

GIFTS, BENEFITS AND HOSPITALITY POLICY

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Responsible Director:	Corporate Performance
Relevant Legislation/Authority:	<i>Local Government Act 2020 (Vic)</i> <i>Employee Code of Conduct</i> <i>Public Interest Disclosure Procedures</i> <i>Public Interest Disclosure Act 2012 (Vic)</i>
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1. PURPOSE

The purpose of this policy is to:

- 1.1 provide a transparent and consistent framework for providing and responding to offers of Gifts, Benefits and Hospitality;
- 1.2 minimise Gift offers made to, and accepted by, workplace participants in order to protect and promote public confidence in the integrity of the City; and
- 1.3 ensure City business is carried out with transparency and impartiality.

2. BACKGROUND

- 2.1 The City is committed to facilitating transparent operations to maintain trust within the community.
- 2.2 The City's management of any offers of Gifts, Benefits and Hospitality is a practical demonstration of the City's integrity, impartiality and accountability. It allows the community and businesses to be confident that the City makes decisions and provides advice free of favouritism, influence and conflicts of interest.



3. SCOPE

- 3.1 This policy applies to all workplace participants. For the purpose of this policy, this includes employees, contractors, volunteers, consultants and any individuals or groups undertaking activity for or on behalf of the City. This policy does not apply to Councillors as they are required to adhere to the *Councillor Gift Policy*.
- 3.2 Gifts provided to workplace participants to recognise significant work achievements or service milestones do not fall within the scope of this policy and will be managed under the *Reward and Recognition Policy*.
- 3.3 This policy does not apply to any Gifts, Benefits or Hospitality where they are expressly part of a contractual or sponsorship arrangement with the City (such as tickets to events).

4. DEFINITIONS

In this policy:

Benefit means preferential treatment, privileged access, upgrades, favours or other advantage offered to an individual. This includes, but is not limited to, invitations to sporting, cultural or social events, access to discount or loyalty programs or the promise of a new job. The value of benefits may be difficult to define in dollars, but as they are valued by the individual, they may be used to influence the individual's behaviour.

CEO means the Chief Executive Officer of the City.

Ceremonial Gift means an official gift provided as part of the culture and practices of communities and government, within Australia or internationally. Ceremonial Gifts are usually provided when conducting business with official delegates or representatives from another organisation, community or foreign government.

City means the Greater Bendigo City Council, being a body corporate constituted as a municipal Council under the *Local Government Act 2020* (Vic).

Council means all of the Councillors collectively.

Gift means free or discounted items or services and any item or service that would generally be seen by the public as a gift. These include items of high value (i.e. artwork, jewellery, or expensive pens), low value (i.e. small bunch of flowers), consumables (i.e. chocolates) and services (i.e. painting and repairs). It does not include incentives for surveys.

Gifts, Benefits and Hospitality Register is the record of Gifts, Benefits, Hospitality whether accepted or declined. It records the date a gift was offered, information about the donor and recipient, the nature of the gift and its estimated value. The register is managed by the Governance unit.



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Hospitality means the friendly reception and entertainment of guests. Hospitality may range from light refreshments at a business meeting to expensive restaurant meals as well as travel and accommodation.

IBAC means the Independent Broad-based Anti-corruption Commission.

Non-Token means a Gift, Benefit or Hospitality that is, or may be perceived to be by the recipient, the person making the offer or by the wider community, of more than inconsequential value. All offers worth more than \$20 are Non-Token offers and must be refused and recorded on the Gifts, Benefit and Hospitality Register (whether accepted or declined) held by Legal Services.

Significant Community Event means a local event that:

- a) is open to the public;
- b) would promote the interests of the City within the community; and
- c) the community would generally expect a representative of the City to attend.

Token means a Gift, Benefit or Hospitality that is of inconsequential or trivial value to both the person making the offer and the recipient (such as basic courtesy). Whilst the primary determinant of a token offer is that it would not be reasonably perceived within or outside of the City as a way to influence or raise an actual, potential or perceived conflict of interest, it cannot be worth more than \$20. Examples of token offers include:

- a) a modest box of chocolates as a gesture of thanks;
- b) a cup of coffee or tea;
- c) promotional items (i.e. pens, drink bottles, note pads and mugs); and
- d) modest hospitality which would be considered a basic courtesy, such as light refreshments offered and consumed during a meeting or conference.

