

City Renewal Authority Policy

Sponsorship

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Purpose

This Policy sets out the principles and decision-making process to be used by the City Renewal Authority (Authority) when considering and/or entering Sponsorship arrangements.

This Policy aims to strengthen opportunities to grow the Authority's programs and initiatives and to ensure that consistent and defensible decisions are made by the Authority when considering and managing Sponsorship requests and opportunities.

Sponsorship is a commercial arrangement in which a Sponsor provides a contribution in cash or in-kind to support an activity in return for certain specified benefits. Sponsorship may provide benefits that are either tangible or intangible, and may be in the form of cash, product or service ('in kind' support), the provision of specific expertise, or a combination of these.

Policy statement

The Authority embraces the opportunities that both Incoming and Outgoing Sponsorship provides to enhance its reputation and the achievement of its outcomes, but only does so to the extent that the strategic, reputational and operational risks that could arise from Sponsorships are managed effectively.

Definitions

Accountable Officer referred to in this policy as the Executive Director, Place Experience and Communications or their appointee.

Incoming Sponsorship means a commercial arrangement in which the Authority seeks and receives a contribution to an event or activity.

Outgoing Sponsorship means a commercial arrangement in which the Authority provides a contribution to a Sponsorship Recipient.

Procurement means the process of acquiring goods, services, works or property by purchase, lease, rental or exchange; and the process of disposing of goods, works or property by sale.

Procurement Act means the Government Procurement Act 2001 as varied from time to time.

Public Tender means a procurement process whereby the Authority publicly advertises a procurement (Sponsorship) opportunity for all interested proponents.

Sponsor is the organisation that provides Sponsorship funding in return for agreed benefits. In relation to this policy, the Authority is the Sponsor for Outgoing Sponsorships and for Incoming Sponsorships, the organisation providing funding to the Authority in return for agreed benefits, is the Sponsor.

Sponsorship means a commercial arrangement in which a Sponsor provides a contribution in cash or in-kind to support an activity in return for certain specified benefits.

For the purposes of this Policy, Sponsorship does not include:

- program-based grants or other forms of grant support (these are executed using a Deed of Grant)
- donations or gifts which impose no obligations on the recipient

- joint ventures or partnership arrangements, in which development of a program of activities and/or associated risks are shared between the Authority (or the Territory) and commercial partners
- partnership between SLA and other ACT Government directorates (these are executed using an MOU or Collaboration Agreement) or consultancies or scholarships.

Recipient means the external eligible entity that receives a financial contribution from the Authority for the purposes of Sponsorship.

Scope

This Policy applies to all Sponsorships offered to, requested by, or entered into by the Authority regardless of the value of the Sponsorship. It may also include Authority corporate/industry memberships of professional associations where the memberships provide benefits similar to Sponsorships.

This Policy categorises Sponsorship into two forms:

- (1) Outgoing Sponsorship - where the Authority is presented with an opportunity to sponsor a corporate or community sector entity or activity; and
- (2) Incoming Sponsorship - where the Authority seeks or is presented with an opportunity to receive Sponsorship from a compatible entity.

Guiding Principles

CRA sponsorships must:

- align with partners who share the Authority's strategic goals and objectives
- be entered into with entities and activities who will maintain and enhance the Authority's reputation and will not diminish or damage the Authority's reputation
- involve fair and transparent arrangements and accountabilities
- be free from actual or perceived current and/or potential future conflicts of interest
- provide returns or benefits (in cash or in kind) that positively position the Authority and develop its stakeholder relationships, defray existing costs or allow the Authority to do more to deliver against our mandate and
- be assessed on a value for money basis. Value for money should not be interpreted as the highest dollar or in-kind value of the Sponsorship and will take into account the real cost of servicing the Sponsorship
- be consistent with and aware of the wider context of the ACT Government
- be entered into ethically and fairly, in accordance with the ACTPS Policies and Procedures
- not provide personal benefit to CRA employees
- not imply conditions that limit (or can be seen to limit) the ability of the Authority to carry out its functions. In particular, this means that the sponsorship does not "endorse" a company, an event, a policy, etc (unless it is within the role of CRA to do so).

Outgoing Sponsorships process

Step 1 - Requests/proposal requirements

The Authority will generally develop a strategic activations plan at the commencement of the financial year to determine place activation objectives and inform potential sponsorship requirements. This strategic planning will include a review of previous sponsorships.

