



muswellbrook shire council

Awarding of Sponsorship, Grants and Contributions Policy

MSC05E

Authorisation Details

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Community Strategic Plan Goal	Collaborative and responsive community leadership that meets the expectations and anticipates the needs of the community		
Community Strategic Plan Strategy	6.2 Ensure Council is well managed, appropriately resourced, effective, efficient, accountable and responsive to its communities and stakeholders		
Delivery Program activity	6.2.1 Maintain a strong focus on financial discipline to enable Council to properly respond to the needs of the communities it serves		

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1. Policy Objective

Muswellbrook Shire Council is committed to providing equitable, open, and transparent sponsorships, grants, and contributions.

This policy outlines the requirements and criteria for providing sponsorships, grants, and contributions to not-for-profit community groups, organisations, and sporting groups who are interested in working towards enhancing the social, cultural, and recreational wellbeing of the communities of Muswellbrook Shire, whilst complying with s356 of the Local Government Act 1993 (the Act).

At the same time, the policy supports the implementation of Council's Community Strategic Plan, as well as other goals outlined in Council's Delivery Plan and Operational Plan.

2. Risks being addressed

This policy outlines principles on the allocation of funds, thereby mitigating the risk of misappropriation of Council resources.

3. Scope

This policy applies to all Council staff and Councillors, and regulates the entire sponsorship, grants, and other contributions awarded by Council to third parties. Council departments that provide any type of sponsorships, grants, or contributions from their operational budgets also must comply with the principles outlined in this Policy. The Policy is created to facilitate Council's functions subject to s356 of the Act.

4. Definitions

Term	Definition
Council	Muswellbrook Shire Council
Contributions	Financial or in-kind assistance given to help the community to conduct activities, build capacity, host events, and build strong partnerships with Council. Contributions include fee waiving and in-kind assistance.
Fee Waiving	Council fees and charges waived and nil \$0 amount or reduced amount applicable. <i>Any financial assistance granted to offset or subsidise Council fees or charges is consistent with the requirements of s610E and s610F of the Local Government Act.</i>
Grants	Financial assistance to not-for-profit community groups and organisations that work towards enhancing the environmental, social, cultural, and recreational well-being of the communities of Muswellbrook Shire.
In-kind assistance	Assistance in the way of staff time, plant, and equipment or other resources/supplies from Council. This "in-kind" assistance may not involve a direct cash component, but still has financial consequences and budgetary implications.

Personal Benefit	Something offered to or received by a council official, or someone personally associated with them, for their personal use and enjoyment. See Part 6 Personal Benefit for further information.
Sponsorship	<p>Sponsorships provided by Muswellbrook Shire Council are not donations but are a commercial arrangement in which Council provides a contribution in money or in kind to support an activity, in return for certain, specified benefits.</p> <p>Sponsorship does not include:</p> <ul style="list-style-type: none"> • the selling of advertising space; • joint ventures; • consultancies; • grants (with regards to received sponsorship); • unconditional gifts, donations, bequests, or endowments. <p>Sponsorship is not philanthropic. As a Sponsor, Muswellbrook Shire Council expects to receive a reciprocal benefit beyond a modest acknowledgement.</p>

5. Policy Statement

5.1 General Principles

- This policy outlines the administration for sponsorships, grants, and contributions to eligible applicants.
- Eligible applicants include registered not-for-profit or charity and other incorporated bodies, where in the Council's opinion, the applications demonstrate a community need which are in line with Council's [Community Strategic Plan](#).
- Applications should have high community engagement, focusing on supporting local organisations, businesses, and residents, and will be assessed against the suitability, risks, appropriateness, and potential economic, social, and cultural benefits to the community.
- Council will only provide financial assistance to incorporated organisations. Unincorporated organisations (or groups of individuals) will need to be auspiced by an organisation that is incorporated or under another legal structure.
- Organisations are required to have in place current Public Liability insurance to the value of \$20 million.
- Council's allocation of funding available for sponsorships, grants, and contributions is reviewed annually as part of Council's budgeting preparation and approval. Therefore, allocations may vary from year to year according to the priorities adopted by Council.
- Council will publish details about opening date, closing date, timeline for assessment and approval, and other details of the processes for sponsorships, grants, and contributions on its website. These details will depend on the type of sponsorship, grant, or contribution being offered by Council.
- Council's Application and Agreement Form must be received by Council for consideration of an allocation of sponsorship, grants, or contributions. All applications must address the

Community Strategic Plan and follow any additional guidelines related to the call for applications.

