

1 PURPOSE

City of Darwin may enter into sponsorship arrangements with organisations to support new or existing programs, services, facilities, projects or events which contribute to the quality of life for the Darwin community and enable City of Darwin to deliver on the City of Darwin 2030 Strategic Plan.

2 SCOPE

This Policy covers both sponsorship support to organisations and community groups by City of Darwin and sponsorship received by City of Darwin.

This Policy outlines the principles by which sponsorships will be provided to ensure access to sponsorships is open, transparent and equitable.

This Policy does not govern In-kind Support from City of Darwin to organisations and community groups which is under the framework of the In-kind Support Policy.

3 POLICY STATEMENT

This Policy sets out principles for providing sponsorship to City of Darwin by organisations. It also covers the provision of sponsorship by City of Darwin to organisations and community groups.

There are two components to City of Darwin's Sponsorship Policy. These are:

Incoming sponsorship - City of Darwin to receive financial and/or In-kind Support from a commercial or external organisation to conduct an event, project, or activity in return for specified benefits.

Outgoing sponsorship - City of Darwin to provide cash sponsorship to an organisation to conduct an event, project, or activity in return for specified benefits.

Through incoming and outgoing support, City of Darwin aims to enhance these events, programs, projects and activities to provide the greatest benefit to our community.

Sponsorship is not:

- a donation
- a grant (covered by City of Darwin's grants programs)
- an operating subsidy
- a purchase of services, where City of Darwin determines the type of project or service it requires and develops a contract to control how this is delivered

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- an endorsement of any product, service, or factional cause by City of Darwin
- part of normal assistance programs of City of Darwin
- generally applicable to those programs or events eligible for consideration under the Grants Program
- advertising, or any part of an advertising package
- philanthropic, as a sponsor expects to receive a reciprocal benefit beyond a modest acknowledgement.

3.1 INCOMING SPONSORSHIP

3.1.1 Principles for providing sponsorship to City of Darwin

The following general principles will apply when City of Darwin is seeking and managing incoming sponsorship:

- City of Darwin's sponsorships should align with City of Darwin Sponsorship Guidelines
- the cost of managing and evaluating smaller sponsorships should not outweigh the dollar value of the sponsorship
- the sponsorship and return benefits from City of Darwin to the sponsors must not conflict or be seen to conflict with the objectives and policies of City of Darwin
- sponsorship must not endorse the sponsor or the sponsor's products
- all sponsorship agreements must be in writing
- funds raised through sponsorship of specific expenditure items should be used for that purpose and not be redirected into general revenue
- for sponsorships where the value of funding or in-kind support to City of Darwin is \$10,000 or less, City of Darwin may seek or accept sponsorship by dealing directly with potential sponsors should the alternative not be cost-effective
- for sponsorships valued over \$10,000 a sponsorship prospectus is required and must be publicly available
- a Council decision is required for the receiving a sponsorship amount of over \$10,000 from one sponsor
- City of Darwin will consider placing benefits or conditions over City of Darwin owned assets, properties or facilities on a negotiated basis and considered case by case.

Ineligible types of activities to provide as sponsorship to City of Darwin:

- activities, where sponsor involvement could compromise or be seen to compromise City of Darwin's ability to exercise its role and function as a Local Government or could diminish the public's confidence, are not suitable for sponsorship
- any activity that would not align with City of Darwin values and strategic vision.

Eligible types of sponsorship:

- funding
- goods, services, or vouchers (in-kind support)
- discounts.

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3.2 OUTGOING SPONSORSHIP

3.2.1 Principles for outgoing sponsorship

All sponsorship arrangements will be undertaken in accordance with City of Darwin policies and procedures, and in accordance with relevant City of Darwin policies.

When granting sponsorship, City of Darwin is obliged to consider the provisions relating to granting financial assistance in the *Local Government Act 2019 (NT) and Local Government (General) Regulations 2021*.

Sponsorship proposals should align with City of Darwin 2030 Strategic Plan. The Strategic Plan for the city outlines five strategic directions which all proposals should align with including:

- A capital city with best practice and sustainable infrastructure
- A safe, liveable and healthy city
- A cool, clean and green city
- A smart and prosperous city
- A vibrant and creative city.

City of Darwin does not generally sponsor the following (unless they are directly related to the corporate objectives or local government:)

- conferences
- seminars
- functions
- individuals
- record attempts
- fundraisers.

3.3 SPONSORSHIP CRITERIA

Organisations must demonstrate that their public image, products and services are consistent with the goals and values of City of Darwin, and a commitment to enhance community life in Darwin.

