

Sponsorship & Donations received by Council

Contents

1. Preamble	2
2. Purpose	2
3. Scope.....	2
4. Definitions	2
5. Principles	2
5.1	2
6. Policy Statement.....	2
6.1	2
7. Policy Review	2
8. Version History	2
9. Document Control.....	2

1. Preamble

In seeking to fulfil the goals in its Strategic Management Plan, the City of Mitcham recognises the value of working collaboratively with the community and the private sector to achieve mutually beneficial outcomes. The identification and use of appropriate external resources can be a useful mechanism whereby Council can enhance, extend or reduce the cost of the events, services and activities it delivers to the community. A collaborative approach between Council and external stakeholders can assist Council in obtaining additional resources to support its activities.

2. Purpose

This policy has been developed to assist decision making and provide a framework for Council to seek and receive financial and in-kind assistance in the form of sponsorships and/or donations, according to accepted standards of public accountability, probity and ethical practice. The policy outlines the principles and conditions governing how Council will negotiate and implement sponsorship proposals and donations to ensure public accountability, transparency of decision making and effective management of risks and potential conflicts of interest.

3. Scope

The policy applies to the acceptance by Council of funds or in-kind support from all external sources by way of sponsorships received as a result of submission of an application under a formal sponsorship program for sponsorship and donations or gifts provided by individuals, groups or organisations. The policy does not apply to the provision by Council of funds to third parties by way of sponsorships, donations or any other commercial arrangement.

4. Definitions

Sponsorship

Sponsorship (within the context of this policy) is a commercial arrangement made between Council and a third party involving the purchase of the right to associate the sponsor's name, products or services with Council's activities for a negotiated beneficial contract, with the desired outcome of positive and tangible returns to all parties. Sponsorships may be negotiated by Council with the corporate sector, community groups or private individuals. Sponsorship is not philanthropic. A sponsor has the right to receive a reciprocal benefit beyond a modest acknowledgement.

Donations

A donation, including an unconditional gift, bequest or endowment, (within the context of this policy) is a provision to Council by an individual or an organisation of cash or item/s of value where there is no expectation of reciprocal benefit by the provider. A donation or gift assumes a philanthropic motivation. Donors may request a modest acknowledgement (defined below) or that the provision be used for a particular purpose. The purpose must be in accordance with Council's policy objectives.

Modest Acknowledgement

Sponsorship & Donations received by Council

Modest acknowledgement can include a letter of thanks, discreet signage such as a small plaque, a media release or mention in a newsletter or conference material.

5. Principles

Council may enter into arrangements through accepting sponsorship and / or donations which:

- Provide specified or demonstrated benefits to the community;
- Align with Council's vision, aspirations and priorities;
- Comply with legislative requirements; and
- Do not in any way compromise Council's ability to fulfill its legal and statutory responsibilities with impartiality, transparency and integrity.
- Prior to the commencement of a request for sponsorship / donation a sponsorship / donation plan will be documented.
- Sponsorships and donations for all events (\$15,000 or more) or major capital projects (\$1million or more) will be sought as opportunities are presented.

6. Policy Statement

Council will actively seek opportunities to work in partnership with third parties by identifying sponsorship opportunities which are in keeping with its objectives priorities and core values. Council will accept sponsorship and / or donations from individuals or organisations which are assessed as being in the best interests of Council and the community as a whole.

All requests for sponsorship and / or donations will be advertised in an open and transparent manner.

All offers of sponsorship and / or donations will be assessed by a panel consisting of at least the relevant Manager and one other independent staff member.

In assessing the appropriateness of accepting sponsorship and / or donations, Council will be guided by the following conditions:

- 6.1 The acceptance of sponsorship or donations should not limit in any way Council's ability to impartially carry out its full range of functions.
- 6.2 There should be no real or apparent conflict between the objectives, values and corporate standards of the sponsor or donor and Council, including legal or financial conflict.
- 6.3 That sponsors and donors should conduct their activities in a manner that is consistent with the social justice principles of equity, access, participation, rights and accessibility of all groups in the community.
- 6.4 The Chief Executive Officer may refer a sponsorship application to Council for decision.

