



Sponsorship Policy

Version Control

Policy	Sponsorship Management
Responsible Officers	Town Clerk and Responsible Financial Officer
Author	Town Clerk
Creation Date	26-Jul-2026
Review Period	Every three years or earlier if legislation changes
Version	26-Jul-2026 1.0 First Issue

Approval

Approved by	Full Cowes Town Council
Date Approved	
Minute Number	

1. Purpose

This policy establishes the framework for obtaining, managing and acknowledging sponsorship by Cowes Town Council.

It ensures that sponsorship arrangements:

- Protect Cowes Town Council's independence;
- Comply with statutory powers;
- Achieve value for money;
- Are transparent and accountable;
- Avoid conflicts of interest;
- Safeguard public confidence.

The following policy is consistent with the Local Government Act 1972, Local Government Act 2000, Localism Act 2011, the Accounts and Audit Regulations 2015, the Practitioners' Guide (JPAG), NALC Model Financial Regulations (2025 edition where adopted), the Seven Principles of Public Life (Nolan Principles), and relevant NALC Legal Topic Notes.

Nothing within this policy shall permit sponsorship which would fetter the Cowes Town Council's discretion or influence democratic decision making.



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2. Statutory Framework

This policy operates alongside:

- Local Government Act 1972
- Local Government Act 2000
- Localism Act 2011
- Public Contracts Regulations (where applicable)
- Accounts and Audit Regulations 2015
- Local Audit and Accountability Act 2014
- Freedom of Information Act 2000
- Environmental Information Regulations 2004
- Data Protection Act 2018
- Equality Act 2010
- Bribery Act 2010
- Fraud Act 2006.

and shall be read together with:

- Cowes Town Council Financial Regulations
- Standing Orders
- Procurement Policy
- Code of Conduct
- Register of Interests
- Risk Management Policy
- Anti-Fraud and Corruption Policy
- Gifts and Hospitality Policy
- Reserves Policy
- Communications Policy.

3. Guidance

Cowes Town Council has regard to:

- Joint Panel on Accountability and Governance (JPAG) Practitioners' Guide.
- NALC Model Financial Regulations.
- NALC Legal Topic Notes.
- CIPFA principles of good governance.
- The Seven Principles of Public Life (Nolan Principles).



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4. Definition

Sponsorship means:

Financial or in-kind support provided by an external organisation or individual in return for agreed recognition, publicity or association with a Cowes Town Council activity, event, service or asset.

Examples include:

- Event sponsorship
- Christmas lights sponsorship
- Floral displays
- Publications
- Festivals
- Benches
- Community projects
- Public art
- Environmental initiatives.

5. General Principles

Cowes Town Council shall:

- Act in the public interest;
- Remain politically impartial;
- Preserve its independence;
- Ensure transparency;
- Avoid preferential treatment;
- Secure value for money;
- Maintain public confidence.

No sponsorship shall influence:

- Planning decisions;
- Licensing decisions;
- Procurement;
- Grants;
- Cowes Town Council policy;
- Democratic decision making.



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6. Powers

Sponsorship shall only be accepted where Cowes Town Council has lawful powers to undertake the underlying activity.

The **Responsible Financial Officer** shall confirm the statutory power before entering any agreement.

7. Acceptable Sponsorship

Cowes Town Council may seek sponsorship from:

- Local businesses
- National businesses
- Charities
- Trusts
- Educational establishments
- Sporting organisations
- Cultural organisations
- Public bodies.

8. Sponsorship which will normally not be accepted

Cowes Town Council will normally decline sponsorship from organisations whose activities may reasonably damage public confidence including:

- Tobacco manufacturers
 - Vaping companies
 - Gambling organisations
 - Adult entertainment
 - Organisations convicted of corruption or fraud
 - Organisations promoting unlawful discrimination
 - Political parties
 - Campaigning organisations where impartiality could be questioned
 - Businesses subject to current enforcement action by Cowes Town Council where a conflict could arise.
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9. Decision Making

Cowes Town Council shall approve:

- Sponsorship strategy
- Sponsorship over any financial threshold within Financial Regulations
- Exclusive sponsorship arrangements
- Long-term sponsorship agreements.

