

Sponsorship & Donation Policy

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Purpose

Westernport Water provides sponsorship and donations to support events, initiatives and campaigns that align with the Corporation's strategic objectives and demonstrate relevance to our products and services. We believe it is important that the initiatives and projects we support make an impact to our region, building positive change in our local communities.

Scope

This policy applies to all Westernport Water employees and recipients of Sponsorship or Donations.

Policy Application

The application of this policy strengthens opportunities for collaboration and adds value to our customers and the local community.

Sponsorship is the purchase of benefits or rights to associate Westernport Water with an organisation's services, products or activities in return for negotiated and specific benefits. Sponsorship can be in the form of money and/or in-kind support.

In-kind support is the provision of goods and services to support or enhance an initiative at a reduced rate or free of charge.

A donation is an act or instance of presenting something as a gift or contribution, and could be the provision of money or items of value with no returned benefits expected.

A discretionary grant is a payment where Westernport Water has discretion in determining whether or not a particular applicant receives funding and the conditions imposed in return for the grant.

Assessment Criteria

In making a commitment to sponsor or donate, Westernport Water will consider the following:

- does it support the achievement of the Corporation's strategies, goals and objectives?
- does it positively promote Westernport Water's products or services?
- does it align with or support key themes contained in existing communications campaigns?
- does it help engage or build stakeholder relationships and provide shared benefit?
- does it enhance Westernport Water's identity and reputation?

Applications for sponsorship or donations

All applications for support must be completed in writing via mail, online application or direct email to communications@westernportwater.com.au.

Westernport Water will assess all applications against the assessment criteria and the budget available. All sponsorship agreements must be approved by Westernport Water's Manager, Communications and Engagement within the position's financial delegation.

Through its Community Support Program, Westernport Water offers an annual open and competitive process for community groups, clubs and not-for-profit organisations seeking to become recipients of sponsorship, with clear selection criteria, timelines and a structured application process.

Sponsorship compliance requirements

All sponsorship commitments must comply with the Victorian Government Sponsorship Policy for public entities when seeking, providing or receiving sponsorship as defined in the *Public Administration Act 2004*.

The overarching principles of sponsorship management in the Victorian public sector are to ensure probity; achieve efficiency and effectiveness; maintain accountability; and implement effective risk management. The detailed requirements of the Victorian Government Sponsorship Policy are provided in the Policy Annexure.

All sponsorship arrangements must uphold the integrity of Westernport Water, comply with related internal policies (i.e. Conflict of Interest Policy) and abide by the Victorian Public Sector Code of Conduct.

Sponsorship is appropriate if it would not reasonably be seen to compromise the public interest or affect Westernport Water's ability to perform its duties impartially.

Acknowledgement of support

When sponsorship is provided, the sponsored organisation must ensure public acknowledgement of Westernport Water's support. The acknowledgement must comply with Westernport Water's Brand and Style Guide and clearly indicate the support for the sponsored activity. Where appropriate, and or agreed to, Westernport Water should be acknowledged in sponsorship advertisements. Westernport Water must sight and approve all marketing material where the corporate identity will appear.

Brand

A clear and consistent identity enables the public to recognise Westernport Water activities and increases exposure in the community. All third party use of Westernport Water's branding must be undertaken in accordance with Westernport Water's Brand Guidelines.

Discretionary grants

All discretionary grants must comply with the Victorian Government's Investment Principles, which include:

- grants should only be used when they secure a government policy outcome
- grants should not be used without first considering alternative policy mechanisms
- grants should not create an ongoing need for funding
- programs should be designed to minimise administration costs
- accountability requirements for recipients should be proportionate to risk.