Sponsorship may assist in enabling local, territory, national or international programs, events and activities to be held within Darwin. Such events may contribute to the identity of the city, economic growth and promote community participation by residents and visitors. Such sponsorships which are strategically focused and reflect the values and objectives of City of Darwin will be considered.

Proposals must not conflict with Council's policies and responsibilities to the community or be political in nature or have a political affiliation.

City of Darwin expects that it will receive a return on this investment through demonstrated benefits. Sponsorship benefits are outlined in the Sponsorship Guidelines which will be updated annually.

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Sponsorship for an event or project may be considered outside the annual application process if there are extenuating circumstances that prevented submission through that process. These proposals will be assessed using the same criteria as used in the annual online application process.

All applications should be made via the online SmartyGrants platform for acquittal reporting purposes.

3.3.1 Sponsorship Agreement

A sponsorship agreement is required for all outgoing sponsorship commitments unless the sponsorship is valued at less than \$1,000. In this circumstance, a sponsorship confirmation letter is required and will be provided by City of Darwin.

3.3.2 Sponsorship Benefits

Sponsorship benefits must be included in a Sponsorship Agreement.

The return benefits from the sponsor depend on the level and nature of the sponsorship and may include, but are not limited to:

- sponsor's name, logo, or other information acknowledged in the public domain, for example, website, social media, flyers, posters, media
- support for the delivery of City of Darwin's programs/events/projects
- naming rights or category sponsorship where applicable
- award or trophy in the sponsor's name and publicly presented (when supplied)
- professional service, or event for use by the sponsor in a form to be mutually agreed upon (when supplied).

City of Darwin's employees, contractors and/or Elected Members must not receive a personal benefit from a sponsor or free tickets to the event for non-work purposes. Elected Members and Staff may attend functions to represent the organisation as part of a sponsorship arrangement provided this is detailed in the sponsorship agreement.

3.4 UNACCEPTABLE SPONSORS OR RECIPIENTS OR SPONSORSHIP

City of Darwin will not enter into sponsorship agreements with organisations and community groups involved in:

- tobacco and tobacco-related products
- illicit/ inappropriate drugs or services
- services or products that are harmful to health or are perceived to conflict with City of Darwin's policies and responsibilities to the community
- any regulatory or legal matter involving City of Darwin
- political fields (e.g., political parties)
- gambling products or services
- services or products that are inconsistent with City of Darwin's values and policies or may adversely affect City of Darwin's public image or reputation
- any activities that are outside of Darwin Local Government Area for outgoing sponsorship
- those who are in administration, liquidation, insolvent or bankrupt.

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The incoming and outgoing sponsorship proposals will be assessed against the possibility of a conflict of interest and may be terminated anytime during the life of the sponsorship if:

- the sponsor, recipient of the sponsorship, and related party is, or is likely to be, subject to regulation or inspection by City of Darwin which may impose conditions
- where the sponsorship may limit City of Darwin's ability to carry out its functions fully and impartially or may be perceived to do so
- the sponsor, recipient of the sponsorship, and related party is involved in a legal matter with City of Darwin
- the sponsor, recipient of the sponsorship, and related party fails to obtain the required permit from City of Darwin to deliver the events/programs (if applicable).

3.5 REGISTER

City of Darwin will record successful applications in a sponsorship register and provide transparency through the Annual Report and online transparency portals.

3.6 BUDGET AND RESOURCE COMMITMENT

Funding for the Sponsorship Program will be established annually as part of City of Darwin's Municipal Planning process.

4 DEFINITIONS

Acquittal is a written report submitted after the funded project is complete. It details how the recipient administered the relevant funds and met the project outcomes.

In-kind support is an arrangement whereby the City of Darwin forgoes revenue for things which would normally incur a fee, or whereby an organisation provides goods, services or discounts and vouchers to the City of Darwin to conduct an event, project, or activity in return for specified benefits.

Sponsorship is defined as a commercial arrangement in which a sponsor provides a contribution in money or in kind, to support a service, event, facility or program in return for specified benefits. Sponsorship differs from grants programs, donations and operating subsidies.

5 LEGISLATIVE REFERENCES

Local Government Act 2019 (NT)

Local Government (General) Regulations 2021

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6 PROCEDURES AND RELATED DOCUMENTS

City of Darwin Funding Guidelines
 City of Darwin Sponsorship Guidelines
 Sponsorship Online Application
 City of Darwin Sponsorship Agreement (Template)
 0088.100.E.R Unsolicited Proposals Policy
 6300.100.E.R In-Kind Support Policy
 City of Darwin 2030 Strategic Plan

7 RESPONSIBILITY AND APPLICATION

The General Manager Innovation is responsible for managing this policy.

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