5. PRINCIPLES

5.1 The City will uphold the following principles in applying this policy:

5.1.1 **Impartiality** - Individuals have a duty to place the public interest above their private interests when carrying out their official functions. They will not accept Gifts, Benefits or Hospitality that could raise a reasonable perception of, or actual, bias or preferential treatment. Individuals do not accept offers from those about whom they are likely to make business decisions.

5.1.2 **Integrity** - Individuals strive to earn and sustain public trust through providing or responding to offers of Gifts, Benefits and Hospitality in a manner that is consistent with community expectations. Individuals must refuse any offer that may lead to an actual, perceived or potential conflict of interest.

5.1.3 **Accountability** - Individuals are accountable for:



- a) declaring all Non-Token offers to the Governance unit;
- b) declining Non-Token offers; and
- c) the responsible provision of Gifts, Benefits and Hospitality.

5.1.4 **Risk-based approach** - The City will ensure the risks associated with Gifts, Benefits and Hospitality are appropriately assessed and managed through its policies, procedures and audits. Individuals with direct reports will ensure they are aware of the risks inherent in their team's work and functions and monitor the risks to which their direct reports are exposed.

6. POLICY

Receiving Gifts, Benefits and Hospitality

6.1 Conflict of interest and reputational risks

- 6.1.1 Individuals must not seek, solicit, demand or request Gifts, Benefits or Hospitality for themselves or anyone else, in any form.
- 6.1.2 When deciding whether to accept an offer of a Gift, Benefit or Hospitality, individuals should first consider if the offer could be perceived as influencing them in performing their duties or lead to reputational damage. The more valuable the offer, the more likely that a conflict of interest or reputational risk exists.
- 6.1.3 Individuals must consider the GIFT test outlined in Figure 1. below when offered a Gift, Benefit or Hospitality.

Figure 1. GIFT test

G	Giver	Who is providing the gift, benefit or hospitality and what is their relationship to me? Does my role require me to select suppliers, award grants, regulate industries or determine local government policies? Could the person or organisation benefit from a decision I make?
I	Influence	Are they seeking to gain an advantage or influence my decisions or actions? Has the gift, benefit or hospitality been offered to me publicly or privately? Is it a courtesy or a token of appreciation or a valuable non-token offer? Does its timing coincide with a decision I am about to make?
F	Favour	Are they seeking a favour in return for the gift, benefit or hospitality? Has the gift, benefit or hospitality been offered honestly? Has the person or organisation made several offers over the last 12 months? Would accepting it create an obligation to return a favour?



T	Trust	Would accepting the gift, benefit or hospitality diminish public trust? How would the public view acceptance of this gift, benefit or hospitality? What would my colleagues, family, friends or associates think?
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6.1.4 Individuals are encouraged to seek advice from their people manager or Governance unit if they have doubts about accepting a Gift, Benefit or Hospitality, regardless of the value.

6.2 Requirements for refusing offers

Individuals must refuse all offers:

- 6.2.1 likely to influence them, or be perceived to be likely to influence them, in the course of their duties;
- 6.2.2 that raise an actual, potential or perceived conflict of interest such as an offer from a business associate or vulnerable member of the community whom the individual is caring for in their official duties (i.e direct service staff such as Home Support and Child Care);
- 6.2.3 that could bring them or the City into disrepute;
- 6.2.4 of money, or used in a similar way to money (i.e gift vouchers or credit), or something easily converted to money;
- 6.2.5 that extend to their relatives, housemates or close associates (i.e a friend, business associate or other relative);
- 6.2.6 made by a person or organisation about which they will likely make or influence a decision (this also applies to processes involving grants, sponsorship, regulation, enforcement or licensing), particularly offers:
 - a) made by a current or prospective supplier; or
 - b) made during a procurement or tender process by a person or organisation involved in the process.
- 6.2.7 likely to be a bribe or inducement to make a decision or act in a particular way;
- 6.2.8 where, in relation to Hospitality and events, the organisation will already be sufficiently represented to meet its business needs (to be decided on a case by case basis);
- 6.2.9 where acceptance could be perceived as endorsement of a product or service, or acceptance would unfairly advantage the sponsor in future procurement decisions;



6.2.10 made by a person or organisation with a primary purpose to lobby Ministers, Members of Parliament or public sector organisations; or

6.2.11 made in secret with an express or implied expectation that the individual will not publicly disclose the offer.