The Town Clerk or the Responsible Financial Officer may approve:

- Routine sponsorship within delegated authority;
- Minor event sponsorship;
- Sponsorship already included within an approved budget.

10. Sponsorship Agreements

Every sponsorship shall be supported by a written agreement.

The agreement should include:

- Names of parties
- Duration
- Financial value
- Payment arrangements
- Acknowledgement arrangements
- Branding requirements
- Termination provisions
- Dispute resolution
- Insurance
- Intellectual property
- Data protection
- Anti-bribery provisions
- Review arrangements.

11. Financial Management

All sponsorship income shall:

- Be paid directly to Cowes Town Council;



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- Be receipted;
- Be banked promptly;
- Be recorded in Cowes Town Council's accounting processes;
- Be included within budget monitoring reports;
- Appear within the annual accounts.

Cash sponsorship shall never be retained by Members or employees.

12. Procurement

Acceptance of sponsorship shall not exempt Cowes Town Council from complying with:

- Financial Regulations;
- Procurement rules;
- Obtaining quotations;
- Tendering requirements;
- Achieving value for money.

Sponsors shall not receive procurement advantages.

13. Conflicts of Interest

Members and Officers shall declare:

- Financial interests;
- Personal interests;
- Close business relationships.

Any person with an interest shall withdraw from decision making in accordance with:

- The Members' Code of Conduct;
- Standing Orders;
- Statutory requirements.

14. Gifts and Hospitality

- Sponsorship must never become an inducement.
- Hospitality shall comply with Cowes Town Council's Gifts and Hospitality Policy.



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15. Branding

Recognition may include:

- Event programmes
- Banners
- Website acknowledgement
- Newsletters
- Plaques
- Press releases
- Social media.

Recognition shall always remain proportionate.

Cowes Town Council branding shall remain dominant.

16. Naming Rights

Naming rights shall only be approved by Full Cowes Town Council following consideration of:

- Community benefit;
- Heritage;
- Equality implications;
- Financial value;
- Reputational risk;
- Consultation where appropriate.

17. Advertising Standards

All sponsor material shall comply with:

- UK advertising standards;
- Equality legislation;
- Cowes Town Council values;
- Decency standards.

Cowes Town Council reserves the right to refuse unsuitable material.



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18. Risk Assessment

Before accepting sponsorship, the Town Clerk or the Responsible Financial Officer shall consider:

- Financial risk
- Reputational risk
- Legal risk
- Insurance
- Safeguarding
- Equality impacts
- Health and safety
- Data protection.

19. Transparency

Subject to the Freedom of Information Act 2000, Data Protection Act 2018 and UK GDPR, Cowes Town Council shall publish and maintain a register containing:

- Sponsor name
- Project
- Value
- Duration
- Approving body
- Date approved.

The register shall be available for public inspection unless exempt information applies.

20. Monitoring

The Town Clerk or the Responsible Financial Officer shall monitor:

- Income received
- Expenditure
- Contractual compliance
- Financial reporting
- Outstanding payments.



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21. Sponsorship Review

Major sponsorship agreements shall be reviewed annually.

22. Policy Review

This Policy shall be reviewed:

- Every three years;
 - Following changes in legislation;
 - Following changes to NALC or JPAG guidance;
 - Following internal or external audit recommendations;
 - Following significant governance changes.
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23. Breach of Policy

Failure to comply with this policy may result in:

- Termination of sponsorship;
 - Disciplinary action for employees;
 - Referral under the Members' Code of Conduct;
 - Referral to external auditors;
 - Referral to police where criminal conduct is suspected.
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24. Roles and Responsibilities

Full Cowes Town Council

- Approves this policy.
- Approves significant sponsorship.
- Monitors strategic performance.

Finance Committee

- Reviews sponsorship income.
 - Monitors financial performance.
 - Makes recommendations.
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Town Clerk

- Negotiates agreements.
- Ensures legal compliance.
- Maintains records.
- Reports to Members.

