

## Sponsorship

POLICY NUMBER: TI-G-136	VERSION: 5.0
AUTHORISED BY: Executive Director, Communication & Engagement	AUTHORISED DATE: 24/11/2017
ISSUED BY: Communication & Engagement (C&E)	EFFECTIVE DATE: 24/11/2017
CATEGORY: Information and Communication	REVIEW DATE: 01/12/2018

### Policy Statement

The NSW Department of Industry (the department) does not use sponsorship as a primary tool in conducting its core business. In exceptional circumstances, the department may consider entering into a sponsorship arrangement to leverage resources and directly progress priority initiatives.

This policy establishes a framework for sponsorship activities. It sets evaluation and approval criteria to ensure consistency, transparency and direct alignment of resources with core departmental responsibilities and government priorities, and to maximise benefits and minimise risks associated with sponsorship.

This policy applies to:

- the department providing sponsorship
- the department receiving sponsorship
- in-kind sponsorship, which can mean a trade in goods, services or recognition
- all sponsorships, regardless of value.

This policy also outlines to external individuals or entities the principles by which the department assesses sponsorship requests.

Sponsorships must be formally reviewed after the benefits have been realised. Existing sponsorships must be formally reviewed on an annual basis to ensure alignment with current priorities.

### Scope

This policy applies to all staff and contractors of the department. This includes temporary and casual staff, private contractors and consultants engaged by the department to perform the role of a public official.

This policy applies to sponsorship as described in the definition section below.

### Requirements

#### 1. NSW Department of Industry context

Sponsorships provided or received by the department must contribute to the NSW Government's priorities and must be directly aligned with the department's strategic priorities, as articulated in the corporate plan. Within this context, sponsorships may have financial benefits for the department, build on existing resources, progress core departmental priorities, or raise the department's profile and/or publicise programs to key audiences.

## 2. Sponsorship principles

To ensure possible or perceived risks are minimised, staff will evaluate sponsorship proposals in line with the following Independent Commission Against Corruption (ICAC) principles:

- a. It is generally in the best public interest to make sponsorship opportunities widely known, whether seeking or offering sponsorships, using broadly based, open processes.
- b. Each sponsorship proposal must be assessed with regard to NSW Government priorities and core departmental responsibilities, and against these sponsorship principles or other predetermined criteria (refer to preliminary checklist in Sponsorship Procedures), which are published in advance or circulated to entities that submit an expression of interest.
- c. There should be no conflict between the objectives of the providing and receiving parties.
- d. There should be no conflict of interest for staff involved in assessing or managing the sponsorship. Staff should refer to the department's conflict of interest policy for detailed guidance.
- e. As a general guide, the department should not seek or accept sponsorship from entities, which are, or may be, subject to regulation or inspection by the department during the life of the sponsorship. Staff must check this carefully, especially since staff in one division of the department might not be aware of regulations or inspections imposed on the entity by other divisions of the department.
- f. A sponsorship arrangement is a contract and must be described in a written agreement.
- g. A sponsorship arrangement should not impose or imply conditions that would limit, or appear to limit, the ability of the department to carry out its functions fully and impartially.
- h. Sponsorship should not involve the department explicitly endorsing an entity or its products.
- i. Any benefit received by the department as part of a sponsorship arrangement must be evaluated by the department for its relevance against pre-determined departmental criteria (refer to the department's Sponsorship Procedures) and not simply because it is offered free of charge or as part of the sponsorship proposal.
- j. Staff to ensure any benefits negotiated are in line with other policies including media, social, advertising and publishing and that the use and application of the department and NSW Government brands are compliant.
- k. Benefits provided to the department, as part of a sponsorship arrangement (e.g. complimentary tickets to an event), are part of the written contract and must be recorded and managed through an open and transparent process.
- l. No employee of the department can receive a personal benefit from a sponsorship that is outside of the written contract for that sponsorship arrangement.
- m. All sponsorship arrangements must be determined by a delegated officer of the department (see Delegations below). Sponsorship proposals must be submitted, using the processes outlined in the sponsorship procedures, to the Communication and Engagement branch for review and recording prior to submission to the delegated officer for determination.

