



CP 4.3 | Outgoing Sponsorship and Grants

Objective

The purpose of the Policy is to provide for the good governance of grant and sponsorship arrangements from the City of Perth (City) to other organisations.

Scope

This Policy is applicable to any grant or sponsorship arrangement where the City funds another organisation's project or initiative apart from the Commonwealth or State Government or their agencies and authorities.

This Policy is not applicable to procurement of goods and services which is guided by the City's Purchasing Policy. Incoming sponsorships are covered by the City's Incoming Sponsorship Policy.

Policy statement

Definitions

1. In this Policy -

'applicant' means the party that makes an application, including its officers, directors, employees, an auspice of an applicant, an agent, or any individual who represents, acts on behalf of, or in the interests of, the applicant.

'Council' means the City of Perth Council.

'funding panel' means the panel established under this Policy.

'grant' means cash and/or in-kind contributions provided to a recipient for a specific, eligible purpose. This is as part of an approved grant program, with the understanding that there will be a defined outcome that directly or indirectly benefits the public, but with no expectation of a commercial return to the City.

'immediate family' means a person's:

- a. spouse or de-facto partner;
- b. parents, grandparents, siblings or children; or
- c. spouse or de-facto partner's parents, grandparents, siblings or children.

'in-kind support' means where the City provides the value of its resources, goods or services, at no or reduced cost to eligible parties, instead of cash as part of a sponsorship or grant. In-kind support will be attributed a monetary value and considered within the totality of funds provided by the City to the eligible party. For this purpose, these are limited to:

- a. the use of City facilities and bookings inclusive of hire for venues, parks, reserves, road reserves, thoroughfares, malls, streets, public places, banner and flag sites, and parking permits and on-street car parking bay reservations.

'personal benefit' means any gift or benefit for the purposes of the *Local Government Act 1995* or applicable code of conduct.

'Policy' means this Policy CP 4.3 (Outgoing Sponsorship and Grants).

'sponsorship' means a commercial arrangement in which the City provides a cash and/or in-kind contribution, to support an activity in return for certain specified benefits. Sponsorship is not philanthropic. The City expects to receive a reciprocal return on investment, beyond modest acknowledgement.



‘sponsorship and grants guidelines’ means the guidelines published by the City’s Chief Executive Officer in accordance with paragraph 5 of this Policy.

2. Any reference in this Policy to a dollar threshold for decision making or a funding limit is taken to be the combined amount of cash and in-kind support funding.

City of Perth Sponsorship and Grants

Aims

3. Through the provision of sponsorships and grants, the City aims to:
 - a. support a range of projects and initiatives that meet the diverse needs of the City’s community;
 - b. support a range of projects and initiatives that deliver an economic return for the City’s business community;
 - c. support the delivery of aspirations outlined in the City’s Strategic Community Plan; and
 - d. support the objects of the City under the *City of Perth Act 2016*.

Detailed objectives associated with specific sponsorship and grant programs are outlined in the City’s sponsorship and grants guidelines.

4. Sponsorship and grants must not, in the City’s opinion:
 - a. compromise the City’s values, public image, ability to fulfil its functions or influence decisions or actions of the City;
 - b. be injurious or prejudicial to the character or interests of the City;
 - c. conflict with the City’s strategic aspirations and policies; or
 - d. provide personal benefit to:
 - i. City employees or elected members; or
 - ii. the employees or directors of the person or body receiving a sponsorship or grant.

Programs and Guidelines

5. The City’s Chief Executive Officer (CEO) will establish sponsorship and grants guidelines providing the operational details and administration of the City’s sponsorship and grants programs.
6. The sponsorship and grants guidelines must be:
 - a. consistent with this Policy and relevant legislation; and
 - b. made publicly available on the City’s website.
7. The sponsorship and grants guidelines will cover:
 - a. funding categories;
 - b. application timeframe and processes;
 - c. the minimum and maximum amounts that can be applied for;
 - d. any additional eligibility criteria specific to the relevant program;
 - e. assessment criteria;
 - f. assessment process;
 - g. any items that are not eligible for funding; and
 - h. acquittal processes.



