



Sponsorship Policy

Document Control

Content Manager Record No.:

Action	Version	Completed by	Completion Date	Approved by	Approval Date	Review Date
Adopted	V01	Director Corporate & Business Services	17/09/2012	Council	20/02/2013	03/11/2021
Reviewed	V02	Group Manager Commercial & Business Services	27/05/2021	Council	03/11/2021	23/01/2025
Reviewed	V03	Group Manager Commercial Services		Council		

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1. Purpose

The purpose of the Sponsorship Policy is to establish a coordinated, commercially focused and ethically sound framework for Port Macquarie-Hastings Council (Council) to proactively identify, develop, secure and manage incoming sponsorship.

The Policy is intended to increase appropriate sponsorship revenue, reduce the net cost of Council services, programs, events and facilities, and enhance outcomes for the community while protecting Council's independence, reputation, statutory responsibilities and public trust.

2. Statement

Port Macquarie-Hastings Council is committed to increasing appropriate sponsorship revenue and developing mutually beneficial sponsorship arrangements that improve the financial sustainability, reach and quality of Council services, programs, events and facilities.

Council will take a proactive, coordinated and commercially focused approach to identifying, packaging, marketing and negotiating appropriate sponsorship opportunities associated with its assets, facilities, events, programs, audiences, communication channels and other rights or benefits of value to prospective sponsors.

Council will seek fair commercial value for the rights and benefits it provides and will assess sponsorship having regard to cash revenue, genuine cost savings, delivery costs, exclusivity, opportunity cost, strategic value and benefit to Council and the community.

Sponsorship must not confer, or reasonably be perceived to confer, preferential treatment or influence Council's regulatory, planning, procurement, compliance, enforcement, funding or other statutory and decision-making functions.

All sponsorship arrangements will be subject to proportionate due diligence, approval, documentation, management and disclosure requirements.

3. Scope

This Policy applies to:

- all incoming sponsorship sought, negotiated, accepted or managed by Council, whether monetary or in-kind;
- sponsorship associated with Council-owned or controlled events, programs, services, facilities, venues, infrastructure, publications, digital channels, campaigns and other activities;
- naming rights, presenting rights, official partner or supplier status, category exclusivity, promotional recognition, activation opportunities and other sponsorship benefits;
- sponsorship obtained through open market processes, targeted approaches, direct negotiation, unsolicited proposals, renewals, agents or brokers;
- Councillors, employees, contractors, volunteers and agents involved in sponsorship activities on behalf of Council.

This Policy does not apply to:

- grants or government funding received by Council;
- unconditional gifts, donations, bequests, endowments or philanthropy where no material reciprocal commercial benefit is provided;
- advertising purchased under standard commercial arrangements;
- procurement contracts, consultancies, leases, licences, joint ventures or other commercial transactions governed by separate Council frameworks;
- developer contributions, planning agreements or other statutory payments;
- grants, donations or sponsorship provided by Council to external organisations.

4. Principles

The following principles guide how Council identifies, evaluates, approves and manages sponsorship opportunities to maximise commercial and community value while protecting Council's integrity, independence and public trust.

Principle	Desired outcome	Policy application
1. Proactive sponsorship development	Council increases appropriate sponsorship revenue and reduces the net cost of services, programs, events and facilities.	Council actively identifies, develops and promotes sponsorship opportunities rather than relying only on unsolicited approaches.
2. Whole-of-Council coordination	Council maximises the value of its sponsorship assets and avoids fragmented or conflicting commercial commitments.	Sponsorship activity is coordinated across Council. Council may aggregate, package and market sponsorship assets across facilities, programs, events, services and business units where this increases their commercial or strategic value.
3. Flexible market engagement	Council can pursue opportunities efficiently while maintaining fairness, transparency and defensibility.	Council will use the most appropriate market approach having regard to the nature, value, market and circumstances of the opportunity. Open, selective, targeted or direct approaches, unsolicited proposals and renewals may be used where appropriate, with the basis for material non-competitive arrangements documented.
4. Fair commercial value	Council receives appropriate value for the rights, access and benefits it provides.	Sponsorship arrangements must reflect fair commercial value and deliver a positive net benefit

		after considering delivery costs and opportunity cost.
5. Strategic and community value	Sponsorship supports Council objectives and provides a clear benefit to Council and the community.	Sponsorship should improve financial sustainability, service delivery, participation, access, asset utilisation or another adopted Council outcome.
6. Sponsor suitability	Council enters sponsorship arrangements with organisations appropriate to the activity, audience and public-sector context.	Sponsor suitability must be assessed having regard to legal, ethical, financial, reputational, public-health and audience-related considerations.
7. Integrity and statutory independence	Sponsorship does not compromise, or appear to compromise, Council's impartiality, statutory responsibilities or decision-making.	Sponsorship must not involve explicit Council endorsement of a sponsor, confer preferential treatment or influence Council's procurement, planning, regulatory, compliance, enforcement, funding, property or other statutory or decision-making functions. Sponsorship and procurement or regulatory decisions must remain appropriately separated.
8. Appropriate sponsorship rights	Council can offer commercially attractive benefits without surrendering control or creating unacceptable constraints.	Council may offer commercially appropriate sponsorship benefits including branding and recognition, naming or presenting rights, partnership designations, category exclusivity, signage, digital exposure, hospitality, ticketing, promotional activation, co-branding and other lawful and deliverable benefits. Rights may be tiered, packaged or offered across multiple Council activities where appropriate.
9. Proportionate governance and accountability	Routine opportunities can proceed efficiently while significant or sensitive arrangements receive stronger oversight.	Assessment, approval, documentation, management and disclosure requirements must reflect the value, duration, complexity, exclusivity and risk of the arrangement.
10. Performance and reputational protection	Sponsorship arrangements deliver their intended benefits and Council can respond if circumstances change.	Council will monitor sponsorship performance and retain appropriate rights to suspend, vary or terminate arrangements where obligations are not met or unacceptable risks arise.

