



Gifts, Benefits and Hospitality Policy

Version 2.2

Document: **Gifts, Benefits & Hospitality Policy**

Document No.: **COR-POL-001**

Process Area: **Finance**



1 Document Control

Version	Date	Amended by	Changes Made
1.0	02/03/2016	Alfonso Noutso	Initial
1.1	03/06/2016	Alfonso Noutso	Minor value adjustment
2.0	23/11/2017	Edward Howarth and Tim Hogan	AFRC Annual review
2.1	13/06/2017	Edward Howarth	Minor administrative amendments
2.2	03/09/2018	Edward Howarth	Minor administrative amendments
	17/05/2019	Academic Quality Assurance Officer	Minor administrative changes to remove reference to 'BHIG' and 'CAE'

2 Purpose

This policy states the BHI's position on:

- responding to offers of gifts, benefits and hospitality; and
- providing gifts, benefits and hospitality.

This policy is intended to support individuals and BHI to avoid conflicts of interest and maintain high levels of integrity and public trust.

BHI has issued this policy to support behaviour consistent with the *Code of Conduct for Victorian Public Sector Employees*, and the *Code of Conduct for Directors of Victorian Public Entities*.

3 Scope

This policy applies to all workplace participants. For the purpose of this policy, this includes: executives, board members, employees, contractors, consultants and any individuals or groups undertaking activity for or on behalf of BHI.

4 Policy Statement

This policy has been developed in accordance with requirements outlined in the minimum accountabilities for the management of gifts, benefits and hospitality issued by the Victorian Public Sector Commission.

BHI is committed to and will uphold the following principles in applying this policy:

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.

Accountability - individuals are accountable for:

- declaring all non-token offers of gifts, benefits and hospitality;
- declining non-token offers of gifts, benefits and hospitality, or where an exception applies under this policy, seeking approval to accept the offer; and
- the responsible provision of gifts, benefits and hospitality.

Individuals with direct reports are accountable for overseeing management of their direct reports' acceptance or refusal of non-token gifts, benefits and hospitality, modelling good practice and promoting awareness of gifts, benefits and hospitality policies and processes.

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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 will refuse any offer that may lead to an actual, perceived or potential conflict of interest.

Risk-based approach: BHI, through its policies, processes and Audit, Finance and Risk Committee, will ensure gifts, benefits and hospitality risks are appropriately assessed and managed. 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.

5 Code of Conduct

All employees are expected to conduct themselves in a manner consistent with the BHI Staff Code of Conduct.

6 Definitions

Term	Definition
Business associate	An individual or body that BHI has, or plans to establish, some form of business relationship with, or who may seek commercial or other advantage by offering gifts, benefits or hospitality.
Benefits	<p>Benefits include preferential treatment, privileged access, favours or other advantage offered to an individual. They may include invitations to sporting, cultural or social events, access to discounts and loyalty programs and promises of a new job.</p> <p>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.</p>
Ceremonial gifts	<p>Ceremonial gifts are official gifts 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.</p> <p>Ceremonial gifts are the property of BHI, irrespective of value, and should be accepted by individuals on behalf of BHI. The receipt of ceremonial gifts should be recorded on the register but does not need to be published online.</p>
Conflict of interest	<p>Conflicts may be:</p> <p>Actual: There is a <u>real conflict</u> between an employee’s public duties and private interests.</p> <p>Potential: An employee has private interests that <u>could conflict</u> with their public duties. This refers to circumstances where it is foreseeable that a conflict may arise in future and steps should be taken now to mitigate that future risk.</p> <p>Perceived: The public or a third party could reasonably <u>form the view</u> that an employee’s private interests could improperly influence their decisions or actions, now or in the future.</p>
Gifts	<p>Gifts are 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 (e.g. artwork, jewellery, or expensive pens), low value (e.g. small bunch of flowers), consumables (e.g. chocolates) and services (e.g. painting and repairs). Fundraising by BHI that is consistent with relevant legislation and any government policy is not prohibited under the minimum accountabilities.</p>



Hospitality	Hospitality is the friendly reception and entertainment of guests. Hospitality may range from light refreshments at a business meeting to expensive restaurant meals and sponsored travel and accommodation.
Legitimate business benefit	A gift, benefit or hospitality may have a legitimate business benefit if it furthers the conduct of official business or other legitimate goals of BHI, the public sector or the State.
Public official	Public official has the same meaning as section 4 of the <i>Public Administration Act 2004</i> and includes public sector employees, statutory office holders and directors of public entities.
Register	A register is a record, preferably digital, of all declarable gifts, benefits and hospitality.
Token offer	A token offer is 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). The minimum accountabilities state that token offers cannot be worth more than \$50 .
Non-token offer	A non-token offer is 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 \$50 are non-token offers and must be recorded on a gift, benefit and hospitality register.

