



WARRNAMBOOL
CITY COUNCIL

Sponsorship Policy

POLICY TYPE: COUNCIL

APPROVAL DATE: AUGUST 2026

REVIEW DATE: AUGUST 2030

SPONSORSHIP POLICY

DOCUMENT CONTROL

Document Title:	<i>Sponsorship Policy</i>
Policy Type:	<i>Council</i>
Responsible Branch:	<i>Financial Services</i>
Responsible Officer:	<i>Manager Financial Services</i>
Document Status:	<i>Adopted</i>
Approved By:	<i>Council</i>
Adopted Date:	<i>August 2026</i>
Review Date:	<i>August 2030</i>

SPONSORSHIP POLICY

1. INTRODUCTION

1.1 Purpose

The purpose of this Policy is to provide a consistent framework for sponsorship activities between Council and external organisations. It establishes the principles and requirements for seeking, assessing, accepting and managing financial and in-kind sponsorship received by Council, ensuring arrangements are transparent, accountable and aligned with Council's strategic objectives and community values.

A sponsor can benefit through building relationships and gaining exposure. The community should also see benefits of sponsorship arrangements through enhanced services, activities and events. Council must ensure that all sponsorship arrangements are transparent, comply with Council's Code of Conduct and other relevant policies, and do not limit Council's ability to carry out its functions fully or impartially. This policy recognises that sponsorship may not be beneficial in all cases.

1.2 Scope

This Policy applies to all financial and in-kind sponsorship received by Council from external organisations. It provides guidance to Councillors, employees, contractors and volunteers involved in seeking, negotiating, approving or managing sponsorship on behalf of Council, to ensure sponsorship opportunities are managed in a professional, consistent and appropriate manner. This Policy applies to sponsorship arrangements received by Council and operates within the Local Government Act 2020.

1.3 Exclusions

Exclusions to the scope of this Policy include:

- Sponsorship provided by Council to external organisations;
- Capital grants or other government funding received by Council;
- Philanthropic donations or gifts where no commercial or promotional benefit is provided to the contributor;
- Sale of advertising space;
- Joint ventures or Memorandum of Understanding agreements;
- Commercial procurement arrangements governed by Council's Procurement Policy; or
- Any sponsorship, funding arrangement or activity that is specifically governed by another Council policy, procedure or legislative framework. Where another Council policy specifically applies, that policy will take precedence.

1.2 Definitions

Term	Definition
Sponsorship	A commercial arrangement where an external organisation provides financial (cash) or in-kind support to Council in exchange for agreed recognition, promotional benefits or other mutually beneficial outcomes. Sponsorship is intended to support Council activities, events or initiatives and is distinct from a grant, donation or procurement arrangement.
Sponsor	An individual, business, government agency, not-for-profit organisation or other entity that provides financial or in-kind support to Council under a sponsorship agreement.
Financial Sponsorship	A monetary contribution provided by a sponsor to support a Council activity, event or initiative in return for agreed sponsorship benefits.

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Term	Definition
In-kind Sponsorship	The provision of goods, services, expertise or other non-monetary support by a sponsor in lieu of a cash contribution, where the support has an identifiable value.
Sponsorship Agreement	A signed agreement that outlines the terms and conditions of a sponsorship arrangement, including the sponsorship value, obligations of each party, recognition provided, duration and any reporting requirements.
Donation	A voluntary financial or in-kind contribution made without the expectation of advertising, promotional benefits, commercial advantage or any other consideration in return.
Grant	Funding provided by a government agency or other funding body for a specified purpose, subject to funding conditions and reporting requirements. A grant is not considered sponsorship.
Conflict of Interest	An actual, potential or perceived conflict between a person's public duties and their private interests that could improperly influence, or be perceived to influence, decisions relating to sponsorship.
Local Supplier	Refers to a business or organisation operating within or delivering services within the municipal boundary.
Expression of Interest (EOI)	Refers to a process where organisations register their intention to compete for the opportunity to sponsor a Council activity or event.