Responsible Financial Officer

- Receives income.
- Maintains accounting records.
- Ensures Financial Regulation compliance.
- Reports sponsorship within budget monitoring.

25. Review Cycle

This policy shall be reviewed:

- Every three years;
- Following legislative change;
- Following significant governance recommendations;
- Following any audit recommendation.

26. Adoption Statement

This Policy shall take effect on the date of its adoption by Full Cowes Town Council and shall apply to all grants awarded by the Cowes Town Council unless a specific statutory scheme requires alternative arrangements.

The Town Clerk, as Proper Officer, and the Responsible Financial Officer are responsible for ensuring that this Policy is implemented in accordance with the Cowes Town Council's Financial Regulations, Standing Orders and applicable legislation.



Sponsorship Policy

APPENDIX A - Sponsorship Application Form

Part A – Applicant Details

- Organisation Name;
- Company Registration Number (if applicable);
- Charity Number (if applicable);
- Registered Address;
- Primary Contact Name;
- Position;
- Telephone;
- Email Address;
- Website

Part B – Sponsorship Proposal

- Project or Event;
- Purpose of Sponsorship;
- Amount Offered;
- Estimated Value;
- Duration of Sponsorship;
- Proposed Start Date;
- Proposed End Date.

Part C – Recognition Requested

- Logo on publicity;
- Website acknowledgement;
- Social media acknowledgement;
- Banner display;
- Programme advertisement;
- Plaque;
- Event attendance;
- Naming rights;
- Other.

Part D – Declaration

The applicant confirms by signature:

- all information is accurate;



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- the organisation complies with UK law;
 - no criminal proceedings likely to affect reputation are pending;
 - acceptance of Cowes Town Council's Sponsorship Policy.
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APPENDIX B - Sponsor Due Diligence Checklist

Completed by the Town Clerk or the Responsible Financial Officer before acceptance.

Corporate Status

- Company registration verified;
- Charity registration verified;
- VAT registration checked (where relevant).

Financial Standing

- Latest accounts reviewed;
- Credit concerns identified;
- Outstanding County Court Judgments;
- Insolvency risk;
- Bankruptcy.

Reputation Assessment

- Media searches undertaken;
- Social media reviewed;
- Previous sponsorship history;
- Complaints identified;
- Regulatory action identified;
- Criminal convictions identified.

Equality and Ethics

- Organisation complies with Equality Act;
- No discriminatory practices identified;
- Environmental policies considered;
- Modern Slavery Statement reviewed (where applicable).

Political Independence



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- Political donations reviewed;
- Political campaigning;
- Conflict with Cowes Town Council neutrality.

Insurance

- Public Liability;
- Professional Indemnity;
- Employer's Liability.

Recommendation

- Accept;
- Accept with Conditions;
- Decline;
- Reasons;
- Officer Signature.

APPENDIX C - Sponsorship Risk Assessment

- Residual Risk Rating - Low / Medium / High – and based on:

Risk	Likelihood	Impact	Existing Controls	Further Controls	Responsible Officer
Reputational damage	Medium	High	Due diligence	Annual review	Town Clerk
Sponsor insolvency	Medium	Medium	Financial review	Payment in advance	RFO
Political influence	Low	High	Cowes Town Council approval	Declaration of interests	Town Clerk
Procurement challenge	Low	High	Financial Regulations	Procurement checks	RFO
Bribery allegation	Low	High	Gifts Policy	Register maintained	Town Clerk
Equality complaint	Low	High	Equality review	Officer monitoring	Town Clerk
Contract dispute	Medium	Medium	Written agreement	Legal review	Town Clerk



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APPENDIX D - Standard Sponsorship Agreement

Parties

- Town Cowes Town Council and Sponsor.

Purpose

- Description of project.

Sponsorship Value

- Money or description of goods/services.

Cowes Town Council Obligations

- Agreed publicity;
- Agreed branding;
- Agreed acknowledgements;
- Event access (if applicable).