### **Procedures**

- Department of Industry Sponsorship Procedure

### **Roles and responsibilities**

- Level 1, 2 and 3 Managers (consistent with Procurement Delegations)
  - Determine sponsorship proposals (as specified in 'Delegations' section of this policy)
  - Promote best conduct
  - Take appropriate action in relation to any reported corrupt conduct.
- Communication and Engagement
  - Review sponsorship proposals provided by departmental staff

- Approve use and application of the department and NSW Government brands
  - Maximise public relations and activation opportunities from new or ongoing sponsorships.
  - Manage the department's sponsorship database, including maintaining a record of sponsorship agreements and benefits, and updating the sponsorship proposal template as required
  - Review and maintain policy and procedures
  - Raise awareness of sponsorship processes across the department
  - Report quarterly and annually on all sponsorships across the department.
- All staff
    - Adhere to this policy and associated procedures when involved with sponsorships
    - Assess sponsorship opportunities, draft sponsorship proposals, agreements or requests, manage approved contracts within specified resources and timelines, evaluate and report on approved sponsorships
    - At all times act in accordance with the department's code of conduct and policies on conflicts of interests, gifts and benefits and enterprise risk management
    - Support Communication & Engagement with the preparation for all reporting requirements.

### Safety considerations

- Wellbeing

This policy will enhance the wellbeing of staff by providing a rigorous and consistent framework by which to assess and manage sponsorship opportunities. This serves to protect staff from possible stress resulting from the risk of perceived improper conduct or loss of reputation in the absence of this policy.

### Delegations

Activity or Function	Policy Reference	Delegated Officer
Approve exemptions to this policy	Scope	Secretary
Determine whether or not a sponsorship proposal will be approved, according to the following tiered scale (GST exclusive):	Section 2	
<ul style="list-style-type: none"> <li>• Proposed sponsorship value greater than \$30,000 or considered to be particularly complex or to present a significant risk to the department.</li> </ul>		Secretary, L2 Manager and ED C&E
<ul style="list-style-type: none"> <li>• Proposed sponsorship value \$5,001 to \$30,000.</li> </ul>		L2 Manager and Director Publishing & Marketing C&E
<ul style="list-style-type: none"> <li>• Proposed sponsorship value \$0 to \$5,000;</li> </ul>		L3 Manager and Director Publishing & Marketing C&E

## Definitions

The following definitions are consistent with those of related policies and, where possible, the *Independent Commission Against Corruption Act 1988*.

- **Benefit:** Similar to a gift in that it is of value to the recipient, but less tangible. For example meals, seats at sporting events, access to corporate boxes at sporting venues, upgrades on flights, a new job or promotion, preferential treatment, or access to confidential information.
- **Conflict of interest:** A situation in which it is likely that staff could be influenced, or could be perceived to be influenced, by a private interest in carrying out their public duty. Conflicts of interests that lead to partial or biased decision-making may constitute corrupt conduct.
- **Corrupt conduct:** Deliberate or intentional wrongdoing, not negligence or a mistake. Corrupt conduct has to involve or affect a NSW public official or public sector organisation. While it can take many forms, corrupt conduct occurs when:
  - a public official improperly uses, or tries to improperly use, the knowledge, power or resources of their position for personal gain or the advantage of others
  - a public official acts dishonestly or unfairly, or breaches public trust
  - a member of the public influences, or tries to influence, a public official to use his or her position in a way that is dishonest, biased or breaches public trust.

