

Gifts Benefits and Hospitality Policy

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Author: Manager, Governance and Compliance

Custodian: Strategic Services

Authorised by: Fire Rescue Victoria

1. INTENT

This policy states Fire Rescue Victoria's (FRV) position on:

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

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

FRV has issued this policy to support behavior consistent with the Code of Conduct for Victorian Public Sector Employees (the Code). All employees are required under clause 1.2 of the Code to comply with this policy.

2. SCOPE

This policy applies to all FRV officials. For the purpose of this policy, this includes: the Fire Rescue Commissioner, Deputy Fire Rescue Commissioners, Deputy Secretary, employees, contractors, consultants and any individuals or groups undertaking activity for or on behalf of FRV.

3. REFERENCES

Code of Conduct for Directors of Victorian Public Entities 2016

Code of Conduct for Victorian Public Sector Employees, June 2015

Gifts, Benefits and Hospitality Policy Guide – Victorian Public Sector Commission, June 2018

Independent Broad-based Anti-corruption Commission Act 2011

FRV Conflict of Interest Policy

FRV Media and Communications Procedure – Corporate Gift Giving 7000-08

FRV Protected Disclosure Policy (soon to be republished as the Public Interest Disclosures Policy)

Minimum Accountabilities (Instruction 3.4.11 of the Instructions supporting the Standing Directions of the Minister for Finance 2016)

Public Administration Act 2004

Public Interest Disclosures Act 2012

4. POLICY PRINCIPLES

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 (VPSC) (see section 5 below).

FRV 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.

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

FRV, through its policies, processes and audit 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. MINIMUM ACCOUNTABILITIES

Under the *Instructions supporting the Standing Directions of the Minister for Finance 2016*, the VPSC has set binding minimum accountabilities for the appropriate management of gifts, benefits and hospitality. These can be found at Schedule A.

6. DEFINITIONS

Business associate

An individual or body that the public sector organisation 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.

Benefit

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.

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.

Ceremonial gift

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.

Ceremonial gifts are the property of the public sector organisation, irrespective of value, and should be accepted by individuals on behalf of the public sector organisation. The receipt of ceremonial gifts should be recorded on the register but does not need to be published online.

Corrupt conduct

Conduct constituting an indictable offence against any Act, or the common law offences of attempt to pervert the course of justice, bribery of a public official, perverting the course of justice and misconduct in public office.

Conflict of interest

Conflicts may be:

Actual: There is a real conflict between an employee's public duties and private interests.

Potential: An employee has private interests that could conflict 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.

Perceived: The public or a third party could reasonably form the view that an employee's private interests could improperly influence their decisions or actions, now or in the future.

Gift

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 public sector organisations that is consistent with relevant legislation and any government policy is not prohibited under the minimum accountabilities.

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 the public sector organisation, the public sector or the State.

FRV official

Personnel employed or engaged by FRV including the Fire Rescue Commissioner, Deputy Fire Rescue Commissioners, Deputy Secretary, employees, contractors, consultants and any individuals or groups undertaking activity for and on behalf of FRV.

Public official

Public official has the same meaning as section 4 of the *Public Administration Act 2004* and includes public sector employees, statutory office holders and directors of public entities.

Public register

A public register is a record, preferably digital, of a subset of the information contained in a register, for publication as required by the minimum accountabilities.

Register

A register is a record, preferably digital, of all declarable gifts, benefits and hospitality. FRV's Registers are in the form recommended by the VPSC for Victorian public sector organisations.

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. In accordance with VPSC guidelines 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 relevant Deputy Fire Rescue Commissioner or Deputy Secretary, following approval by the direct Manager.

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 (resulting in a conflict of interest), or may lead to reputational damage. The more valuable the offer, the more likely that a conflict of interest or reputational risk exists. The following questions should be considered when deciding whether to accept an offer:

Figure 1. GIFT test

G	Giver	<p>Who is providing the gift, benefit or hospitality and what is their relationship to me?</p> <p>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?</p>
I	Influence	<p>Are they seeking to gain an advantage or influence my decisions or actions?</p> <p>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?</p>
F	Favour	<p>Are they seeking a favour in return for the gift, benefit or hospitality?</p> <p>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?</p>
T	Trust	<p>Would accepting the gift, benefit or hospitality diminish public trust?</p> <p>How would the public view acceptance of this gift, benefit or hospitality? What would my colleagues, family, friends or associates think?</p>

Requirement for refusing offers

Individuals must refuse offers that:

- are 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, FRV, or the public sector into disrepute;
- have been 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
 - made in circumstances where a member of the FRV Executive Leadership Team determines there is a conflict of interest, such that the FRV official is or may be compromised at the time or in the future in the proper performance of their duties;
- are likely to be a bribe or inducement to make a decision or act in a particular way;
- extend to their relatives or friends;
- are of money, or used in a similar way to money, or something easily converted to money, including vouchers, shares, raffle and lottery tickets;
- are made in circumstances where, in relation to hospitality and events, the organisation will already be sufficiently represented to meet its business needs;
- are made in circumstances where acceptance could be perceived as endorsement of a product or service, or acceptance would unfairly advantage the sponsor in future procurement decisions;
- are made when a tender process is in progress. Any FRV official who is involved in the evaluation of that tender must not accept any offers of gifts, benefits or hospitality, including invitations from any individual or group which may be a tenderer or prospective tenderer; and
- are made to FRV officials who are involved in procurement, tendering or negotiating contracts, regardless of value from potential or current suppliers or agents; and
- are made to FRV officials by people or organisations about whom they are likely to make decisions about enforcement, licensing or regulatory activities.
- are made by a person or organisation with a primary purpose to lobby FRV; or
- are made in secret.

If an individual considers they have been offered gift as a bribe or inducement, the offer must be reported to the Fire Rescue Commissioner or their delegate.

Criminal, corrupt or improper conduct should be reported 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 FRV's register, as long as the offer does not create a conflict of interest or lead to reputational damage.

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 FRV's Gifts, Benefits and Hospitality Register and be consistent with the following requirements:

- the offer does not raise an actual, potential or perceived conflict of interest or have the potential to bring the individual, FRV or the public sector into disrepute; and
- there is a legitimate business reason for acceptance of the offer. The offer is made in the course of the individual's official duties, relates to the individual's responsibilities and has a benefit to FRV, 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 to accept the gift within five business days.

If the gift would likely bring an individual or FRV into disrepute, it should be returned. If acceptance of the gift would result in a conflict of interest arising, the gift should be returned or ownership transferred to FRV 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 FRV'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 the benefit to FRV, public sector or State.

Individuals should consider the following examples of detail to be included in the Register when recording the business reason:

Unacceptable

- “Networking”
- “Maintaining stakeholder relationships”

Acceptable

“Individual is responsible for evaluating and reporting on the outcomes of FRV’s sponsorship of Event A. Individual attended Event A in an official capacity and reported back to FRV 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 FRV.”

Individuals should use the FRV’s Gifts Benefits and Hospitality Declaration form available on the intranet. The completed form must then be submitted to the Manager Governance and Compliance for recording in the Register.

Access to the Register is restricted to relevant FRV staff. FRV’s Audit, Risk and Compliance Committee will receive an annual report with details of the administration and quality control of the Gifts, Benefits and Hospitality Policy, processes and Register. The report will include analysis of FRV’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 FRV’s internal Register. It will reflect non-token offers.

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 FRV into disrepute, provided that the Fire Rescue Commissioner, Deputy Fire Commissioner or Deputy Secretary has provided written approval. Employees must transfer to the FRV 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 individuals or FRV. Individuals should refuse repeat offers from the same source if repeated offers 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 FRV, irrespective of value, and should be accepted by individuals on behalf of FRV. The receipt of ceremonial gifts must

be declared and recorded on FRV's Register but this information does not form part of the public register.

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 another 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, provided that the reason for the individual's attendance is consistent with FRV's functions and objectives and with the individual's FRV role.

8. Management of the provision of gifts, benefits and hospitality

This section sets out the requirements for providing gifts, benefits and hospitality. Individuals should consider the following questions before providing gifts, benefits or hospitality on behalf of FRV:

Figure 2. HOST test

H	Hospitality	<p>To whom is the gift, benefit or hospitality being provided?</p> <p>Will recipients be external business associates, or individuals of the host organisation?</p>
O	Objectives	<p>For what purpose will the gift, benefit or hospitality be provided?</p> <p>Is the gift, benefit or 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?</p>
S	Spend	<p>Will FRV funds be spent?</p> <p>What type of gift, benefit or 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?</p>
T	Trust	<p>Will public trust be enhanced or diminished?</p> <p>Could you publicly explain the rationale for providing the gift, benefit 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, benefit or hospitality been kept in accordance with reporting and recording procedures?</p>

Requirements for providing gifts, benefits and hospitality

Gifts, benefits and hospitality may be provided when welcoming guests, to facilitate the development of business relationships, to 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 organisational 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
- the gift, benefit or hospitality does not result in an actual, potential or perceived conflict of interest.

Containing costs – including staff gifts, hospitality and catering

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?
- If token gifts are given to FRV officials as a sign of gratitude recognising outcomes collectively achieved by a team or a committee then, as far as is reasonable and practical, such gifts are to be "pooled" and shared among the team or committee.
- On occasion, FRV may wish to recognise significant staff achievements and provide token gifts as part of:
 - a reward and recognition event; and
 - acknowledging length of service milestones and/or retirements.