Sponsorship & Donations received by Council

- 6.5 Where Council is considering accepting sponsorship or donations from individuals or organisations that may currently be subject to Council regulation or inspection (i.e. the potential sponsor or donor has a current development application or planning matter before the Council or has a financial dispute with Council or is subject to a public health inspection by Council), the following considerations will apply:
- a. In making a decision to either accept or not accept funds or items of value, Council will weigh up the best interests of the public, public accountability, public perceptions and the potential risks against any potential benefits;
 - b. If Council decides to enter into such an arrangement, Council will record the circumstances resulting in this decision and the decision-making process, e.g. by taking minutes of meetings, or confirming by correspondence, etc.
 - c. All parties should understand clearly that the acceptance of a sponsorship or donation by Council has no bearing on Council's exercise of its regulatory, financial, contractual or inspectorial functions. This should be clearly stated and acknowledged in all documentation.
 - d. Council will ensure that officers involved in the negotiation of the sponsorship, ~~grant~~ or donation have no involvement in the regulation or inspection of the relevant party or in general. All regulations and inspections will be conducted in an open, fair, accountable and impartial manner.
- 6.6 The provision of sponsorship to fund Council events, services or activities should not involve endorsement of a third party's products or services or of an individual. Branding and marketing of the product or service is not deemed to be an endorsement.
- 6.7 If sponsorship involves provision of a sponsor's product, prior to accepting such a product, the Assessment Panel will evaluate it objectively to ensure it meets its needs.
- 6.8 Council officers will not ask for or accept any personal benefit from a sponsorship or donation.
- 6.9 All sponsorship will be documented in a relevant form of written agreement.
- a. For sponsorships and donations to the value of \$10,000 and over, arrangements will be documented in a written agreement, which will be a legally binding contract administered in accordance with Council's contract administrative procedures.
 - b. For sponsorships and donations to the value of less than \$10,000, an exchange of letters will serve as a written agreement.
- 6.10 All sponsorships and donations will be recorded in a centralised database, indicating the level of delegation of approvals given.
- 6.11 If the life of any sponsorship or donation falls within a designated caretaker period of Council, i.e. for approximately 10 weeks prior to a Local Government Periodic election, the provisions of Council's Caretaker Policy 09.21 will apply.

Sponsorship & Donations received by Council

This policy precludes Council from entering into a sponsorship or donation arrangement exceeding \$100,000 in value. Consideration must also be given to Council's other obligations under this policy, viz;

- Council must not make major decisions prior to an election that would bind an incoming Council;
- Council must prevent the use of public resources in ways that could be seen as advantageous to Elected Members seeking re-election, or new candidates*
- Council must act impartially in relation to all candidates.

*In the case where a sponsor or donor is a candidate for election, this would have the effect of preventing Council receiving the funds or promoting the sponsor or donor during a caretaker period. This provision also has implications in regard to materials published by Council, attendance and participation in functions and events, use of Council's resources and access to information held by Council.

- 6.12 Council will not accept sponsorship from companies whose main business is the extraction or sale of coal, oil or gas.

7. Approvals

- \$10,000 or less: Relevant Manager
\$10,001 or more: Chief Executive Officer

8. Reporting

Sponsorships and donations to the value of \$10,000 and over will be recorded in Council's Annual Report.

9. Policy Review

This Policy will be subject to review every four (4) years or sooner at the discretion of the relevant General Manager.

The CEO has delegated authority to endorse any amendments to the Policy that do not vary the intent of the policy.

10. Version History

Version	Author(s) Position	Changes	Date
23	Council Member Support	Updated to new Policy template and added sponsorship criteria (6.12) as per Item 13.2 12/09/2023	26/04/2024

11. Document Control

Responsible Department	Organisational and Community Development		
Delegations Contained within Policy	YES		
Classification	Financial Management		
Applicable legislation	Local Government Act 1999 Local Government (Elections) Act 1999		
Related Policies & Corporate Documents	City of Mitcham Strategic Management Plan 2017-2027 Elected Members Code of Conduct Employees Code of Conduct Contracts & Tenders Policy Caretaker Policy City of Mitcham Delegations Manual Risk Management Policy		
Additional references	Sponsorship & Donations Register (17.140944) Sponsorship Agreement Template (17.140949)		
Endorsed by Council	24/04/2018	Item No:	14.1
Effective Date	24/04/2018	Next Review Date:	24/04/2022
ECM No.	1987692		

*The electronic version in ECM is the controlled version of this document.
Printed copies cannot be controlled. Before using a printed copy, verify
that it is the controlled version.*