The accountable officer may also review proposals and opportunities throughout the year.

The accountable officer will review the proposal/request to confirm that:

- a. it has been provided to the Authority in writing;
- b. it is determined that it is a Sponsorship and not a partnership, grant, gift/donation or joint venture proposal;
- c. Procurement ACT has been contacted for advice on any additional procurement requirements; and
- d. for Sponsorships over \$200,000, an open expression of interest or other process has occurred.

Step 2 - Applying the Assessment Criteria

The accountable officer will review the Sponsorship proposal/request and any supporting documentation using the Assessment Criteria, (see below) with a view to providing a recommendation to the appropriate delegate for their consideration and decision.

Legal advice may be sought regarding the Sponsorship Agreement that is being entered into. If the delegate agrees to enter into the Sponsorship, both parties will be required to execute an Authority Sponsorship Agreement. An invoice will be requested and processed by the Authority and costed to the relevant budget.

Step 3 – Delegate decision

Outgoing Sponsorship up to \$100,000

The Authority's Chief Executive Officer (CEO) or Chief Operating Officer (COO) are the only delegates permitted to approve agreements relating to Outgoing Sponsorships of up to \$100,000.

Outgoing Sponsorship over \$100,000

The Authority Board must approve Outgoing Sponsorship over \$100,000.

Step 4 - Respond to proposal/request

On receipt of the delegate's decision, the accountable officer will provide a written response to the entity who requested the Sponsorship. The accountable officer is able to provide a verbal debrief on outcomes of the process direct to the requestor.

Assessment criteria

Summary	Objective	Measurable outcome	How assessed
Value	<ul style="list-style-type: none"> Provide worthwhile benefits to the Authority. Provide a well measured mix of marketing rights and benefits to the Authority. The proposed Sponsorship is 'value for money' 	<ul style="list-style-type: none"> Sponsorship will create marketing, communications, relationship or positioning opportunities, or increased community engagement or education. 	<ul style="list-style-type: none"> Benefits and evaluation method are clearly described, and metrics agreed - e.g. number of attendees, kind and quality of signage, post-sponsorship survey results, media coverage To be assessed in accordance with section 22A the Procurement Act and Government Procurement Regulation 2007.
Clarity	<ul style="list-style-type: none"> Avoidance of disputes or interpretation of the agreement 	<ul style="list-style-type: none"> The Authority's expectations of the administration of the Sponsorship and its outcomes are clearly documented. 	<ul style="list-style-type: none"> Quality of documentation
Risk	<ul style="list-style-type: none"> The risks to the Authority can be mitigated or managed. Does not conflict with existing ACT Government partners 	<ul style="list-style-type: none"> Undertake a risk assessment that details the financial, and any ethical, and political implications of the activity to determine whether mitigating actions can achieve a low risk or no risk rating. All parties involved in the implementation of an Outgoing Sponsorship agreement must declare 	<ul style="list-style-type: none"> Risk matrix completed

		there are no conflicts of interest.	<ul style="list-style-type: none"> Written declaration by key participants
Reputation	<ul style="list-style-type: none"> The Sponsorship should align with the good reputation and values of the Authority and the ACT Government 	<ul style="list-style-type: none"> Unsuitable activities include: <ul style="list-style-type: none"> any activity that may be construed as being sexually, racially or otherwise discriminatory; political activities any activities involving gambling; any activities whose interests may pose an actual or perceived conflict of interest with the integrity of the Authority. The potential Sponsorship recipient will be of sound financial capacity 	<ul style="list-style-type: none"> Unsuitable proposals do not progress to consideration Due diligence report on potential Sponsor
Effectiveness and Resourcing	<ul style="list-style-type: none"> Is a feasible arrangement that will meet the objectives and expectations of the sponsorship 	Undertake an assessment of the feasibility of the arrangement including the resources required.	<ul style="list-style-type: none"> Clear statement that adequate resources are available and in budget

Outgoing Sponsorship management

The management of Outgoing Sponsorships will be monitored by the relevant team leader and reported to the Audit and Risk Committee. Outgoing Sponsorships will be reported in the Authority's Annual Report. An accountable officer is to be assigned to develop a Sponsorship Management Plan, including a

risk plan and monitor and manage each Outgoing Sponsorship. They are responsible for ensuring that financial accountability requirements are met and for providing an evaluation report.

