation

Legal & Governance, Financial Planning & Reporting and Grants & Sponsorship were consulted in the review of this policy.

## References

Laws and Standards
<ul style="list-style-type: none"> <li>• Local Government Act 1993</li> </ul>
<ul style="list-style-type: none"> <li>• The Australian National Audit Office Management of Corporate Sponsorship 1997</li> </ul>
<ul style="list-style-type: none"> <li>• Sponsorship in the Public Sector – Independent Commission Against Corruption 2006</li> </ul>
Policies and Procedures
<ul style="list-style-type: none"> <li>• Code of Conduct</li> </ul>
<ul style="list-style-type: none"> <li>• <u>Corporate Sponsorship Procedure</u></li> </ul>

## Review period

This policy will be reviewed every 4 years.

## Approval Status

Council approved this policy on 11 December 2023.

## Approval History

Stage	Date	Comment	TRIM Reference
Original Policy	8 December 2014	Approved by Council	2014/425162-02
Reviewed	12 February 2019	Fit for purpose. No change. Endorsed by the Strategy Implementation PCG (SI PCG) and the Corporate & Strategy Projects Steering Committee (CSP SC).	2019/033696-01
Reviewed	13 May 2019	Approved by Council. The report is published on the website and please find the Resolution of council below: ROC 6.7 - 13.05.2019 - Adoption - Corporate Sponsorship Policy	2019/283465
Reviewed	11 December 2023	Full review undertaken.	
Commence Review Date	11 March 2027		
Approval Due Date	11 December 2027		

## Ownership and approval

Responsibility	Role
Author	Partnerships Manager
Owner	Partnerships Manager
Endorser	City of Sydney Executive
Approver	City of Sydney Council