Eligibility

8. All sponsorships and grants are subject to the City's annual budget for discretionary spending on sponsorships and grants.
9. In addition to any criteria included in the sponsorship and grants guidelines, to be eligible to receive sponsorship or grants funding from the City, the applicant must:
 - a. have submitted their application prior to the project commencement date with sufficient time to enable consideration by the City and Council;
 - b. offer a project or initiative within the City's local government area or, if not within the City's local government area, a project or initiative that clearly demonstrates a direct impact on the City meeting its aspirations under its Strategic Community Plan; and
 - c. demonstrate financial viability without the City's funding (an individual event or project may not be viable without the City's support; however, the organisation must be).
10. In addition to any criteria included in the sponsorship and grants guidelines, the City will not consider applications from:
 - a. the Commonwealth or State Government Departments;
 - b. a political party;
 - c. an applicant that the City considers to support, promote or facilitate violence, intolerance or discrimination;
 - d. an employee or elected member of the City, or their immediate family, however this does not include an application from an organisation that an employee, elected member or their immediate family member may be part of;
 - e. an applicant that has outstanding debts to the City;
 - f. an applicant who is in legal conflict with the City;
 - g. an applicant that has failed to provide satisfactory acquittal reporting for any previous City funding;
 - h. an applicant that has already received City funding (including in-kind) for the same project within the same financial year; or
 - i. an applicant that conducts, or has conducted, themselves in a way that the City considers to be injurious or prejudicial to the character or interests of the City.
11. The City's sponsorship and grants will not support recurrent operational funding, including but not limited to, wages, salaries or administrative overheads. An exemption applies to community group insurance.
12. In addition to any criteria included in the sponsorship and grants guidelines, the City will not consider applications for project legal expenses or projects:
 - a. where the City considers the primary purpose of the project to be political;
 - b. that the City considers denigrate or exclude parts of the community or have an adverse effect on public health, safety, the environment or heritage;
 - c. that request reimbursement of funds already spent; or
 - d. that are for debt reduction or operational deficits.
13. Applicants seeking sponsorships or grants from the City must not lobby, seek to influence or canvass the decision-making of elected members or employees, in relation to their applications. Any applicant who does so will have their application rejected.



Application and funding process

Applications

14. Applications for sponsorship or grants funding must be submitted in the manner and at the time determined by the CEO.
15. Applications should specify if they seek cash, in-kind support or both and the amount.
16. Applications can be sourced in different ways, as provided in the sponsorship and grants guidelines, including:
 - a. funding rounds where the City will advertise for sponsorship and grants which result in competitive assessment against the assessment criteria for the program; or
 - b. exhaustive funding, where the sponsorship or grant program may operate on an ongoing basis and, provided the application meets the eligibility criteria and the assessment criteria, which will be funded until the budgeted funding is exhausted.

Assessment of applications

17. All applications for sponsorship and grants will be assessed against assessment criteria identified in the sponsorship and grants guidelines.
18. Applications worth \$20,000 or less will be assessed by the employees appointed by the CEO, with applications worth more than \$20,000 assessed by the City's funding panel.
19. The funding panel will:
 - a. consist of at least three suitably qualified and experienced people, none of whom shall be elected members, appointed by the CEO;
 - b. assess sponsorship and grant applications; and
 - c. provide recommendations if sponsorship and grant applications should be accepted or rejected to the Council.

Decisions on applications

20. Applications may be accepted or rejected:
 - a. where the sponsorship or grant is for up to \$20,000, by the CEO, provided the application is not part of a funding round; and
 - b. in all other circumstances, by the Council.
21. The decision of the CEO or Council is final and not subject to any further appeal within the City.

Funding agreements and acquittal

22. If approved, the successful applicant for sponsorship or a grant must enter into a written agreement (funding agreement) with the City before any funding is provided to the successful applicant.
23. Prior to signing a funding agreement, the City must review the funding agreement and consider whether it should obtain legal advice having regard to the value of the funding agreement and its terms (including the extent to which it varies from the City's standard terms).
24. Each complete and fully executed funding agreement must be retained by the City in accordance with the requirements of the *State Records Act 2000* (WA) and the City's Record-Keeping Plan.
25. The funding agreement must:
 - a. set out the terms and conditions for the sponsorship or grant;
 - b. not exceed a period of three years;
 - c. specify who from the City approved the funding agreement;