Staff acknowledgement – flowers, cards, funeral expenses

A token gift, such as a card and/or flowers up to the value of \$200, may be sent to family members in the event of a staff member's death. This may also help their colleagues with their bereavement.

Contributions to staff funeral expenses must not be funded by FRV.

Gifts given for other occasions in celebration of events such as birthdays, marriages, or the birth of children must not be funded by FRV.

Funds sourced from 'staff collections' does not constitute funding by FRV.

All non-token gifts given to FRV staff will be recorded in FRV's Gifts Benefits and Hospitality Register in accordance with requirements under the *Financial Management Act 1994*.

Hospitality and Catering Pre-approval

Staff are required to seek approval from their manager and relevant Fire Rescue Commissioner, Deputy Fire Rescue Commissioner or Deputy Secretary when issuing Non-Token gifts to staff funded by FRV.

In the case of hospitality and catering, employees must seek written pre-approval from their manager and relevant Deputy Fire Rescue Commissioner or Deputy Secretary via the Hospitality and Catering Pre-approval Form.

Alcohol

The provision of alcohol at FRV functions should be relatively uncommon. FRV events with alcohol service should not exceed two hours in duration. No more than two standard drinks per person should be provided. Alcohol should be incidental to the overall level of hospitality provided.

An FRV event where alcohol is served should be held at a time (e.g. late afternoon or early evening) that minimises the risk of attendees returning to work impaired by alcohol. Health and safety and liquor laws must be complied with in the provision of alcohol.

Professional conduct

An FRV official who extends or receives hospitality must demonstrate professional conduct at all times and must uphold their obligation to extend a duty of care to others. They must comply with the Code of Conduct for Victorian Public Sector Employees and must not be impaired by alcohol whilst in the workplace and/or when representing the department or performing any other duties. FRV operational staff are bound by the relevant General Order governing the use of alcohol.

9. BREACHES

Disciplinary action consistent with the MFESB and UFU Operational Staff Agreement 2016 and the MFESB and UFU Corporate and Technical Staff Agreement 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 FRV's Conflict of Interest Policy.

Actions inconsistent with this policy may constitute misconduct under the *Public Administration Act 2004*, which includes: breaches of the binding Code of Conduct

for Victorian Public Sector Employees such as sections of the Code covering conflict of interest, public trust and gifts and benefits; and individuals making improper use of their position.

For further information on managing breaches of this policy, please contact the Manager, Governance and Compliance.

FRV 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.

10. SPEAK UP

Individuals who consider that gifts, benefits and hospitality or conflict of interest within FRV may not have been declared or is not being appropriately managed should speak up and notify their manager or relevant Deputy Fire Rescue Commissioner or Deputy Secretary. 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).

FRV is committed to creating and maintaining an ethical and transparent culture that encourages and facilitates disclosures about improper and corrupt conduct. Any person making a protected disclosure will be afforded support and protection from reprisals. Disclosures will be reviewed and investigated thoroughly and impartially, and confidentiality will be maintained at all times.

If anyone wishes to make a disclosure about FRV or an employee or officer of FRV, and wishes for that disclosure to be protected, they must make the disclosure directly to IBAC and not to FRV. IBAC's contact details are:

IBAC

Level 1, North Tower, 459 Collins Street,
Melbourne, VIC 3001

Postal address:

IBAC
GPO Box 24234,
Melbourne, VIC 3001

Phone: 1300 735 135

Website: www.ibac.vic.gov.au

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

11. DOCUMENTS

- Gifts Benefits and Hospitality Declaration form
- Hospitality and Catering Pre-approval form
- Gifts Benefits and Hospitality Register
- Gifts Benefits and Hospitality Public Register
- Register of Corporate Gifts (*Media and Communications*)

12. VERIFICATION

Document Change Control History			
Version No.	Approval to implement	Resolution #	Nature of amendment
4	01/07/2020	ED Strategic Services approval	Minor changes to reflect the move to FRV effective 1 July 2020. Minor changes made in accordance with FRV's Policy Development and Review Procedure.
3	28/01/2020	TBA	Changes and the addition of a new form. Annual review incorporating Victorian Public Sector Commission updates and opportunities identified by staff for improvement i.e. what public monies can be used for. A new Catering and Hospitality Pre-approval form to provide guidance to staff about requesting catering and hospitality for internal purposes.
2	24/09/2018	BRD No. 189/2016	Annual review. Aligning the Policy to the Victorian Public Sector Commission's guidelines and model policy.
1	24/08/2012	BRD No. 186/2012	Introduction of a Gifts Benefits and Hospitality Policy to the organisation.