- i) Applications are assessed by the Grants Review Committee and recommendations are made to Council during regular funding rounds throughout the year. Where applicable, prior to approval, Council will give at least 28 days public notice of a proposal to pass a resolution to grant a sponsorship, grant, or contribution, in accordance with Section 356 of the Act.
- j) Council does not provide sponsorships, grants, or contributions to any individual. This does not apply, however, to the NSW Heritage Grants Program or Sustainability Programs.
- k) Sponsorship, grants, or contributions requests will not be funded retrospectively. An application for a sponsorship, grant, or contribution must be received prior to the event/activity/project.
- l) The total amount of sponsorships, grants, and contributions made in accordance with this policy will be listed in Council's Annual Report, and individual amounts over \$1,000 will be itemised separately.
- m) Council does not support requests for sponsorships, grants, or contributions from outside Muswellbrook Shire unless it can be demonstrated there is a benefit or contribution to the Muswellbrook Shire community.
- n) No Councillor or employee of Council may seek or receive a personal benefit or be perceived to receive any personal benefit as a result of a sponsorship, grant, or contribution from Council unless it relates to the Sustainability Program (in which case these applications are given lower priority compared with other community members).
- o) Applicants must identify and declare any actual, potential, or perceived conflict of interest (if applicable) in accordance with Council's Code of Conduct, which is available on Council's website. Any actual, potential, or perceived conflict of interest posed by the potential sponsorship, grant, or contribution of an event/activity will be identified as part of the assessment.
- p) A formal Agreement is included as part of the application form for sponsorship, grants, and contributions.
- q) All sponsorship, grants, and contributions will be provided on a one-off basis and no guarantee is made for future sponsorship, grant, or contribution beyond the term described in the Sponsorship Agreement.
- r) Where sponsorship, grants, or contributions are intended for an event, the event is required to be compliant with Council's Sustainable Event Management Procedure.

5.2 Acknowledgement of Council's awarding of sponsorship, grants and contributions

All third parties receiving a sponsorship, grant, or contribution from Council must acknowledge Council's sponsorship, grant, or contribution in all media and promotional material, and meet any other obligations prescribed in the Agreement. Failure to do so may result in:

- I. Early termination of the Agreement; and/or
- II. Excluding the third party from future consideration for sponsorships, grants, or contributions from Council.

5.3 Acquittal process

All third parties receiving a sponsorship, grant or contribution from Council must provide an acquittal of the monies received with evidence of expenses and other evidence of the event/activity/project's completion. This must be submitted to Council's General Manager within 1 month of event/activity/project completion.

Successful applicants must follow all other requirements stipulated in the guidelines for each assistance program at Council, such as the guidelines listed in the Related Documents section in this policy.

5.4 Evaluation

Funded sponsorships, grants, and contributions will be evaluated, and achievement against desired outcomes documented in conjunction with key stakeholders, prior to entering into any further sponsorship agreements.

A review of the sponsorships, grants, and contributions program will be undertaken as part of the annual budget review.

6. Roles, Responsibilities, and Delegations

All applications are reviewed by Council's Grants Review Committee.

The Governing Body has delegation to recommend the approval or rejection of applications for sponsorship, grants, and contributions.

7. Dispute Resolution

The General Manager is the interpreter of this Policy and shall be the sole arbiter in respect to the application of this Policy.

8. Related Documents

8.1 Legislation and Guidelines

Local Government Act 1993

Local Government (General) Regulation 2021

Independent Commission Against Corruption (ICAC) Sponsorship in the Public Sector May 2006

8.2 Policies and Procedures

Revenue Policy

Community Strategic Plan

Delivery Plan

Operational Plan

Model Code of Conduct

8.3 Other Supporting Documents

Sponsorship, Grant and Contributions Application and Agreement Form

Sponsorship Guidelines

Community Grants Guidelines

Sport and Recreation Large Capital Grants Program Guidelines

Sport and Recreation Small Capital Grants Program Guidelines

Muswellbrook Community Sustainable Education Grant Guidelines

Muswellbrook Sustainable Education Grant Application Form

Local Heritage Assistance Fund guideline

Muswellbrook Shire Council's Landcare grants

Sustainable Event Management Procedure and Checklist

Post Event Evaluation and Reporting

Version History

This section identifies authors who reviewed the Policy and the date that it became effective.

Version No.	Date changed	Modified by	Amendments/Previous adoption details
V1	08/03/2004		
V2	11/10/2004		
V3	14/11/2005		
V4	13/05/2013		Waiving User Hire Fees and Development Application Fees for Charitable organisations
V5	14/02/2017		
V6	11/06/2019	Joshua Brown	Significant rewrite. Adopted by Council 11/06/2019, Minute No. 325.
V7	03/10/2023	Policy review group	Significant rewrite and separation of awarding and seeking sponsorship policy. Policy renamed from <i>Financial Assistance and Sponsorship Policy</i> to <i>Awarding of Sponsorship, Grants and Contributions Policy</i> . Public exhibition of draft policy 30/11/2023 - 04/01/2024. Adopted by Council on 27/02/2024, Minute No. 295.