RESPONSIBLE OFFICER

- **Policy Owner – General Manager, Corporate and Customer**
- **Responsible Policy Officer - Manager, Communications and Engagement**

POLICY ANNEXURE

Victorian Government Sponsorship Policy Compliance Requirements

| Ensuring probity | |
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| Appropriate Activity | Victorian Government agencies should aim to achieve the highest levels of confidence in their ability to act in the public interest by restricting sponsorship to appropriate activity of Government. 'Appropriate activity' is Government activity in which the introduction of a commercial sponsor would not reasonably be seen to compromise the public interest, or affect the agency's ability to perform its duties impartially: |
| | Agencies should specify in their sponsorship procedures any classes of activity or organisation that are deemed inappropriate for sponsorship. |
| | In general, sponsorship should be confined to value-adding and supplementary activities, such as events and program support, rather than for delivery or replacement of core Government services. |
| | Agencies should not provide sponsorship for purposes unrelated to Government priorities or agency objectives. |
| | Agencies should not provide sponsorship to individuals or political parties. |
| | Agencies should not provide sponsorship to organisations if the sponsorship fee will be passed on to a third party in the form of a sponsorship or grant. |
| Open and Effective Competition | Open and effective competition requires that opportunities to sponsor Victorian Government activities be offered to an appropriately broad field of potential sponsors. |
| | Sponsorship procedures should be transparent, provide potential sponsors with a genuine opportunity to do business with Government and where possible, ensure competition among sponsors to provide 'value for money' offers (refer 5.2.2). |
| | In determining whether to publicly advertise a sponsorship opportunity, consideration should be given to the following factors: <ul style="list-style-type: none"> - the value of the opportunity - the possible forms the sponsorship could take - the number of competitors in the market - potential negative impacts of advertising on existing sponsorship agreements, or on existing offers; and - timelines |
| | Where it is deemed inappropriate to publicly advertise a sponsorship opportunity, agencies may consider making a direct approach to a number of potential sponsors. In those cases, the rationale for the decision should be documented, and the size of the field should reflect the scale of the sponsorship. |
| | In circumstances where an external organisation submits an unsolicited proposal to Government expressing interest in sponsoring a program or activity, consideration should be given to: |

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| | <ul style="list-style-type: none"> - whether the proposal is relevant to Government or agency interests; if so - whether the proposal could provide better results for Government if implemented by another party; if so - whether it is feasible to call for expressions of interest or tender for the right to be a sponsor. This will involve consideration of whether the original proposal contains commercial-in-confidence material, or ideas in which the proposer holds intellectual property rights. In many instances, this will be the case, and further canvassing of external interest will not be appropriate. |
| | Where a competitive process is undertaken, selection criteria should be established and used to select the successful respondent. |
| | It should be noted that while open and effective competition is required when agencies are seeking sponsorship for Government initiatives, agencies are not required to promote competition between organisations seeking to become recipients of Government sponsorship. Nonetheless, an analysis of competing alternatives and reasons for selecting the successful sponsorship recipient should be completed and documented. |
| Ethical Behaviour and Fair Dealing | The sponsorship activities of Victorian Government agencies will demonstrate high standards of ethical behaviour and fair dealing. |
| | Officers involved in sponsorship management or decision making must maintain high levels of integrity in all official dealings including: <ul style="list-style-type: none"> - disclosure and resolution of conflicts of interest - refusal of gifts, invitations to events and functions, or other favours - receiving approaches from organisations that might be interpreted as attempts to obtain influence or advantage - maintenance of confidentiality in respect to commercial-in-confidence, intellectual property issues, matters under negotiation and any other confidential information - maintenance of high standards of accountability. |
| | The Code of Conduct for the Victorian Public Sector and any other directions issuing from the State Services Authority (SSA) or agency management should be consulted in respect to these and other matters of ethical behaviour and fair dealing. Breaches of ethical standards can lead to disciplinary action or dismissal. |
| | Agencies must ensure that sponsorship arrangements do not include, or allow, the provision of private benefits, either to the parties of the arrangements or to third parties, except as permitted by the Code of Conduct or other SSA directions. |
| | Agencies should ensure that their sponsorship procedures appropriately separate the duties of appraiser of applications, approval of offers and payment of benefits. |
| | The independence of an agency's purchasing and sponsorship activities must be maintained by not allowing decisions in relation to one, to influence decision making in respect of the other. |
| | Government agencies with regulatory or inspectoral responsibilities should not provide or accept sponsorship from external bodies that are, or are likely to be, subject to regulation or inspection during the term of the sponsorship agreement. Sponsorship agreements should enable sponsorships to be terminated should agency sponsorship and regulatory interests conflict. |
| | Disclosure of the names or addresses of employees, groups or organisations held by or associated with agencies is governed by the <i>Information Privacy Act 2000</i> , and must not be provided to external organisations as a benefit of sponsorship. |

