

Gifts, Benefits and Hospitality Policy

What it's about

The purpose of this policy is to guide and support VMIA employees including directors, contractors and consultants (collectively referred to as employees in this policy) on:

- how to **respond** to offers of gifts, benefits and hospitality;
- the **declaration, record keeping and reporting requirements** when a gift, benefit and/or hospitality has been offered to or accepted by an employees; and
- how to **provide** gifts, benefits and hospitality.

This policy does not apply to hospitality offered by public sector organisations where it is offered as part of official business and/or where the reason for attendance is consistent with the organisation's functions and objectives, and within the employee's role.

Our guiding principles

The way we respond to offers of gifts, benefits and hospitality is critical to earning and sustaining the trust of the Victorian community. Our stakeholders should be confident that we perform our duties responsibly when we accept or provide gifts or hospitality in the course of our work. Similarly, as public officials, we have a duty to conduct ourselves in accordance with the highest standards of integrity, impartiality and accountability.

In addition to the minimum accountabilities for the management of gifts, benefits and hospitality issued by the Victorian Public Sector Commission, VMIA is committed to upholding the following principles in applying this policy:

- **Public Interest:** employees have a duty to place the public interest above their private interests when carrying out their work. They will not accept gifts, benefits or hospitality that could raise a perception of, or result in actual preferential treatment. Employees will not accept offers from parties where business decisions are pending or likely to occur.
- **Accountability:** all employees are accountable for:
 - Declaring all significant offers or receipts of gifts, benefits and hospitality;
 - Declining significant offers or receipt 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.

Employees with direct reports are responsible for overseeing management of their direct reports' acceptance or refusal of significant gifts, benefits and hospitality, modelling good practice and promoting awareness of this policy.

What's expected?

Insignificant gifts, benefits or hospitality

An insignificant gift, benefit or hospitality is an item of inconsequential or trivial value to both the person making the offer and the VMIA employees. It may include promotional items such as pens and note pads, and modest hospitality which would be considered a basic courtesy, such as coffees and sandwiches offered during a meeting.

Key factors determining an insignificant gift, benefit or hospitality are that:

- it would not be perceived within or outside the organisation as influencing an employee/s;
- it would not raise an actual, potential or perceived conflict of interest; and
- its value is not more than \$50 (inc GST).

Employees should be aware of multiple offers of insignificant gifts, benefits and hospitality made by the same person or organisation, however, cumulative offers are not required to be recorded in the declaration of VMIA's gifts, benefits and hospitality register.

Employees may accept insignificant gifts, benefits and/or hospitality without approval or declaration on VMIA's gifts, benefits and hospitality register.

Employees **should decline** any offers of gifts, benefits and/or hospitality including any that can be made with money, or easily converted to money made by a business associate, or a current or prospective supplier involved in the process, that is made during a procurement or tender process.

Employees **should decline** any offers of gifts, benefits and/or hospitality made by money, used in a similar way to money, or easily converted to money (e.g. gift cards and vouchers).

Ceremonial gifts

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

Significant gifts, benefits and hospitality

A significant gift, benefit or hospitality is an item that may be perceived by the recipient, the person making the offer or by the wider community, to be of more than inconsequential value. An example is tickets to major sporting events. All offers worth more than \$50 are significant offers and must be recorded on VMIA's gift, benefit and hospitality register. Employees should consider the below requirements and GIFT test to help respond to offers of significant gifts, benefits and hospitality.

Gifts worth more than \$50 which are perishable or otherwise shareable, such as a basket of food including biscuits or fruit can be accepted and recorded on the register with a note detailing from whom the gift was received and that it was shared with staff or shared with a named charity.

Requirements for accepting significant gifts, benefits and hospitality

There will be occasions where there is a legitimate business reason for accepting a significant gift, benefit or hospitality. All accepted significant gifts, benefits and hospitality must be approved by an Authorised Approver (see below), recorded in VMIA's gifts, benefits and hospitality register and be consistent with the following requirements:

1. it does not raise an actual, potential or perceived conflict of interest or have the potential to bring the employee, the VMIA or the public sector into disrepute. The more valuable the offer, the more likely that a conflict of interest or reputational risk exists (the 'GIFT' test at Table 1 is a good reminder of what to think about in making this assessment); and
2. there is a legitimate business reason for acceptance. This may be demonstrable where, it is offered in the course of the employee's duties, relates to the employee's responsibilities and has a benefit to the VMIA, public sector or the State.

Table 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 contractors, 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 an insignificant token of appreciation or valuable significant offer? Does its timing coincide with a decision I am about to make or endorse a product or service?
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?

Who are the Authorised Approvers?