2. REFERENCES

2.1 Council Policies, Procedures & Guidelines

- Sponsorship Operational guidelines
- Councillor Code of Conduct
- Councillors Gift Policy
- Gifts and Benefits Policy
- Information Privacy Policy
- Procurement Policy
- Risk Management Register and Plan
- Staff Code of Conduct
- Tendering Policy
- Gaming Policy
- Community Engagement Policy
- Promotional Roundabout Banner Policy
- Complaints Policy
- Fraud and Corruption Policy
- Public Transparency Policy
- Naming of Sports & Recreation Facilities Policy
- Sporting Reserves Signage Policy

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2.2 External References

- Local Government Act 2020 (Vic)
- Charter of Human Rights and Responsibilities Act 2006 (Vic)
- Privacy and Data Protection Act 2014 (Vic)
- Equal Opportunity Act 2010 (Vic)
- Competition and Consumer Act 2010 (Cth)
- Australian Consumer Law
- IBAC – Corruption prevention and conflict of interest guidance

3. POLICY

Council has opportunities to enhance its image and build the profile of the City in a cost effective manner through sponsorship arrangements for activities and events and provides a framework for seeking sponsorship, evaluation of offers and allocation of resources

Its principal aims in seeking sponsorship are to:

- Increase access and involvement in the sponsored service, program or facility;
- Establish and develop strategic partnerships with other organisations that support and align with Council's vision, values, objectives, priorities and policies;
- Increase opportunities, whether cash or in-kind contributions, whilst protecting and preserving Council's values, services, programs and facilities.

Sponsorship arrangements will only be considered when there is alignment with objectives outlined in the Council Plan and benefits to the City are demonstrable.

3.1 Policy Statements

Warrnambool City Council supports the use of appropriate sponsorship to maximise financial and in-kind support to identified activities and events. All sponsorship arrangements will be undertaken in a professional and coordinated manner, and in accordance with relevant Council policies.

Council will not allow a sponsor to determine the content or interpretation of any program or service.

Acceptance of a Sponsorship Agreement does not mean that Council endorses the product or services of the sponsor. This philosophy must be clearly stated in all sponsorship agreements.

3.2 Policy Guidelines

3.2.1 Exclusions

Council will only enter into sponsorship arrangements with individuals or organisations whose values, activities and reputation are consistent with Council's strategic objectives, policies and responsibilities to the community. Council will not enter into a sponsorship arrangement where the sponsor's activities, products, services or public reputation are, or are likely to be, inconsistent with Council's values or could reasonably be expected to adversely impact Council's reputation or public confidence, including but not limited to:

- Manufacture, distribution or wholesaling of tobacco and associated products;
- Manufacture, distribution, wholesaling or retailing of alcohol products;
- Gaming and gambling providers, products and services, venues;
- Sex industry;
- Political parties;

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- Coal or associated industries/companies;
- Detention centres and associated industries/companies not consistent with Council's social justice principles of equity, access, participation, rights, and accessibility for all groups in the community;
- Any arrangements which would personally benefit individual Councillors, Council employees, or their friends/family;
- Give a sponsor influence over Council and access to restricted information;
- Any activity that is prohibited by law;
- Council will not accept sponsorship from any individual, organisation or commercial enterprise which has a matter currently pending decision by Council.

3.2.2 Restrictions

Sponsorship candidates should ideally be based within the municipality, or have an existing branch, depot, office, or retail outlet located within the municipality. Sponsorship candidates may also be conducting or seeking to conduct business or investing or seeking to invest within Warrnambool City Council.

Sponsorship arrangements with entities that Council regulates, licences, monitors or may be required to inspect in the course of performing its statutory functions will be subject to additional consideration to ensure Council's integrity, impartiality and independence are maintained. Approval of such sponsorship arrangements is at the discretion of the Chief Executive Officer, having regard to any actual, potential or perceived conflicts of interest and any associated reputational or regulatory risks.

Councillors and staff may not accept gifts resulting from a sponsorship arrangement, in line with Council's Gifts, Benefits and Hospitality Policy.

3.2.3 Protecting Council's Reputation and Interest

Protecting Council's reputation and its compliance role will be expressed as a term/s in the sponsorship agreement. The terms to be included depend on the nature and scope of the sponsorship.

For example, Council can include terms to ensure that:

- its logo is not used without its specific permission/approval.
- the sponsorship agreement is not regarded as a general endorsement by Council of the business activity of the other party.
- the sponsorship agreement will not impede Council's ability to undertake its regulatory and compliance roles.
- Council continues to own the intellectual property developed; and
- Council information obtained by the other party during the sponsorship is kept confidential.

3.2.4 Naming Rights

Approval to seek a naming rights sponsorship of any event, program or initiative must be approved by the responsible Director. Any sponsorship agreement including naming rights for any event, program or initiative must be approved by the responsible Director.

Approval to seek naming rights sponsorship for any Council owned and/or managed buildings or facilities must be approved by Council.

