



Sponsorship Policy – Guidelines for Applicants

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1. Gippsland Water's Sponsorship Policy

Under Section 123 (1) of the Water Act 1989:

"An authority has the power to do all things that are necessary and convenient to be done for or in connection with, or as incidental to, the performance of its functions, including any function delegated to it."

While the power enjoyed by Gippsland Water pursuant to Section 123 (1) of the Act seems extensive, it must be exercised in a manner that is connected with or incidental to our functions.

Parts 8, 9, 10, 11, and 12 of the Water Act 1989 outline the major functions of Gippsland Water. These functions relate to the following:

- i. Water Supply - Section 163
- ii. Sewerage - Section 173

The Act also states in other areas of functions that Gippsland Water must perform, for example under Section 163 in relation to water supply it provides:

- "i. An Authority that has a water district has the following functions; . . .
 - e. to educate the public about any aspect of water supply."

Given this legislative framework, Gippsland Water will offer consideration to sponsorship applications associated with the environment, education and community benefit. As Gippsland Water is unable to offer sponsorship to any organisation or event not directly related to the operation of our business, Gippsland Water has developed a sponsorship policy with guidelines for both staff and applicants. These guidelines will serve to assess sponsorship requests in light of our legislative boundaries, the nature of the proposal and our marketing needs.

2. Policy Scope

Sponsorship involves investment in events or activities, for the purposes of helping worthy causes and organisations within our community. Sponsorship is a commitment by Gippsland Water to support a section of the community on the understanding that Gippsland Water receives tangible benefits. The tangible benefits that Gippsland Water requires from any sponsorship involvement may include:

- raising public awareness on a particular issue., e.g. environmental concerns with particular relevance to our water and wastewater functions;
- involving Gippsland Water in a worthwhile community activity;
- supporting Gippsland Water's strategic direction;
- developing a positive corporate image for Gippsland Water;
- offering an alternative form of advertising; and,
- allowing Gippsland Water to conduct market research.

3. Sponsorship Categories

Gippsland Water will classify your sponsorship application using the following headings:

- **CHARITABLE:** Gippsland Water undertakes this type of sponsorship for benevolent rather than business reasons.
- **MARKETING:** This type of sponsorship offers Gippsland Water real business outcomes that are measurable in marketing terms.
- **CORPORATE:** This type of sponsorship offers Gippsland Water the opportunity to sell corporate images or key corporate messages.

4. Types of Sponsorship

The needs of the applicant will naturally determine the nature of the sponsorship requested. However, the following is an indication of some sponsorship opportunities Gippsland Water has accepted in the past:

- Sponsorship opportunities allowing involvement in a particular event, activity or cause. Depending on the nature of the request, this can either be once off situations or negotiated for longer terms;
- Donations - money donations for a specific event, activity or cause;
- Non-monetary assistance for a particular cause;

5. Our Sponsorship Requirements

Under existing legislation, in order for Gippsland Water to offer sponsorship, the request needs to be linked to some aspect of Gippsland Water's business operations. For more information on Gippsland Water's business operations please refer to our latest publications and promotional material.

6. Goods and Services Tax

It is Gippsland Water's preferred policy to deal only with those organisations that currently hold an Australian Business Number (ABN). There is scope for sponsorship for non ABN organisations if they are able to provide Gippsland Water with a written statement that the sponsorship is excluded from the ABN rule for one of these reasons:

- The supply is made in the individual/organisation being sponsored private capacity, or as their hobby;
- The payments is exempt income for the individual/organisation being sponsored (for example, the supplier is a non-profit body);
- The individual/organisation being sponsored is not an enterprise because they have no reasonable expectation or of profit or gain.

The supply may also be excluded from the ABN rule if:

- The total payment to the supplier is \$50 or less, excluding any GST;
- The supplier is an individual under 18 years of age, and the payments to that person do not exceed \$120 per week.

Before making any payments or donations for sponsorships, Gippsland Water requires the ABN and GST registration status of the individual/organisation being sponsored. If the entity is registered, they will be required to charge Gippsland Water GST on the sponsorship. For all sponsorships, a tax invoice must be forwarded to Gippsland Water to prevent PAYG Withholding Tax being applied (48.5% of total sponsorship).

7. Assessment of Applications

On receipt of a sponsorship application, Gippsland Water will make an assessment based on the following:

- Under the terms and conditions of the Water Act 1989, is Gippsland Water able to offer sponsorship in this instance?
- Is the sponsorship proposal in line with Gippsland Water's corporate philosophy and marketing objectives?
- Has the organisation displayed an ability to complete the project?
- Are there mutual benefits for both Gippsland Water and the organisation?
- Does the proposal have an assessable element of community involvement?
- Are the benefits to Gippsland Water comparable to the cost?

- Is there likely to be any political implications from sponsoring this organisation or event?

8. Applications

To apply for Gippsland Water sponsorship please fill out a Gippsland Water Sponsorship Application form and return with any other information to:

**Public Relations
Gippsland Water
PO Box 348
TRARALGON VIC 3844**

If you require further information on Gippsland Water's Sponsorship Policy, please direct your enquiries to Gippsland Water Public Relations on 1800 066 401.

NOTE: In fairness to the Central Gippsland community, we will provide preference to organisations and community groups who have not previously been sponsored by Gippsland Water to ensure that our limited resources are distributed equally around the community. Previous year's sponsorship of any organisation will not guarantee future sponsorship.