- d. require the successful applicant to provide an acquittal report within three months of the conclusion of the funded project. The City may grant extensions in extenuating circumstances;
 - e. allow the City to terminate the funding agreement if:
 - i. the successful applicant does not comply with the funding agreement; or
 - ii. the successful applicant takes an action, whether related to the project or not, that brings the City or its reputation into disrepute.
 - f. require the applicant to repay all funding provided to the applicant under the funding agreement if they:
 - i. fail to provide an acquittal report;
 - ii. do not otherwise comply with the funding agreement; or
 - iii. take an action, whether related to the project or not, that brings the City or its reputation into disrepute,
 - iv. and should the applicant not repay the funding, permit the City to seek an order from a court of competent jurisdiction.
26. Where a funding agreement extends for longer than 12 months, that agreement must contain a requirement that the recipient of the sponsorship or grant provide annual financial reporting to the City which contains:
- a. a statement of income and expenditure, relating to the activity funded which must be signed by:
 - i. the chairperson or chief executive officer or equivalent; and
 - ii. the treasurer or chief financial officer or equivalent; and
 - b. an audited annual financial report certified by a qualified auditor who must:
 - i. not be an officer or employee of the organisation;
 - ii. not be an employee or elected member of the City;
 - iii. be registered as a company auditor or equivalent under a law in force in the State of Western Australia; and
 - iv. a member or fellow of the Institute of Chartered Accountants, the Australian Society of Certified Practising Accountants or the National Institute of Accountants.
27. All sponsorships and grants must be acquitted prior to payment being made to subsequent approved funding applications for the same recurring project.
28. Following the conclusion of the relevant project and receipt of acquittal, the City should evaluate whether the sponsorship or grant achieved its objectives and whether the recipient complied with the funding agreement.
29. The acquittal report and the City's evaluation must be considered as part of any further application for grants or sponsorships by the same applicant.
30. Without limiting any of the above, the acquittal process conducted by the City in respect of each sponsorship or grant must be carried out in accordance with the sponsorship and grant guidelines applicable to that funding arrangement.

Reporting and promotion of sponsorship and grants from the City

31. The City's CEO (or their delegate) must maintain appropriate record management systems, which contain the following details in respect of each sponsorship or grant arrangement entered into by the City:
- a. the entity funded;
 - b. the type of funding arrangement;



- c. the amount of funding approved (with in-kind and cash reported separately);
 - d. the date the funding arrangement was approved;
 - e. who from the City approved the funding;
 - f. the date the sponsorship or grant arrangement was acquitted;
 - g. the final expenditure in relation to the sponsorship or grant arrangement; and
 - h. any other relevant application, assessment or decision documentation related to the sponsorship or grant arrangement.
32. All sponsorship and grant arrangements shall be reported on in the City's annual report. In respect of each sponsorship or grant agreement entered into by the City during the relevant reporting period, the City's annual report must specify:
- a. the type of funding arrangement;
 - b. the activity or event being supported through the funding arrangement;
 - c. the entity receiving funding from the City;
 - d. the amount of funding approved; and
 - e. who from the City approved the funding;
33. The City's CEO must prepare and submit to the Council a quarterly report on the sponsorship and grant arrangements entered into by the City during the relevant reporting period.
34. The City reserves the right to publicise and promote its sponsorships and grants, and the projects sponsored.
35. The City will require successful sponsorship and grant applicants to appropriately promote the City in return for the City's funding as set out in the funding agreement.

Managing conflicts of interest relating to sponsorship and grants to and from the City

36. In the administration and awarding of sponsorship and grants any real, potential or perceived conflicts of interest are to be managed in keeping with the *Local Government Act 1995*, its regulations and the codes of conduct. To achieve this employees, funding panel members and elected members with any involvement in an application shall declare:
- a. any financial, indirect financial or proximity interests that they have with any application; and
 - b. any impartiality interests they have with any application.
37. Where a person discloses a financial, indirect financial or proximity interest the following shall occur. If:
- a. the person is a funding panel member, they must not participate in the funding panel and the CEO should appoint another person as a funding panel member;
 - b. the person is an employee administering this Policy, they must not be involved with the administration of that application or funding round; and
 - c. the application is referred to a committee or the Council, the requirements of the *Local Government Act 1995* and its regulations must be adhered to.
38. Where an impartiality interest by an employee or funding panel member is disclosed, the interest should be referred to the CEO to establish if it continues to be appropriate for that person to be involved in the assessment process.
39. Attendance at events or acceptance of tickets relating to sponsorship or grants are to be dealt with in accordance with Council Policy 1.1 Attendance at Events and the relevant City Code of Conduct.



Document control

Policy context

Legislation, standards & external guidelines	Local Government Act 1995
Policies and procedures	CP1.1 Attendance at Events CP4.10 Incoming Sponsorship
Strategies, plans and frameworks	2025 Events Strategy Corporate Business Plan

Document custodian

Alliance	Community Development	Service unit	City Events
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Review management

Next review due	February 2027	Document management ref.	EDRMS-1336483316-981
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Document management

Version	Adopted by	Adoption date	Synopsis of changes
1.0	Ordinary Council Meeting	25 May 2021	Initial policy submitted for approval
2.0	Ordinary Council Meeting	31 August 2021	Clauses 20.a and 29 amended by Council
3.0	Ordinary Council Meeting	21 December 2021	Clause 11 amended by Council
4.0	Ordinary Council Meeting	30 August 2022	Major review.
5.0	Ordinary Council Meeting	27 February 2024	Council Policy amended