3.2.5 Exclusive Supply Arrangements

Sponsorships may include brand exclusivity, purchase agreements or product supply rights where the agreement is consistent with the Council's Procurement Policy and not r adversely affecting the operation of any other Council services. Considerations for exclusivity will consider ethical and environmental practices and prioritising local sponsors.

3.2.6 Ethical Behaviour and Fair Dealing

All sponsorship activities undertaken by Council must be conducted with the highest standards of integrity, ethical behaviour, transparency and accountability. Employees involved in seeking, assessing, negotiating, approving or managing sponsorship arrangements must act impartially, in the best interests of Council, and in accordance with Council's policies and the Employee Code of Conduct.

Employees must:

- identify, disclose and appropriately manage any actual, potential or perceived conflict of interest in accordance with Council's Conflict of Interest Policy and Employee Code of Conduct. Any employee with a conflict of interest must not participate in the assessment, approval or management of the sponsorship arrangement.
- maintain the confidentiality of commercial-in-confidence information, intellectual property, matters under negotiation and any other information that is confidential or protected by law.
- ensure sponsorship decisions are fair, transparent, evidence-based and capable of withstanding public scrutiny.
- maintain accurate records to support sponsorship decisions and demonstrate compliance with this Policy.

Council will not enter into or continue a sponsorship arrangement where an actual, potential or perceived conflict of interest cannot be appropriately managed or where the arrangement may compromise, or be perceived to compromise, Council's integrity, impartiality or public confidence.

3.2.7 Sponsorship Management

Council may seek, receive and manage sponsorship through a range of appropriate methods, including public expressions of interest, direct approaches and unsolicited proposals, provided all sponsorship opportunities are assessed consistently and in accordance with this Policy.

All sponsorship proposals must:

- be assessed against the objectives and principles of this Policy;
- demonstrate an appropriate benefit to both Council and the sponsor;
- be managed in a fair, transparent and equitable manner;
- comply with Council's governance requirements, including conflict of interest, procurement (where applicable) and delegation requirements; and
- be supported by a signed sponsorship agreement.

Council reserves the right to accept, decline or renew sponsorship arrangements where they are determined to be in the best interests of Council and the community, having regard to strategic alignment, community benefit, value for money, reputational risk and any actual, potential or perceived conflicts of interest.

All sponsorship arrangements must be assessed and approved prior to entering into any commitment or agreement. Approval of sponsorship arrangements must be in accordance with Council's Instrument of Delegation, Financial Delegations and any other applicable Council policies or procedures.

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3.2.8 Record Keeping

All sponsorship decisions must be appropriately documented and retained in accordance with Council's records management requirements, including a formal procedure and Sponsorship register.

3.2.9 Reporting

Management will prepare an annual report for the Executive Leadership Team, with the report subsequently provided to Council for information. The report will detail all sponsorship proposals received, applications considered, sponsorship agreements approved, renewed or declined, and sponsorship arrangements entered into during the reporting period. The report will support transparency, accountability and monitoring of compliance with this Policy.

4. GOVERNANCE

4.1 Owner

The Manager Financial Services is responsible for this policy and for ensuring the policy is implemented, progress monitored and is regularly reviewed.

4.2 Review

This policy should be reviewed every four years or where there is a change to legislation or a significant change to investment market conditions.

5. COMPLIANCE RESPONSIBILITIES

Role	Responsibilities
Councillors	• Adopt this policy • Assess and approve sponsorship proposals where required by this policy, legislation, Council resolution or the Instrument of Delegation • Receive the annual reporting
Executive Management Team & Chief Executive Office	• Implementation of this policy • Ensure sponsorship proposals align with Council's strategic objectives and this Policy • Assess and approve sponsorship proposals required by this policy, procedure and within Delegations • Endorse the annual report for Council consideration
Manager Financial Services (Policy Owner)	• Monitor the implementation and effectiveness of this Policy • Review the policy and associated procedures to ensure they remain current and effective • Monitor compliance with this Policy and associated procedures • Coordinate the preparation of the annual report
Managers	• Be responsible for the day-to-day administration and management of sponsorship arrangements within their area of responsibility • Ensure sponsorship proposals and agreements comply with this Policy, associated procedures and delegated authority • Monitor sponsorship agreements to ensure obligations are met and appropriate records are maintained. • Identify and manage any actual, potential or perceived conflicts of interest in accordance with Council policy.

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5.1 Charter of Human Rights Compliance

It is considered that this policy does not impact negatively on any rights identified in the Charter of Human Rights Act (2007).