



Donations and Sponsorship Policy

Adoption Date:	11 June 2024 by Council Resolution
Last Reviewed:	March 2024
Next Review Date:	March 2026
Division/Department:	General Manager's Office
Responsible Officer:	General Manager
HPE CM Record Number:	24/91892

1 Policy Statement

This policy defines the types of donations and/ or sponsorship arrangements accepted by Woollahra Municipal Council (Woollahra Council) and how they will be managed to ensure good governance.

2 Application

Purpose

The purpose of this Policy is to outline the principles of donations and/ or sponsorships by-Woollahra Council and to establish a coordinated and transparent approach to the way in which Woollahra Council seeks, secures, provides and manages all donations and/ or sponsorships opportunities.

This Policy replaces the previous Policy for the Sponsorship of Events and Activities 2006.

Scope

This Policy applies to all donations and/or sponsorship received by Woollahra Council (incoming) or provided by Woollahra Council to external applicants (outgoing) and outlines the following:

- Assessment of donations and/ or sponsorship
- Approval of donations and/ or sponsorship
- Recognition of a donor or sponsor
- Acceptable types of donations
- Unacceptable types of donations
- Acceptable activities for sponsorships
- Unacceptable activities for sponsorships
- Probity safeguards
- Reporting requirements and
- Breach of the Policy.

3 Definitions

Term	Meaning
Donations	<p>A donation (including unconditional gift, bequest or endowment) is a provision of cash or items of value with no return benefits expected.</p> <p>An individual or an organisation may make a donation. Only an individual can make a bequest.</p> <p>Donations do not include:</p> <ul style="list-style-type: none"> • Payment made as part of any financial or business transaction made by Council. • Donations of time and/ or human resources as covered by Council's Volunteering Guidelines.

Term	Meaning
	<ul style="list-style-type: none"> • Community and financial assistance grants covered by the Council’s Grants Policy and Programs. • Gifts and Benefits to individual Council staff and Councillors as covered by Council’s Code of Conduct.
Pledge	<p>A pledge is a given as security for the fulfilment of a contract, in this policy it is a commitment to a future donation and or sponsorship.</p>
Sponsorship	<p>Sponsorship is a commercial and formalised arrangement in which a sponsor provides a contribution in money or in-kind to support an activity in return for certain specified benefits.</p> <p>Sponsorship can be provided:</p> <ul style="list-style-type: none"> • By the corporate sector or private individuals, in support of a Council activity, service, resource, asset or event. • By Council in support of related and worthwhile private or public sector activities. <p>Sponsorship does not include:</p> <ul style="list-style-type: none"> • the selling of advertising space • joint ventures • consultancies • grants (in regard to received sponsorship) • unconditional gifts, donations, bequests or endowments. <p>Sponsorship is not philanthropic. A sponsor expects to receive a reciprocal benefit beyond a modest acknowledgement.</p> <p>Source: <i>Sponsorship in the Public Sector – ICAC Publication</i></p>
Deductible Gift Recipient (DGR)	<p>A deductible gift recipient (DGR) is an entity or fund that can receive tax deductible gifts. There are two types of DGR endorsement:</p> <ul style="list-style-type: none"> • An entity that has DGR endorsement in its own right • An entity that is only a DGR in relation to a fund, authority or institution it operates. In this instance, only gifts to the fund, authority or institution are tax deductible. <p>Source: https://abr.business.gov.au/Tools/DgrListing</p> <p>Refer to Policy clause 7.1 below.</p>

4 Community Strategic Plan, Delivery Program and Operational Plan

This Policy relates to Themes, Goals and Strategies outlined in Council’s Community Strategic Plan Woollahra 2032 and Priorities outlined in Council’s Delivery Program and Operational Plan, specifically:

Theme:	Civic Leadership
Goal:	A well-managed Council
Strategy:	11.2 Secure Council's financial position.
Priority:	11.2.1 Effective management of Council's finances.