6.3 Token offers (\$20 or less)

6.3.1 Individuals may accept Token offers (\$20 or less) of Gifts, Benefits and Hospitality without approval or declaring the offer on the City's Gifts Benefits and Hospitality Register, providing the offer must not be refused in accordance with clause 6.2.

6.3.2 If the Token offer represents a conflict of interest for the individual or reputational risk, the individual should either return the gift or transfer ownership to the City to mitigate this risk. The gift can be transferred to the City by delivering it to the Manager Governance and recording the offer on the Gifts Benefits and Hospitality Register held by Legal Services.

6.3.3 There may be occasions where a gift is initially accepted and where on further reflection it should not have been. In this instance, the individual must notify their people manager and the gift must be returned. The offer must also be recorded on the Gifts Benefits and Hospitality Register held by Legal Services.

6.4 Non-Token offers (over \$20)

6.4.1 Individuals must not accept any Non-Token offers of Gifts, Benefits or Hospitality.

6.4.2 All Non-Token offers of Gifts, Benefits or Hospitality must be recorded in the Gifts, Benefits and Hospitality Register held by Legal Services.

6.4.3 Individuals may be offered a Gift or Hospitality where there is no opportunity to decline prior to accepting. For example, they may be offered a wrapped gift that they later identify as being a Non-Token Gift. In these cases, the individual must notify their people manager and the gift must be transferred to the Governance unit by delivering it to the Manager Governance. The Gift can be transferred to the Governance unit by the individual or the individual's people manager.

6.4.4 All Non-Token offers must be recorded on the Gifts Benefits and Hospitality Register held by Legal Services.

6.5 Recording Non-Token offers of Gifts Benefits and Hospitality

6.5.1 All Non-Token offers, must be recorded in the Gifts, Benefits and Hospitality Register held by Legal Services.



- 6.5.2 Individuals invited to present or facilitate at a conference or other event may be offered complimentary registration and Hospitality. Subject to the approval of the individual's people manager and Manager Governance, this offer can be accepted and does not need to be recorded on the Gifts, Benefits and Hospitality Register. However, if the principal organiser of the conference or other event is a current or prospective supplier, complimentary registration and hospitality cannot be accepted.
- 6.5.3 Individuals invited to attend events presented by the City's partner organisations (such as Women's Health Loddon Mallee) may be offered complimentary registration and Hospitality. Subject to the approval of the individual's people manager and Director or Manager Governance, this offer can be accepted and does not need to be recorded on the Gifts, Benefits and Hospitality Register.
- 6.5.4 Access to amend the Gifts, Benefits and Hospitality Register is restricted to relevant persons within the City.
- 6.5.5 The City's Audit and Risk Committee will receive a report at least annually on the administration and quality control of this policy, processes and Gifts, Benefits and Hospitality Register.
- 6.5.6 The Gifts, Benefits and Hospitality Register is made available to the public on request.

6.6 Ownership of Gifts offered to individuals

- 6.6.1 Individuals must transfer to the City any official Gift, Gift of cultural or historical significance or Non-Token Gift which has not been returned. The Gift can be transferred to the City by delivering it to the Manager Governance within 14 days of acceptance or receipt and recording it on the Gifts, Benefits and Hospitality Register held by Legal Services. The Gift can be transferred by the individual or the individual's people manager on their behalf.
- 6.6.2 Where a Gift is transferred to the City, the Manager Governance will decide whether the Gift is returned to sender, used by the City, returned to original recipient, donated to a registered charity or not-for-profit organisation, used in a raffle amongst employees to raise money for registered charity or not-for-profit organisation, donated to another public agency, department or authority or destroyed.
- 6.6.3 A decision on the method of disposal referred to in clause 6.6.2 should be made within 21 days of registration on the Gifts, Benefits and Hospitality Register.

6.7 Repeat offers

- 6.7.1 Receiving multiple Token offers from the same person or organisation can generate a stronger perception that the person or organisation could influence the recipient.



6.7.2 If the combined total of Token offers to an individual from the same source exceeds \$50 in any 12 month period, individuals must refuse all further offers and record them as Non-Token offers in accordance with clauses 6.4.