Records Management

The Authority is required to ensure that records generated from the requirements of this Policy are accurately filed, stored and managed in accordance with the Territory Records Act 2002 and Environment, Planning and Sustainable Development Directorate’s Records Management Program. Records will include requests for Sponsorship, supporting evidence provided, the recommendation and decision, and any correspondence between the Authority and the requesting organisation

Evaluation

Outcome measures	Method	Responsibility
All Outgoing Sponsorships within the scope of this Policy have been managed in accordance with this Policy and agreed benefits received.	Bi-annual file sampling of Sponsorship requests and considerations.	Team Leaders

Incoming Sponsorships process

Step 1 - EoI advertisement

The accountable officer will generally seek Sponsorships at the commencement of the financial year but may also recommend opportunities throughout the year.

With the approval of the Chief Executive Officer, the accountable officer will seek Incoming Sponsorships for Authority events or activities via an expression of interest (EoI) that is widely advertised.

The advertisement will include details of the opportunity, potential benefits to Sponsors, due date for proposals, the format required, the assessment criteria and the selection method.

Step 2 - Procurement Act Advice

Procurement advice should be sought for relevant activities. The Procurement Act requires public tendering for Procurements for \$200,000 and above unless the Chief Executive Officer seeks and is granted an exemption to the Procurement threshold.

Public Tenders may also be sought for a Procurement valued less than \$200,000.

All Sponsorship proposals/requests must be submitted in writing (or via email) to the Authority.

Step 3 - Applying the Assessment Criteria

The accountable officer will review the Sponsorship proposal/request and any supporting documentation using the Assessment Criteria, (see below) and will make a recommendation to the appropriate delegate for decision.

Legal advice may be sought regarding the Sponsorship Agreement that is being entered into. If the delegate agrees to enter into the Sponsorship, both parties will be required to execute an Authority

Sponsorship Agreement. An invoice will be requested and processed by the Authority and costed to the relevant budget.

Step 4 – Delegate decision

Incoming Sponsorship up to \$100,000

The Authority’s Chief Executive Officer (CEO) or Chief Operating Officer (COO) are the only delegates permitted to approve agreements relating to Outgoing Sponsorships of up to \$100,000.

Incoming Sponsorship over \$100,000

The Authority Board must approve Outgoing Sponsorship over \$100,000.

Step 5 - Respond to Expressions of Interest

On receipt of the delegate’s decision, the accountable officer will provide a written response to the entity/entities who responded to the EoI. The accountable officer may also give a verbal debrief on the outcomes of the process to respondents.

Assessment criteria

Summary	Objective	Measurable outcome	How assessed
Strategy implementation	<ul style="list-style-type: none"> The Sponsorship supports the Authority’s strategic objectives. It provides adequate funding to deliver or enhance delivery of an activation in the Precinct or meets or defrays the costs of an Authority activity. 	<ul style="list-style-type: none"> Will result in more activations, or enhanced activations or otherwise supports the Authority’s goals 	<ul style="list-style-type: none"> Benefits and evaluation method are clearly described, and metrics agreed - e.g. number of attendees, kind and quality of signage, post-sponsorship survey results, media coverage
Clarity	<ul style="list-style-type: none"> Avoidance of disputes or interpretation of the agreement 	<ul style="list-style-type: none"> The Authority’s and Sponsor’s mutual expectations of the administration of the Sponsorship and its outcomes are clearly documented. 	<ul style="list-style-type: none"> Quality of documentation
Risk	<ul style="list-style-type: none"> The risks to the Authority can be mitigated or managed. 	<ul style="list-style-type: none"> Undertake a risk assessment that details the financial and any ethical, and political implications of the activity to determine whether 	

	<ul style="list-style-type: none"> Does not conflict with existing ACT Government partners 	<p>mitigating actions can achieve a low risk or no risk rating.</p> <ul style="list-style-type: none"> All parties involved in the implementation of an Outgoing Sponsorship agreement must declare there are no conflicts of interest. 	<ul style="list-style-type: none"> Risk matrix completed Written declaration by key participants
Reputation	<ul style="list-style-type: none"> The potential Sponsor's reputation should align with the good reputation and values of the Authority and the ACT Government 	<ul style="list-style-type: none"> Unsuitable activities include: <ul style="list-style-type: none"> any activity that may be construed as being sexually, racially or otherwise discriminatory; political activities any activities involving gambling; any activities whose interests may pose an actual or perceived conflict of interest with the integrity of the Authority. The potential Sponsor will have sound financial capacity 	<ul style="list-style-type: none"> Unsuitable proposals do not progress to consideration Due diligence report on Sponsor
Effectiveness and Resourcing	<ul style="list-style-type: none"> Is a feasible arrangement that 	<ul style="list-style-type: none"> Undertake an assessment of the feasibility of servicing the Sponsorship 	<ul style="list-style-type: none"> Clear statement that adequate