| Achieving Efficiency and Effectiveness | |
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| Alignment with Government and/or Agency Priorities | Sponsorship activities should support the achievement of whole-of-Government and/or agency goals and objectives, and where possible, be aligned with key themes and priorities. |
| | Proposals to provide or seek sponsorship must demonstrate how the sponsorship meets one or more of the following criteria: <ul style="list-style-type: none"> - contributes to advancement of Victorian whole-of-Government priorities - supports the agency's goals and objectives - increases effectiveness of the agency's strategic programs - communicates key messages to target audiences - engages or builds relationships with key stakeholders. |
| Value for Money | Victorian Government agencies will ensure value for money is achieved when providing or receiving sponsorship. |
| | 'Value for money' should not be interpreted as simply the highest price when seeking sponsorship, or the lowest price when providing sponsorship, but also involves consideration of other factors including: <ul style="list-style-type: none"> - strategic benefits and risks of the association - capacity to advance Government priorities/corporate goals and objectives - the best mix of funding sources (e.g. existing program budget, Community Support Fund grant, new ERC bid, sponsorship, etc.) - direct and indirect costs of servicing the sponsorship - value of opportunities for networking or reaching new audiences - value of alternative uses of the sponsorship budget. |
| | In order to maximise the value and minimise risks associated with sponsorships, Government agencies seeking or providing sponsorship should coordinate their activities with those of other agencies. |
| | Agencies considering providing sponsorship should utilise the Government Sponsorship Register to: <ul style="list-style-type: none"> - ensure that the proposed sponsorship does not conflict with or inappropriately duplicate that of any other agency; and - identify whether there is potential additional benefit to be gained by collaborating with another agency in seeking or providing sponsorship. |
| | In accordance with the Victorian Government Communication Evaluation Guidelines, all sponsorships (received or provided) should be evaluated when concluded, and their outcomes documented. |
| Appropriate Acknowledgement | When providing sponsorship, Victorian Government agencies must ensure appropriate acknowledgement of the Government as sponsor. |
| | Agencies providing sponsorship must ensure that the sponsored organisation provides public acknowledgement of Government support. The forms of acknowledgement should be negotiated in advance and documented in the written agreement. |
| | In determining whether to publicly advertise a sponsorship opportunity, consideration should be given to the following factors: <ul style="list-style-type: none"> - the value of the opportunity - the possible forms the sponsorship could take - the number of competitors in the market - potential negative impacts of advertising on existing sponsorship agreements, or on existing offers; and - timelines |

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| | <p>The acknowledgment should:</p> <ul style="list-style-type: none"> - be commensurate with the value of sponsorship provided, and comply with the Victorian Government Branding Policy; and - clearly indicate Government support for, rather than ownership of the sponsored activity. |
| | <p>Additional types of acknowledgement may take the form of naming rights, corporate signage rights and acknowledgement in speeches and media releases. Where appropriate, the relevant Minister should be given the opportunity to announce the Government's support.</p> |
| | <ul style="list-style-type: none"> - whether the proposal is relevant to Government or agency interests; if so - whether the proposal could provide better results for Government if implemented by another party; if so - whether it is feasible to call for expressions of interest or tender for the right to be a sponsor. This will involve consideration of whether the original proposal contains commercial-in-confidence material, or ideas in which the proposer holds intellectual property rights. In many instances, this will be the case, and further canvassing of external interest will not be appropriate. |
| | <p>Where a competitive process is undertaken, selection criteria should be established and used to select the successful respondent.</p> |
| Effective Management of Sponsorships | <p>When providing sponsorship, Victorian Government agencies must ensure that all agreed benefits are delivered.</p> |
| | <p>All sponsorship proposals should have clearly defined objectives, key performance indicators (KPIs) related to the objectives, and an evaluation strategy that measures achievement of KPIs. Substantial sponsorships additionally require a business case establishing the need for the sponsorship and analysing possible alternative ways of achieving the objectives.</p> |
| | <p>All sponsorship agreements should be documented, and clearly articulate the terms and conditions of the arrangement, including the procedures for making payments, the reporting requirements of benefit recipients, and the consequences for non-delivery of benefits by the other party to the sponsorship arrangements.</p> |
| | <p>Government agencies providing sponsorship must ensure that the sponsored organisation delivers all agreed benefits, including products, services, opportunities, branding or any other benefit.</p> |
| | <p>Sponsorship arrangements, particularly those relating to naming rights, must have explicit end dates.</p> |
| | <p>To maximise the efficiency of sponsorship processes, consideration should be given to the use of a financial management information system to track outgoing financial benefits.</p> |

