



Donations and Sponsorship Policy

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Last Reviewed:	May 2022
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Division/Department:	General Manager 's Office
Responsible Officer:	General Manager
HPE CM Record Number:	22/119024

1 Policy Statement

This policy defines the types of donations and/or sponsorship arrangements accepted by 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 to 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 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
- 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. • 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	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.
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 2030 and Priorities outlined in Council's Delivery Program and Operational Plan, specifically:

Theme:	Community leadership and participation.
Goal:	11 A well-managed Council.
Strategy:	11.2 Develop and maintain effective reporting systems that enable Council to measure and report on performance.
Priority:	11.2.2 Ensure Council maintains a strong governance framework by continually reviewing Council policies and procedures for adequacy and currency.

5 Relevant Legislation/References

- 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 Woollahra Council and the broader community within the Woollahra Local Government Area.
- 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 Municipal Council's adopted Code of Conduct.
- Represent an appropriate sum of money or in-kind items/goods/services for a project or activity that falls within the normal scope of Council services and activities.

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 and/or has commenced discussions with Council for an impending Development Application 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 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 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 donations

Acceptable donations include but are not limited to the following:

- Cash or cash equivalents in the form of cheque, electronic bank transfer (ELT) 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 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 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

8.1 Acceptable activities for sponsorship

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

- Festivals and events.
- Competitions.
- Educational programs.
- Awards.
- Cultural or community events and programs.
- Research and publications.

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 or sponsorship received on behalf of Woollahra 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 who 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 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.

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	19/156088
Donations and Sponsorship Register	22/57084

13 Related Policies and Procedures

	HPECM Reference
Code of Conduct	19/156088
Donations and Sponsorship Internal Operational Procedure	22/57077
Gifts and Benefits Policy	17/183643

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