Sponsor Obligations

- Pay agreed amount;
- Provide artwork;
- Comply with advertising standards;
- Comply with Cowes Town Council policies.

Restrictions

The Sponsor shall not:

- Influence Cowes Town Council decisions;
- Seek procurement advantage;
- Imply Cowes Town Council endorsement;
- Interfere with Cowes Town Council governance.

Termination

Cowes Town Council may terminate immediately where:

- Reputational damage occurs;
- Payment not received;



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- Criminal investigation arises;
- Sponsor breaches agreement;
- Cowes Town Council determines continuation is not in the public interest.

Insurance

- Sponsor shall maintain adequate insurance.

Indemnity

- Sponsor indemnifies Cowes Town Council against losses arising from sponsor negligence.

Governing Law

- England and Wales.

Signature

- Cowes Town Council;
 - Sponsor.
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APPENDIX E - Sponsorship Register

Reference	Sponsor	Project	Value	Duration	Approval	Officer	Review Date
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The register shall also record:

- Payment received;
 - Invoice number;
 - Budget code;
 - Recognition provided;
 - Contract location;
 - Termination date;
 - Audit reference.
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APPENDIX F - Delegated Authority and Approval Levels

These figures should be aligned with the Cowes Town Council's adopted Financial Regulations and procurement thresholds.

Sponsorship Value	Approval Required
Up to £1,000	Town Clerk (within delegated authority)
£1,001–£10,000	Relevant Committee
Above £10,000	Full Cowes Town Council

Additional approvals:

- Naming Rights;
- Always Full Cowes Town Council;
- Exclusive Sponsorship;
- Full Cowes Town Council;
- Multi-year Agreements;
- Full Cowes Town Council;
- Political Sensitivity;
- Full Cowes Town Council.

Emergency Delegated Decisions

Where immediate acceptance is required to prevent loss of funding:

- Town Clerk;
- Consultation with Mayor;
- Chair of Finance Committee;
- Decision reported to next Cowes Town Council meeting.



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APPENDIX G - Sponsor Ethics and Acceptability Matrix

Organisation Type	Normally Acceptable	Additional Assessment Required	Normally Declined
Local retailers	✓		
Local manufacturers	✓		
Charities	✓		
Educational establishments	✓		
Banks	✓		
Utilities	✓		
Supermarkets	✓		
Construction companies		✓	
Housing developers		✓	
Planning consultants		✓	
Legal firms acting for applicants		✓	
Gambling operators			✓
Tobacco companies			✓
Adult entertainment			✓
Political parties			✓
Lobby groups			✓
Businesses under Cowes Town Council enforcement action		✓	
Organisations convicted of fraud			✓
Companies with poor environmental records		✓	
Organisations promoting discrimination			✓



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APPENDIX H - Officer Evaluation Report

Before any sponsorship is accepted, the Town Clerk or Responsible Financial Officer should prepare a written report to the approving body covering:

- Description of the proposed sponsorship;
- Statutory power permitting the sponsored activity;
- Financial value and budget implications;
- Assessment of public benefit;
- Due diligence findings;
- Procurement implications;
- Equality Impact Assessment;
- Climate and environmental considerations;
- Data protection implications;
- Health and safety considerations;
- Reputational risks;
- Insurance implications;
- Conflicts of interest declared;
- Legal implications;
- Risk management assessment;
- Recommendation (approve, approve with conditions, or refuse).

APPENDIX I - Annual Sponsorship Monitoring Report

Presented annually to the Finance Committee and Full Cowes Town Council, this report should include:

- Total sponsorship income received during the financial year;
- Total in-kind sponsorship value;
- Comparison against budget;
- List of all active sponsorship agreements;
- Expired and terminated agreements;
- Compliance with contractual obligations;
- Any breaches of policy;
- Complaints received;
- Risk register updates;
- Internal audit observations;
- Recommendations for policy improvements.



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This annual review supports transparency, demonstrates sound financial management, and provides evidence for internal and external auditors that sponsorship arrangements are being properly governed and monitored.