¹The Victorian Government Sponsorship Policy states that "Agencies are required to maintain a register (for) all sponsorships (received or provided)". All sponsorship at Westernport Water is recorded in its Sponsorship Register, administered by the Manager, Communications & Engagement. Sponsorship details are reported in Westernport Water's annual report as required.

| Ensuring Accountability | |
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| Appropriate Authorisation | Victorian Government agencies must implement procedures which ensure appropriate authorisation of sponsorship arrangements, and uphold the principles specified in this policy. |
| | Agency sponsorship procedures established in pursuance with this policy should be endorsed by the agency's Secretary/CEO. |
| | Agency procedures should ensure that sponsorship agreements are appropriately authorised. The value of the sponsorship and the level of risk entailed should be key determinants of the level of authorisation required, whether executive, senior executive or Ministerial level. Sponsorship approvers must hold financial delegations at least equal to those applying to procurement decisions of the same value. |
| | Payments made in respect of a sponsorship should be appropriately authorised and monitored. |
| Effective Reporting | Victorian Government agencies will apply effective management and reporting processes to ensure sponsorships achieve maximum value and accountability. |
| | Sponsorships provided by a Government agency as part of a reputation management strategy or to achieve communications objectives, must be reported to Strategic Communication and Protocol Branch. When valuing benefits for reporting purposes, in-kind benefits should be priced at their market rate. |
| | Agencies providing or seeking sponsorship must ensure sponsorship proposals, whether internally or externally-generated, are documented in sufficient detail to enable a full analysis of risks, costs and benefits to be undertaken. This includes specifying the nature, quantity and value of 'in-kind' benefits provided or received, and identifying full costs to Government, inclusive of GST. |
| | Agencies providing or seeking sponsorship must document all sponsorship arrangements in writing. Agency sponsorship procedures should specify the circumstances under which formal contracts will be entered into, and those where an exchange of letters is deemed sufficient. |
| | Agencies should report sponsorships in Budget Papers, Annual Reports or in publicly available performance reports. |

| Implementing Effective Risk Management | |
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| Appropriate Association | Victorian Government agencies will ensure that all associations with external organisations created through sponsorship arrangements are appropriate, and that necessary safeguards are taken to protect the Government's reputation. 'Appropriate associations' are those made with sponsorship partners whose values, activities, products and purposes are consistent with the values, activities, purposes and goals of the Victorian Government. |
| | Agencies must ensure that sponsorship arrangements are entered into only with organisations where the risk of damage to the reputation of the agency and/or the Government as a whole is low. |
| | Agencies should carry out reasonable background checks on potential sponsorship associates to ensure that their full range of business interests and activities, and any potential risks are identified. |
| | Sponsorship agreements should specify that Victorian Government sponsorship is not a general endorsement of the organisation or its products by Government, and that the arrangement must not be promoted or publicised as such |
| | Agencies should ensure that sponsorship agreements provide for termination of the arrangement, should the association cease to be appropriate. |
| | Appropriate authorisation, up to Ministerial level, is required for any sponsorship agreement that confers naming rights for a Government asset, event or initiative. |
| | Appropriate authorisation, up to Secretary level, is required for any sponsorship agreement that involves Government acquisition of naming rights for an external asset, event or initiative. |
| Financial Risks | Agencies will ensure that sponsorship procedures ensure effective financial risk management. |
| | Agencies should carry out financial viability checks on potential sponsorship associates to ensure that potential financial risks are identified. |
| | Sponsorship agreements should include procedures to recover or withhold financial benefits where there is inadequate delivery of agreed benefits by the other party. |