7 Management of offers of gifts, benefits and hospitality

This section sets out the process for accepting, declining and recording offers of gifts, benefits and hospitality. Any exceptions to this process must have the prior written approval of the Chief Financial Officer.

Conflict of interest and reputational risks

When deciding whether to accept an offer, 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.

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 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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Requirement for refusing offers

Individuals should consider the GIFT test at Figure 1 and the requirements below to help decide whether to refuse an offer. Individuals are to refuse offers:

- likely to influence them, or be perceived to influence them, in the course of their duties or that raise an actual, potential or perceived conflict of interest;
- could bring them, BHI or the public sector into disrepute;
- 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:
 - made by a current or prospective supplier;
 - made during a procurement or tender process by a person or organisation involved in the process; or
- likely to be a bribe or inducement to make a decision or act in a particular way;
- that extend to their relatives or friends;
- of money, or used in a similar way to money, or something easily converted to money;
- where, in relation to hospitality and events, BHI will already be sufficiently represented to meet its business needs;
- where acceptance could be perceived as endorsement of a product or service, or acceptance would unfairly advantage the sponsor in future procurement decisions;
- made by a person or organisation with a primary purpose to lobby Ministers, Members of Parliament or public sector organisations; or
- made in secret.

If an individual considers they have been offered a bribe or inducement, the offer must be reported to the Chief Executive Officer or Chief Financial Officer (who should report any criminal or corrupt conduct to Victoria Police or the Independent Broad-based Anti-corruption Commission).

Token offers

A token offer is an offer of a gift, benefit or hospitality that is of inconsequential or trivial value to both the person making the offer and the individual. It may include promotional items such as pens and note pads, and modest hospitality that would be considered a basic courtesy, such as light refreshments during a meeting.

The minimum accountabilities state that token offers cannot be worth more than **\$50**.

Individuals may generally accept token offers without approval or declaring the offer on BHI's register, as long as the offer does not create a conflict of interest or lead to reputational damage.

Examples of token offers are: pen, diary, mouse pad, mug, coaster, conference satchel, bunch of flowers, inexpensive bottle of wine, box of chocolates, movie tickets.

Non-token offers

Individuals can only accept non-token offers if they have a legitimate business benefit. All accepted non-token offers must be approved in writing by the individual's manager or organisational delegate, recorded in the gifts, benefits and hospitality register and be consistent with the following requirements:

- it does not raise an actual, potential or perceived conflict of interest or have the potential to bring the individual, BHI or the public sector into disrepute; and

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- there is a legitimate business reason for acceptance. It is offered in the course of the individual's official duties, relates to the individual's responsibilities and has a benefit to BHI, public sector or the State.

Individuals may be offered a gift or hospitality where there is no opportunity to seek written approval from their manager 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 seek approval from their manager within five business days.

Where the gift would likely bring you or BHI into disrepute, BHI should return the gift. If it represents a conflict of interest for you, BHI should either return the gift or transfer ownership to BHI to mitigate this risk.

Recording non-token offers of gifts, benefits and hospitality

All non-token offers, whether accepted or declined, must be recorded in BHI's gifts, benefits and hospitality register. The business reason for accepting the non-token offer must be recorded in the register with sufficient detail to link the acceptance to the individual's work functions and benefit to BHI, public sector or State.

Individuals should consider the following examples of acceptable and unacceptable levels of detail to be included in BHI's register when recording the business reason:

Unacceptable

- "Networking"
- "Maintaining stakeholder relationships"

Acceptable

"Individual is responsible for evaluating and reporting on the outcomes of BHI's sponsorship of Event A. Individual attended Event A in an official capacity and reported back to BHI on the event."

"Individual presented to a visiting international delegation. The delegation presented the individual with a cultural item worth an estimated \$200. Declining the gift would have caused offence. The gift was accepted on behalf of BHI."

Access to the register is restricted to relevant persons within BHI.

BHI's Audit, Finance and Risk Committee will receive a report at least annually on the administration and quality control of the gifts, benefits and hospitality policy, processes and register. The report will include analysis of BHI's gifts, benefits and hospitality risks (including multiple offers from the same source and offers from business associates), risk mitigation measures and any proposed improvements.

The public register will contain a subset of the information detailed in BHI's internal register.

Ownership of gifts offered to individuals

Non-token gifts with a legitimate business benefit that have been accepted by an individual for their work or contribution may be retained by the individual where the gift is not likely to bring them or BHI into disrepute, and where their manager or organisational delegate has provided written approval. Employees must transfer to BHI official gifts or any gift of cultural significance or significant value.

Repeat offers

Receiving multiple offers (token or non-token) from the same person or organisation can generate a stronger perception that the person or organisation could influence you. Individuals should refuse repeat offers from the same source if they create a conflict of interest or may lead to reputational damage.