5 Relevant Legislation

- Local Government Act 1993
- Income Tax Assessment Act 1997 (Cth)
- Independent Commission Against Corruption (ICAC) Act 1998
- Independent Commission Against Corruption ICAC (2006) Sponsorship in the Public Sector – Sponsorship Policy and Guidelines
- Code of Conduct

6 Policy Content

6.1 Assessment of Donations and/ or Sponsorships

Any donations and/ or sponsorship arrangement that is offered or sought by Woollahra Council **must**:

- Benefit the broader community within the Woollahra Local Government Area and align with Council's Mission, Vision and Values;
- Align with Woollahra Council's Community Strategic Plan, Delivery Program and Operational Plan and policies;
- Not restrict Woollahra Council's ability to carry out any of its regulatory or other functions;
- Align with Woollahra Council's adopted Code of Conduct;
- Represent an appropriate sum of money or in-kind items/goods/services for a project or activity that enables Council to exercise its functions.

Donations and/or Sponsorships will not be accepted:

- Where there is a conflict with Council's core business or limits the independence and role of Council;
- From an organisation or individual who has not honoured previous donation and/ or sponsorship agreements;
- From an organisation or individual involved in the business of tobacco, alcohol, gambling and/or pornography or sex industry (noting that donations of alcohol for a specific event may be acceptable if served under the Responsible Service of Alcohol provision);
- From an individual or organisation who has an existing Development Application, Rezoning Application/Planning Proposal and/ or has commenced discussions with Council for an impending Development Application, Rezoning Application/Planning Proposal to be lodged in the coming 12-month period from the date of the donation and/ or sponsorship offer;
- Applications for development consent or other Council approvals by a party who has a donation or sponsorship agreement with Council may be referred to an independent assessor;

- From an individual who has a criminal record for a matter in the past 10 years;
- From political parties or organisations/ individuals with an identifiable political purpose/agenda (e.g. trade unions, political candidates).

Council will assess whether the incoming donation and/ or sponsorship can be used in the way the donor/sponsor has requested prior to accepting the donation or sponsorship.

Council will only accept donation of public facilities or contribution towards public facilities on public land where it is, in the opinion of Council, in the best interest of the community in general.

In assessing donations and/or sponsorship, Council staff will consider the best interests of the public, public accountability, public perceptions and potential risks as well as the potential benefits before accepting a donation. Assessment against the above mentioned criteria must be in accordance with the Donations and Sponsorship Internal Operational Procedures.

Council retains the discretion to reject donations and/ or sponsorship from any entity for any reason. If a donation and/or sponsorship offer is rejected, an explanation will be given to the interested party.

6.2 Approval of incoming donations and/ or sponsorship

The approval of donations and/or sponsorship is as follows:

- Donations and/ or sponsorship up to the value of \$20,000 should be approved by the General Manager or officer authorised by the General Manager. The General Manager may from time to time set out the criteria for staff to accept donations including the acceptance of nominal donations and/or amend sponsorship opportunities.
- Donations and/or sponsorship over and above \$20,000 should be approved by resolution of Council.
- Donations made to the Woollahra Municipal Public Art Gallery are to be referred to Council (as required).

6.3 Recognition of a donor or sponsor

Council will recognise its donors and/ or sponsors in a number of ways and the extent of such recognition will be determined in relation to the level and nature of the donations and/or sponsorship.

Benefits to the donor and/or sponsor may include:

- Invitation to selected Council functions;
- Printing of the sponsor's name and logo in Council's external publications and website;
- Event facilities, which may include hospitality, free preferential seats, event functions or award presentation;
- Media releases, mention in Mayoral Column, Woollahra eNews etc, recognising support given;

- Their name included on a donor and/or sponsor board.

