



## **6. CORPORATE MANAGEMENT**

Policy 6.1

Corporate Sponsorship

Version **34**

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### 6.1 CORPORATE SPONSORSHIP

#### OBJECTIVE:

To provide principles for the negotiation and implementation of corporate sponsorship agreements.

#### SCOPE:

This Policy applies to all incoming sponsorships received by Council. It does not apply to outgoing sponsorships entered into by Council (Policy 4.9 Events Attraction package applies for financial assistance to event producers).

#### WHAT IS SPONSORSHIP

Sponsorship is a commercial arrangement in which a sponsor provides a contribution in money or in kind to support an activity in return for certain specified benefits.

#### POLICY:

##### General Principles

1. The General Manager, or an officer authorised by the General Manager, has the authority to seek and negotiate corporate sponsorship agreements.
2. Any consideration given to the establishment of sponsorship agreements shall have regard to the following:
  - (i) realistic servicing of the sponsorship by Council;
  - (ii) maintenance of a consistent and professional image of Council and the sponsor within the community at all times;
  - (iii) ICAC guidelines (<https://www.icac.nsw.gov.au/prevention/corruption-prevention-advice-topics/sponsorship>) and sponsorship principles as appropriate.
    - (iv) ~~Will be considered with respect to public private partnership.~~
3. ~~Sponsorship agreements are to be developed in line with Council's strategic planning and reflect unified and consistent themes.~~

Lithgow City Council will enter into negotiations with ~~the~~ view to executing written ~~formal~~ Sponsorship agreements with any reputable company, partnership or sole trader organisation who is reputable and whose public image, products and services are consistent with the values, goals and specific policies of the Council. ~~Each project will be assessed on the individual merits of the sponsored project and the items to be sponsored~~

Corporate sponsorship may also be entered into for events. For this purpose, levels of sponsorship may be set at pre-determined levels outlined in a sponsorship prospectus or as negotiated.

#### Acknowledgement and Recognition

Sponsorship agreements will include a provision that all parties acknowledge the good public image and reputation of each other and agree to work co-operatively and professionally to ensure that the good public image and reputation of each Party continues.

Public and media recognition of Council's corporate sponsors will be negotiated with the sponsor or outlined in a sponsorship prospectus –and be incorporated into a ~~Corporate~~ Sponsorship Agreement. The parties will execute a written formal ~~contract agreement~~ –and the ~~contract agreement~~ will be the entire arrangement between the parties and no privileges for either party shall exist outside the concluded ~~contract agreement~~.

## **Sponsorship**

- (i) The Sponsorship must not conflict or be seen-perceived to conflict with the objectives and policies of the Council;
- ~~(i)~~(ii) Council will not endorse or promote any goods or services, explicitly or implicitly, except within the terms of this policy;
- ~~(ii)~~(iii) The Sponsorship should not impose or imply conditions that would limit the Council's ability to carry out its functions fully and impartially;
- ~~(iii)~~(iv) The Sponsorship will not involve explicit endorsement of the sponsor or its products;
- ~~(iv)~~(v) The Sponsorship will not control or influence in any way any other dealings between the parties;
- ~~(v)~~(vi) The Sponsorship may be terminated by the Council if any of the above situations occur. In particular:
  - (a) If Council is asked to make a determination in respect of an application made to it by the Sponsor for approval under a statute which requires the exercise of Council's discretion then the Council will have the right to forthwith terminate the sponsorship agreement and no party shall be entitled to claim compensation. The Council may also seek appropriate independent advice on the merits of the application, whether it ought to be approved and, if so, on what conditions;
  - (b) If Council is required to exercise its regulatory functions and serve a notice pursuant to a function on the sponsor the contract will be forthwith terminated without the right of either party to claim compensation.

<b>Maintained by Department:</b>	Executive	<b>Approved by:</b>	Council		
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