6.7.3 An example of exceeding the cumulative quota referred to in clause 6.7.2 is as follows:

If an individual is offered a \$20 box of luxury chocolates three times by the same organisation or person in 12 months, the third offer makes a cumulative total of \$60. This exceeds the \$50 cumulative threshold. The third offer is therefore considered a Non-Token offer and must be refused. What counts is the total offered in the last 12 months.

6.8 Ceremonial Gifts

Ceremonial Gifts are the property of the City, irrespective of value, and should be accepted by individuals on behalf of the City. The receipt of Ceremonial Gifts should be recorded on the Gifts, Benefits and Hospitality Register within 14 days of acceptance but this information does not need to be published online.

6.9 Significant Community Events

Where attendance at a Significant Community Event is connected to the employment position of a Workplace Participant, they may accept the invite providing that:

- a) attendance does not raise an actual, potential or perceived conflict of interest;
- b) approval is granted by the Workplace Participant's Director or CEO (CEO attendance to be approved by the Mayor or Director Corporate Performance) prior to the event; and
- c) acceptance of the offer is recorded on the Gifts, Benefits and Hospitality Register.

6.10 Bribes

6.10.1 If an individual considers they have been offered a bribe or inducement, the offer must be reported to their manager, Director or Manager Governance (who reports any criminal or corrupt conduct to Victoria Police or the IBAC). The individual must also complete and lodge a Gifts, Benefits and Hospitality Declaration Form so that their refusal can be recorded.

6.10.2 If an individual believes another individual may have solicited or been offered a bribe which the other person has not reported, they must notify their manager, Director or Manager Governance in accordance with the *Public Interest Disclosure Procedure*. Alternatively, the matter can be reported to IBAC.

Providing Gifts, Benefits and Hospitality

6.11 Individuals must consider the HOST test outlined in Figure 2. below when providing Gifts, Benefit or Hospitality.

Figure 2. HOST test

H	Hospitality	To whom is the gift or hospitality being provided? Will recipients be external business associates, or individuals of the host organisation?
O	Objectives	For what purpose will hospitality be provided? Is the hospitality being provided to further the conduct of official business? Will it promote and support government policy objectives and priorities? Will it contribute to staff wellbeing and workplace satisfaction?
S	Spend	Will public funds be spent? What type of hospitality will be provided? Will it be modest or expensive, and will alcohol be provided as a courtesy or an indulgence? Will the costs incurred be proportionate to the benefits obtained?
T	Trust	Will public trust be enhanced or diminished? Could you publicly explain the rationale for providing the gift or hospitality? Will the event be conducted in a manner which upholds the reputation of the public sector? Have records in relation to the gift or hospitality been kept in accordance with reporting and recording procedures?

6.12 Gifts to external individuals or organisations will normally be symbolic, rather than financial in value.

6.13 Considerations when providing Gifts, Benefits or Hospitality

Individuals providing Gifts, Benefits or Hospitality must ensure that:

- a) any Gift, Benefit or Hospitality is provided for a business purpose in that it furthers the conduct of official business or other legitimate City goals, or promotes and supports the City's policy objectives and priorities;
- b) it does not raise an actual, potential or perceived conflict of interest;
- c) any costs are proportionate to the benefits obtained for the City, and would be considered reasonable in terms of community expectations; and
- d) when Hospitality is provided, individuals demonstrate professionalism in their conduct, and uphold their obligation to extend a duty of care to other participants.
- e) costs are contained wherever possible and expenditure complies with the financial probity and efficient use of resources guidance outlined in the *Employee Code of Conduct*.



6.14 Staff personal celebrations

- 6.14.1 Gifts, Benefits or Hospitality provided to individuals for personal celebrations will not be funded using public monies. This includes anniversaries, birthdays or improving/brightening the spirits of an individual.
- 6.14.2 Gifts for significant life events (such as births, deaths and marriages) will be managed separately under the *Significant Life Events Procedure*.
- 6.14.3 Nothing in this policy prevents individuals providing anything listed in clause 6.13.1 to a fellow individual, however it must be funded by personal donations as opposed to public funds.

Breaching this policy

- 6.15 Failure to adhere to this policy will not be tolerated and will be managed in accordance with the City's *Employee Code of Conduct* and relevant staff policies.
- 6.16 Accepting an offer of a Gift, Benefit or Hospitality that constitutes a bribe or other form of corruption, may lead to criminal prosecution.
- 6.17 The City will communicate this policy to contractors, consultants and other business associates. Those identified as acting inconsistently with this policy may be subject to contract re-negotiation, including termination.