7 Donations

7.1 Acceptable types of incoming donations

Acceptable donations include but are not limited to the following:

- Cash or cash equivalents in the form of cheque, electronic bank transfer (EFT) or credit card contribution;
- Real estate including improved and unimproved land, personal residences, commercial property, or rural land. If it is the intention of the donor that Woollahra Council not immediately dispose of the real estate, a written agreement between Council and donor must be in place before Council may accept such a property;
- In-kind including works of art, furniture, rare books, manuscripts, or any other item of value;
- Pledges which commits the donor to give a specific dollar amount (or in-kind support) according to a fixed time schedule. Noting all pledges and changes to a pledge must be made in writing;
- Bequests which involves the donor transferring money or property to Woollahra Council at the donor's death through either the donor's will or trust;
- Endowment where the sum of money is provided to Council where the principal is managed in a way that seeks to preserve or grow its value in perpetuity.
- Capital contributions by sporting and community groups as part of defined leasing and facilities management arrangements.

All property donations must be referred to our Property Department to ensure that the donation is in line with Council's relevant adopted strategic plan.

Council has two Deductible Gift Recipient funds (DGR) which allows donors to receive a tax deduction for specific fund use. Donors can deduct the amount of their donation from their taxable income when they lodge their tax return. These are for the Woollahra Municipal Public Art Gallery and Woollahra Municipal Library (also known as Woollahra Libraries). Donors are to seek legal and tax advice before making a gift. Council does not provide such advice to donors.

All DGR donations will be registered and/ or recorded.

7.2 Unacceptable types of incoming donations

Donations which are considered **unacceptable** may include, but not be limited to:

- Anonymous donations.
- Resources or Assets or Artworks that are deemed offensive, inappropriate or don't comply with other Council policies.
- Artworks that require care and maintenance of which Council is not in a position to provide.
- Library books unless they relate to the local history of the area or are relevant and useful to our members/the community.

- Donations that may infer excessive restrictions or exclusivity of use or benefit to only the donor.
- Materials that are political, are or could be perceived to be offensive or discriminatory in nature.

It is Council's discretion to accept or decline any offers in accordance with this Policy and internal operational procedures.

8 Sponsorship

Sponsorship should enhance opportunities for residents and visitors to participate in major community, cultural and sporting activities across the Woollahra municipality.

The main objectives of Council providing outgoing sponsorship are to:

- Assist in building a diverse and economically strong community;
- Attract visitation, growth and awareness of the Woollahra Local Government Area; and
- Aligned with Council's Community Strategic Plan and Delivery Program.

8.1 Acceptable activities for sponsorship

Activities suitable for sponsorships include but are not limited to the following:

- Programs that celebrate local culture and the visual and performing arts.
- Programs and organisations that help stimulate our local economy.
- Cultural and/or community festivals and events
- Competitions.
- Educational programs.
- Awards.
- Research and publications.
- Support to long-standing initiatives that have enabled the growth of social capital and delivered community-building outcomes.

8.2 Application for outgoing sponsorship

Applications are to be submitted as an Expression of Interest (EOI) process through an online form within the given timeframes, as specified in the application guideline for the particular year/ sponsorship round that will be obtained from Council and its website.

The applicant must:

- Be financially viable with appropriate insurance and workplace health and safety policies;
- Use funds used for the purpose for which the sponsorship is provided, unless written permission for variation obtained from Council prior to the activities being undertaken;
- Obtain all appropriate permits, approvals, and insurance relating to funded activities;

- Acknowledge the assistance Council provides in all promotions for the events, activities or programs:
Acknowledgements could take the form of marketing, branding, signage, speaking opportunities for the Mayor or representative, and on site presence at the event, e.g., information/display stand or engagement opportunity for Council staff.
- Show Council logo on all promotional material; for example, advertising, flyers, and event programs.
Note: artwork featuring the Council logo must be approved by Council's Communications and Engagement team;
- Invite Councillors or their representatives to any events or functions celebrating the launch;
- Provide an acquittal report within four weeks after completion of event or program. Applicants who do not complete and return an acquittal report will be ineligible for any future funding.