Ceremonial gifts

Ceremonial gifts are official gifts provided as part of the culture and practices of communities and government, within Australia or internationally. Ceremonial gifts are the property of the organisation, irrespective of value, and should be accepted by individuals on behalf of BHI. The receipt of ceremonial gifts should be recorded on BHI's register but this information does not need to be published online.

Hospitality provided by Victorian public sector organisations

Victorian public sector organisations may provide hospitality to stakeholders, as part of their functions. When offered hospitality by a Victorian public sector organisation, individuals should consider the requirements of the minimum accountabilities.

Accepted hospitality offered by a Victorian public sector organisation as part of official business does not need to be declared or reported, where the reason for the individual's attendance is consistent with BHI's functions and objectives and with the individual's role.

8 Management of the provision of gifts, benefits and hospitality

This section sets out the requirements for providing gifts, benefits and hospitality.

Host test

H	Hospitality	To whom is the gift or hospitality being provided? Will recipients be external business associates, or BHI employees?
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?

Requirements for providing gifts, benefits and hospitality

Gifts, benefits and hospitality may be provided when welcoming guests, to facilitate the development of business relationships, further public sector business outcomes and to celebrate achievements.

When deciding whether to provide gifts, benefits or hospitality or the type of gift, benefit or hospitality to provide, individuals must ensure:

- any gift, benefit or hospitality is provided for a business reason that furthers the conduct of official business or other legitimate BHI goals, or promotes and supports government policy objectives and priorities;
- that any costs are proportionate to the benefits obtained for the State, and would be considered reasonable in terms of community expectations (the 'HOST' test at Figure 2 is a good reminder of what to think about in making this assessment); and
- it does not raise an actual, potential or perceived conflict of interest.

Containing costs

Individuals should contain costs involved with providing gifts, benefits and hospitality wherever possible, and should comply with the financial probity and efficient use of resources guidance outlined in the *Code of Conduct for Victorian Public Sector Employees*. The following questions may be useful to assist individuals to decide on the type of gift, benefit or hospitality to provide:

- Will the cost of providing the gift, benefit or hospitality be proportionate to the potential benefits?

- Is an external venue necessary or does the organisation have facilities to host the event?
- Is the proposed catering or hospitality proportionate to the number of attendees?
- Does the size of the event and number of attendees align with intended outcomes?
- Is the gift symbolic, rather than financial, in value?
- Will providing the gift, benefit or hospitality be viewed by the public as excessive?

9 Related Legislation and Registration

9.1 Box Hill Institute

- BHI Staff Code of Conduct
- BHI's Conflict of Interest Policy
- BHI's Procurement and Tendering Policy and Procedure

9.2 External

- Minimum accountabilities for the management of gifts, benefits and hospitality
- *Public Administration Act 2004*
- Code of Conduct for Victorian Public Sector Employees
- Code of Conduct for Directors of Victorian Public Entities
- Victorian Public Sector Commission's Gifts, Benefits And Hospitality Policy Guide

10 Records

Records will be maintained in accordance with the requirements of BHI's Records Management Policy and Procedures.

Where the privacy of individuals may otherwise be compromised, records will be kept secure and confidential.

11 Breaches

Disciplinary action consistent with the relevant industrial instrument and legislation, including dismissal, may be taken where an individual fails to adhere to this policy. This includes where an individual fails to avoid wherever possible or identify, declare and manage a conflict of interest related to gifts, benefits and hospitality in accordance with the BHI's Conflict of Interest Policy.

For further information on managing breaches of this policy, please contact the Chief Financial Officer.

BHI will communicate its policy on the offering and provision of gifts, benefits and hospitality to contractors, consultants and other business associates. Those identified as acting inconsistently with this policy may be subject to contract re-negotiation, including termination.

12 Speak up

Individuals who consider that gifts, benefits and hospitality or conflict of interest within the BHI may not have been declared or is not being appropriately managed should speak up and notify their manager or the Chief Financial Officer. Individuals who believe they have observed corrupt conduct in their colleagues may also make a protected disclosure directly to the Independent Based-based Anti-corruption Commission (IBAC).

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BHI will take decisive action, including possible disciplinary action, against individuals who discriminate against or victimise those who speak up in good faith.

13 Contacts for further information

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 Chief Executive Officer or Chief Financial Officer for advice.

14 Review

This policy must be reviewed no later than one (1) year from the date of Board endorsement. The policy will remain in force until such time as it has been reviewed and re-approved or rescinded. The policy may be withdrawn or amended as part of continuous improvement prior to the scheduled review date.

15 Approval Body

This policy is issued under the authority of the Chief Executive Officer. The organisational delegate is the Chief Financial and Accounting Officer.

Owner	Author
Chief Financial and Accounting Officer	Various