5. Sponsorship Requirements

Sponsorship arrangements must:

- comply with applicable legislation, Council policies, delegations and the Code of Conduct;
- be consistent with Council's strategic objectives and provide an identifiable financial, strategic or community benefit;
- be assessed for sponsor suitability, conflicts of interest, probity and reputational risk proportionate to the nature and value of the arrangement;
- not compromise, or reasonably be perceived to compromise, Council's independence, impartiality, statutory responsibilities or decision-making, or provide preferential treatment in relation to any other Council function;
- not provide personal benefits to Councillors or Council employees arising from their position or involvement in the sponsorship arrangement;
- be subject to an appropriate written agreement, executed before sponsorship benefits are provided, which clearly establishes the contribution, benefits, responsibilities, term and other material conditions of the arrangement;
- include appropriate rights for Council to suspend or terminate the arrangement where obligations are not met or unacceptable legal, ethical, integrity, regulatory, financial or reputational risks arise; and
- be recorded, reported and publicly disclosed where required by legislation, this Policy or Council's governance requirements.

6. Roles and Responsibilities

Responsibility for sponsorship is shared across Council. Commercial Services Group provides whole-of-Council coordination, commercial oversight and support to maximise the value of sponsorship opportunities, while the relevant business unit remains accountable for delivery of agreed benefits and management of the sponsor relationship.

Role	Responsibility
Council	Adopts this Policy and determines sponsorship arrangements where approval is reserved to Council under legislation, policy or delegation.
General Manager	Ensures sponsorship activities are undertaken in accordance with this Policy and Council's delegations and governance requirements.
Group Manager Commercial Services	Leads Council's strategic approach to incoming sponsorship and provides whole-of-Council coordination and commercial oversight. Supports the identification, development, packaging, valuation and market engagement of material sponsorship opportunities; identifies opportunities to aggregate sponsorship assets across Council; and maintains appropriate enterprise-level visibility of sponsorship commitments and performance.
Directors and Group Managers	Promote appropriate sponsorship opportunities within their areas of responsibility and ensure proposed arrangements are appropriately assessed, approved, resourced and managed in accordance with this Policy.
Business units	Identify sponsorship opportunities associated with their activities and work with Commercial Services where appropriate to develop and secure sponsorship. Business units are responsible for delivering agreed sponsor benefits, managing day-to-day sponsor relationships and monitoring performance of arrangements within their area.

Role	Responsibility
Employees, contractors and agents	Comply with this Policy and associated procedures when identifying, negotiating or managing sponsorship on behalf of Council, including requirements relating to conflicts of interest, confidentiality, record keeping and appropriate conduct.

7. References and Related Documents

Legislation

- Local Government Act 1993 (NSW)
- Local Government (General) Regulation 2021 (NSW)
- Government Information (Public Access) Act 2009 (NSW)
- Independent Commission Against Corruption Act 1988 (NSW)

External Guidance

- NSW Independent Commission Against Corruption – Sponsorship in the Public Sector
- NSW Independent Commission Against Corruption – current corruption prevention guidance relating to sponsorship, conflicts of interest and direct negotiations

Council Documents

- Code of Conduct
- Statement of Business Ethics
- Delegations of Authority
- Procurement Policy
- Procurement Procedure
- Sponsorship Procedure
- Sponsorship guidelines, templates and registers developed under this Policy

8. Definitions

Word or phrase	Definition
Advertising	Paid placement of promotional content, ordinarily at a published or negotiated commercial rate, without the broader association created by sponsorship.
Category exclusivity	The right granted to a sponsor to be the sole sponsor within a defined product or service category for an agreed period.
Donation	Money, goods or services provided without material reciprocal commercial benefit.
Fair Commercial Value	The value reasonably attributable to sponsorship rights and benefits, having regard to relevant market evidence, comparable arrangements, audience and exposure, exclusivity, duration, strategic value and other relevant factors.
Grant	Funding provided for a defined purpose that is not primarily an exchange for commercial promotional rights.

Incoming sponsorship	Sponsorship received by Council from an external organisation or person.
In-kind sponsorship	Goods or services provided as all or part of a sponsor's contribution instead of money.
Naming rights	The temporary commercial right to associate a sponsor's name with a Council asset, facility, event, program or other sponsorship asset.
Net sponsorship value	The value of money received and genuine costs avoided by Council, less the direct and indirect costs incurred by Council in delivering the sponsorship arrangement.
Sponsor	An external organisation or person that provides sponsorship to Council.
Sponsorship	A commercial arrangement under which Council receives money, goods or services and provides agreed rights or benefits in return.
Sponsorship asset	A Council-controlled facility, event, program, service, communication channel, audience, brand association or other property, activity or interest from which sponsorship rights or benefits may be created.
Sponsorship benefits	The recognition, access, association, promotional opportunities or other rights that Council agrees to provide to a sponsor.

9. Responsible Officer

For more information on the Sponsorship Policy and its associated documents, please contact the Group Manager Commercial Services.