Council will not extend sponsorship for:

- Individuals and private endeavors (for example: an individual artist seeking funding for their personal creative project or an athlete pursuing their sporting goals).;
- Projects, activities or events that do not meet the program assessment guidelines;
- Ongoing operating expenses, such as rent, salaries, printing, or general administration costs;
- The purchase of equipment or items deemed as capital expenditure;
- Organisations raising funds on behalf of others;
- Recurring functions of a primarily social nature organised by not-for-profit groups and organisations.

8.3 Assessment of outgoing sponsorship

Criteria for sponsorship will be established annually aligned with the objects of the sponsorship program and will be approved through Council resolution. This criteria will be published annually, through an EOI process. Council may also select to undertake a direct EOI process.

Assessment of applications will be by a selection committee comprised of relevant Council staff. Each application will be assessed against how well the proposed project meets the selection criteria, as well as the merit of the application in relation to other applications, and its eligibility for funding from other sources. Meeting all requirements does not give any guarantee of the outcome of any application including in direct approaches.

Following assessment against the selection criteria and determination of merit, a report will be presented to Council showcasing the applications and proposing a list of successful applicants for Council approval.

9 Probity and Safeguards

To ensure the highest level of probity the following principles will be adhered to:

- Every donation or sponsorship proposal will be subject to an assessment process and consideration will be made by authorised Council staff on conflict of interest issues that may arise prior to entering into negotiations with potential donor or sponsor.
- The acceptance of any donations or sponsorship by Council does not explicitly imply endorsement of other activities.
- Any donations and/or sponsorship received on behalf of Woollahra Municipal Public Art Gallery and Woollahra Municipal Library (also known as Woollahra Libraries) must be used for the Woollahra Municipal Public Art Gallery and Woollahra Libraries endorsed activities.
- Donations and/ or sponsorships will not be entered into with individuals or corporations in conflict with Council's policies, or discriminate against any individual or group.
- Donors and sponsors will not be employed as contractors unless they have been selected through a public competitive tender process separate from the selection process for the sponsorship.
- No Councillor or Council staff member is to receive, or solicit, a personal benefit from a donation and/or sponsorship arrangement with Council.

10 Reporting requirements

The relevant Council Division will be responsible for the management of the donations and/ or sponsorship in accordance with this policy and internal operational procedure, dependent on the type of donation and/ or sponsorship.

The Governance & Risk Department will undertake the necessary assessment and manage the databases, systems and reporting to facilitate the handling of donation and sponsorship information.

All donations and/ or sponsorships will be included in a specific Donations and Sponsorship Register which will be available on Council's website. All donations and/ or sponsorship arrangements will be reported in the Woollahra Council Annual Report. As stated in Section 8, successful applicants are required to provide an acquittal report within four weeks after completion of event or program.

11 Breach of the Policy

A breach of the Policy as determined by the General Manager under this Policy may result in (but not limited to the following):

- Termination of agreement;
- Loss of future donations and/or sponsorship partnership opportunities with Council;
- Potential legal proceedings; and
- Referral to ICAC for investigation for corruption.

Donors and/ or sponsors will be required to comply with this policy and any breach of the policy will be referred to the General Manager.

12 Documentation/References

	HPECM Reference
Code of Conduct	22/237458
Donations and Sponsorship Register	22/57084

13 Related Policies and Procedures

	HPECM Reference
Incoming Donations and Sponsorship Internal Operational Procedure	22/57077
Gifts and Benefits Policy	19/16315
Outgoing Sponsorship Program Guidelines	24/50675

This Policy will be reviewed every two years or in accordance with legislative requirements. This Policy may also be changed as a result of other amendments that are to the advantage of Council and in the spirit of this Policy.

Any amendment to this Policy must be by way of the approval of the General Manager

Policy Amendments

Date	Responsible Officer	Description
25 Mar 2024	Policy Officer Manager – Community & Culture Manager – Governance & Risk	Review and including external-facing sponsorships as per resolved Notice of Motion on 6 February 2024.