6.18 Reporting a Breach

- 6.18.1 Individuals who consider that Gifts, Benefits and Hospitality or conflict of interest within the City may not have been declared or is not being appropriately managed should notify their manager or the Manager Governance. Individuals who believe they have observed corrupt conduct in their colleagues may also make a protected disclosure directly to IBAC.
- 6.18.2 The City will take decisive action, including possible disciplinary action, against individuals who discriminate against or victimise those who speak up in good faith.
- 6.18.3 A conflict of interest resulting from the acceptance of a Gift, Benefit or Hospitality is not always clear to those who have them. Individuals who are unsure about accepting a Gift, Benefit or Hospitality, or the application of this policy, should ask their manager or the Manager Governance for advice.

Auditing

The Governance unit will report on the Gifts, Benefits and Hospitality Register quarterly and provide a report to Organisational Leadership Team and highlight any anomalies. A review of the Gifts, Benefits and Hospitality Register will be included in the internal audit requirements.



7. ROLES AND RESPONSIBILITIES

7.1 Individuals

Individuals are responsible for ensuring:

- a) they do not seek, solicit or demand Gifts, Benefits or Hospitality for themselves or anyone else, in any form;
- b) all Non-Token Gifts, Benefits or Hospitality are declared; and
- c) they adhere to this policy.

7.2 Managers

Managers are accountable for:

- a) leading and coordinating the implementation of this policy;
- b) overseeing the management of direct reports' refusal of Non-Token Gifts, Benefits and Hospitality;
- c) receiving declarations of Gifts as provided for in this policy;
- d) modelling good practice; and
- e) promoting awareness of Gifts, Benefits and Hospitality policies and processes.

7.3 Manager Governance

Manager Governance is responsible for facilitating the implementation and review of this policy, managing the disposal of Gifts, Benefits and Hospitality under this policy, maintaining the Gifts, Benefits Register and reporting to the CEO and Audit and Risk Committee on the receipt of Gifts, Benefits and Hospitality by individuals.

7.4 CEO

The CEO is responsible for:

- a) leading the establishment and maintenance of an appropriate culture of ethics and probity throughout the organisation;
- b) maintaining ultimate responsibility for the organisation's treatment of Gifts, Benefits and Hospitality; and



- c) monitoring this policy and the Gifts, Benefits and Hospitality Register.

8. RELATED DOCUMENTS

Employees are encouraged to access the related internal documents which are available on the intranet and/or external resources which are available as per the below.

Employee Code of Conduct

Public Interest Disclosure Procedures (formerly Protected Disclosure Procedure Manual)

Conflict of Interest A Guide for City of Greater Bendigo Employees

Local Government 2020 (Vic)

Risk Management Policy

Fraud and Corruption Policy

Healthy Catering Policy

Further information or advice on this policy should be directed to Governance unit

9. HUMAN RIGHTS COMPATIBILITY

The implications of this policy have been assessed in accordance with the requirements of the Victorian Charter of Human Rights and Responsibilities.

10. ADMINISTRATIVE UPDATES

It is recognised that, from time to time, circumstances may change leading to the need for minor administrative changes to this document. Where an update does not materially alter this, such a change may be made administratively. Examples include a change to the name of a Business Unit, a change to the name of a Federal or State Government department, and a minor update to legislation which does not have a material impact. However, any change or update which materially alters this document must be made through consultation with the staff Consultative Committee and with the approval of EMT or where required, resolution of Council.

11. DOCUMENT HISTORY

Date Approved	Responsible Officer	Unit	Change Type	Version	Next Review Date
<i>Oct, 2011</i>	<i>Unknown</i>	<i>Governance</i>	<i>Develop</i>	<i>1</i>	<i>Oct, 2015</i>
<i>June, 2020</i>	<i>JCH</i>	<i>Governance</i>	<i>Review</i>	<i>2</i>	<i>June, 2024</i>
<i>June, 2020</i>	<i>JN</i>	<i>Governance</i>	<i>Administrative change</i>	<i>3</i>	<i>June, 2024</i>
<i>Mar, 2021</i>	<i>RM</i>	<i>Governance</i>	<i>Administrative change</i>	<i>4</i>	<i>June, 2024</i>