The NSW community expects public officials to perform their duties with honesty and in the best interests of the public. Corrupt conduct by a public official involves a breach of public trust that can lead to inequality, wasted resources or public money and reputational damage

*Source: Independent Commission Against Corruption Act (NSW) 1988.*

- **Gift:** An item of value for example - a gift voucher, entertainment, hospitality, travel, commodity, property etc. which one person or organisation presents to another. Gifts may be offered as an expression of gratitude with no obligation to repay in kind, or given to create a feeling of obligation. In the business context, gifts can have different meanings and purposes. The purpose of the gift, to a certain extent, affects how it should be managed.
- **Level 1 Manager:** Secretary, NSW Department of Industry.
- **Level 2 Managers:** Staff reporting directly to the Secretary.
- **Level 3 Managers:** Staff reporting directly to a Level 2 Manager.
- **Public Official:** An individual who carries out public official functions or acts in the capacity of a public official. Temporary employees and in some circumstances private contractors and consultants are also considered public officials when performing the role of a public official.
- **Sponsorship:** A commercial arrangement in which a sponsor provides a contribution in money or in kind to support an activity in return for certain specified benefits that serve to leverage resources, build relationships, enhance the department's reputation or profile, publicise programs to key audiences or contribute to priority initiatives. Examples may include: logo and acknowledgement of sponsorship on signage and promotional material for a conference; naming rights for a conference session; exhibit/display space; speaking opportunities for departmental representatives to key industry audiences; input into agenda or development and delivery of programs. The department may be either the providing or the receiving party in a sponsorship arrangement. The department may enter a sponsorship arrangement with an individual, private sector company, corporation or another government entity. Long term arrangements in which both the providing and receiving parties have shared goals are generally referred to as 'partnerships' and in practise present the most effective sponsorships. For the purpose of this policy, both sponsorships and partnerships will be referred to as 'sponsorships'. Sponsorship does not include:
  - the selling / buying of advertising space, editorial comment or advertorials;
  - joint ventures;
  - consultancies;

- grants (a grant is a gift of funding or goods provided through a formally recognised program for a specified purpose to assist the recipient achieve its goals and objectives, and where the giver of the grant does not expect to receive a benefit); or
- gifts, donations, bequests or endowments.

### Legislation

- *Government Sector Employment Act 2013*
- *Independent Commission Against Corruption Act (NSW) 1988*

### Related policies

- Code of Conduct
- Code of Conduct for committee/board members, contractors and consultants
- Conflicts of Interest
- Gifts and Benefits
- Public Interest Disclosures
- Entertainment and Hospitality
- Tourism NSW Familiarisation
- Enterprise Risk Management
- Publishing Policy
- Advertising Policy
- Media Policy
- Social media policy

### Other related documents

- Behaving Ethically: A Guide for NSW government sector employees (Public Service Commission)
- Bribery, Corrupt Commissions and Rewards (ICAC) 2009
- NSW 2021 Plan
- NSW Department of Industry Corporate Plan
- NSW Government Personnel Handbook
- Sponsorship in the Public Sector (ICAC) 2006

### Superseded documents

This policy replaces:

- Sponsorship of external events and organisations policy, DPI NSW A-003 (March 2005);
- Sponsorship of NSW DPI activities by the private sector policy DPI NSW A-035 (February 2006);
- Sponsorship policy, Industry & Investment NSW (September 2009);
- Sponsorship policy, NSW Office of Water (DP031, Version 2, 12 March 2010); and
- all other policies relating to the providing or receiving of sponsorship which were in existence for any of the divisions of NSW Department of Industry at the date of this policy.

### Revision history

Version	Date issued	Notes	By
1.0	10/12/2012	Policy developed as a result of amalgamation of formerly separate agencies.	Project Officer, Corporate Customer Service
2.0	04/03/2015	Policy reviewed and updated in accordance with department's standard schedule for policy review.	Project Officer, Corporate Strategy & Communications
3.0	17/10/2015	Policy reviewed and updated to reflect relevant machinery of government changes and strengthen links to related governance policies.	Project Officer, Corporate Strategy & Communications
4.0	16/02/2016	Administrative amendments made to policy to reflect changed departmental structure.	Communications Officer

5.0	24/11/2017	Policy reviewed and updated to update delegations, new recording and reporting of sponsorship requirements, and to reflect new Communication and Engagement team.	Director Publishing & Marketing, Communication & Engagement
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**Contact**

Communication and Engagement

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