	will meet the objectives and expectations of the Sponsorship		resources are available <ul style="list-style-type: none"> • Sponsorship servicing implementation plan
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Sponsorship documentation

Sponsorship agreements are legally binding contracts. They must be executed in writing in a format commensurate with the complexity and/or value of the Sponsorship. The assessment processes and reasons behind all decisions must be documented. The Authority will provide a Sponsorship Agreement for any Incoming Sponsorships that is compliant with the Territory's requirements.

Sponsorship management

The management of Incoming Sponsorships will be monitored by the relevant Team Leader and reported to the Audit and Risk Committee. Incoming Sponsorships are to be reported in the Authority's Annual Report. An accountable officer is to be assigned to develop a Sponsorship Management Plan, including a risk plan and, and deliver and manage each Incoming Sponsorship. They are responsible for ensuring that agreed deliverables are met and for providing an evaluation report.

Records management

The Authority is required to ensure that records generated from the requirements of this Policy are accurately filed, stored and managed in accordance with the Territory Records Act 2002 and Environment, Planning and Sustainable Development Directorate's Records Management Program. Records will include requests for Sponsorship, supporting evidence provided, the recommendation and decision, and any correspondence between the Authority and the requesting organisation.

Evaluation

Outcome measures	Method	Responsibility
All Sponsorships are within the scope of this Policy have been managed in accordance with this Policy and agreed benefits received.	Bi-annual file sampling of Sponsorship Agreements and Evaluations.	TeamLeaders

Parties and responsibilities

This Policy applies to all Sponsorships offered to, requested by, or entered into by, the Authority regardless of the value of the Sponsorship. It includes both Outgoing Sponsorships and Incoming Sponsorships. Key roles and functions relating to this procedure are:

Role - Position	Responsibility
City Renewal Authority Board	Approving the Policy
Chief Executive Officer Chief Operating Officer	Sponsoring and authorising the Policy and intent Approving Sponsorships in accordance with this Policy
Project Management Office	Publishing approved Policy
Authority Team Leaders	Providing input, implementing, and complying with the Policy

References

Legislation	Relevance to the Sponsorship Policy
Annual Reports (Government Agencies) Act 2004	The Authority is required to prepare an annual report about the operation of the body during the reporting year. This report lists Outgoing and Incoming Sponsorships.
Government Procurement Act 2001	In pursuing value for money for Sponsorships the Authority must have regard for: <ul style="list-style-type: none"> • probity and ethical behaviour • management of risk • open and effective competition • optimising whole of life costs • anything else prescribed by regulation
Government Procurement Regulation 2007	Provides advice on thresholds for Outgoing Sponsorships, exemptions and the requirement to

	notify Outgoing Sponsorship where the prescribed amount is \$25,000 and over.
Public Sector Management Act 1994	Set outs the values and standards of conduct for the public sector.

Policies and procedures	Relevance to Sponsorship Policy
ACTPS Code of Conduct	The ACTPS Employee Values of Respect, Integrity, Collaboration, and Innovation are enshrined in the Public Sector Management Standards and carry the endorsement of the Head of Service and the Strategic Board.
ACTPS Code of Ethical Behaviour	Provides guidance via an ethical framework and detailed advice for ethical responsibilities.
ACTPS Integrity Policy 2010	Encourages Authority employees to act with the highest integrity to ensure they do not gain by deceit financial or other benefits.
EPSD Portfolio Fraud and Corruption Prevention Plan and EPSD Portfolio Fraud and Corruption Control Plan	Minimises the incidence of fraud and corruption through the development, implementation, and regular review of a range of fraud prevention and detection strategies.

Version history

The following table details the published date and amendment details for this document

Version	Date	Amendments
1	December 2021	Drafting

Approved by: City Renewal Authority Board of Directors

Date Approved: 9 December 2021

Review Date: 2024

Reference: zA1070890