No gifts, benefits or hospitality equal to or greater than the value of \$50 are to be received by employees without the approval of an authorised approver.

Recipient Authorised Approver

Chairperson of the Board	Chairperson of the Audit Committee
Directors and the CEO Executive	Chairperson of the Board or Chairperson of the Audit Committee CEO
All other employees	Manager

Declaration

A *Gifts, Benefits and Hospitality Declaration Form* must be completed as soon as practicable after an employee is offered or receives a significant gift, benefit or hospitality. The completed form is to be submitted to the Compliance Specialist to record in VMIA's gifts, benefits and hospitality register.

Recording significant gifts, benefits and hospitality

The Compliance Specialist will record all significant gifts, benefits and hospitality, whether accepted or declined, in VMIA's gifts, benefits and hospitality register. The business reason for accepting the significant offer must be recorded in the register and should link to the employee's work functions and benefit to the VMIA, public sector or State.

Reporting

The Audit Committee will receive a report every 12 months on the administration of the gifts, benefits and hospitality policy, processes and register.

Bribes and inducements and attempts to make these offers are prohibited and must be reported to the Corporate Secretary or CEO who will report any criminal or corrupt conduct to Victoria Police or the Independent Broad-based Anti-corruption Commission (IBAC).

How to provide gifts, benefits and hospitality

Gifts, benefits and hospitality may be provided to welcome guests, facilitate business relationships, further public-sector business outcomes and to celebrate achievements. **The provisions for recognition and reward of VMIA employees are contained in the [Employee Gift Reward and Recognition Policy](#).**

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

1. any gift, benefit or hospitality is provided for a business reason in that it furthers the conduct of official business or other legitimate organisational goals, or promotes and supports government policy objectives and priorities;
 2. any costs are proportionate to the benefits obtained for VMIA, the public sector and/or the State, and would be considered reasonable in terms of community expectations (the 'HOST' test at Table 2 is a good reminder of what to think about when making this assessment); and
 3. it does not raise an actual, potential or perceived conflict of interest.
4. The requirements for declaring a conflict of interest are contained in the [Conflict of Interest Policy \(vmia.vic.gov.au\)](#)

The HOST Test provides guidance on the matters to consider before providing gifts, benefits or hospitality.

Table 2. HOST Test

H	Hospitality	To whom is the gift or hospitality being provided? Will recipients be external business partners, or VMIA employees?
O	Objectives	For what purpose will the gift or hospitality be provided? Is the gift 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?
S	Spend	Will public funds be spent? What type of gift 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?
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?

Containing / controlling expenditure

The cost incurred should be relative to the importance of the participants or potential benefits accrued to the VMIA. This means ensuring that hospitality costs are kept to a minimum and catering/entertainment arrangements are appropriate for the nature of the event. Employees should comply with the financial probity and efficient use of resources guidance outlined in the Code of Conduct for Victorian Public Sector Employees or Directors of Public Entities.

The following questions may be useful to assist employees to decide 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?

- Will providing the gift, benefit or hospitality be viewed by the public as excessive?

Employees are also responsible for communicating this policy on the offering and provision of gifts, benefits and hospitality to contractors, consultants and other business associates.

Corporate Hospitality

In all cases, corporate hospitality should be modest and prudent and demonstrate responsible use of public funds. All provisions of hospitality must be approved by an Authorised Approver (see above).

The primary purpose of corporate hospitality (such as a client lunch or catering provided at VMIA training) is to foster the strategic and operational goals of the VMIA. It may include people from the private sector, government and academic sectors as well as those who have provided services to the VMIA either at no charge or at an insignificant cost, to show appreciation for their time and effort.

Such hospitality may occur in the workplace, at seminars, conferences or in restaurants and other venues, and are characterised by the provision of meals and/or beverages. This hospitality must also be at a cost and in a form and manner that is appropriate to the nature of that interest and business purpose.

Employees must ensure that when hospitality is provided, participants adhere to the following:

- Demonstrate professionalism in their conduct
- Uphold their obligation to extend a duty of care to other participants

Responsible serving of alcohol

The supply of alcohol of any value at an event hosted by VMIA must be considered on a case-by-case basis and requires prior approval by the CEO or in the case of Board / Director events the approval of the Chairperson.

When providing alcohol at an event, the VMIA event organiser(s) must be aware of the requirements regarding the responsible serving of alcohol.

Speak Up

Employees who become aware of gifts, benefits and hospitality or a conflict of interest that may not have been declared or is not being appropriately managed should speak up and notify their manager or the Compliance Specialist.

Employees will be provided with support when reporting any instances of gift or benefits not declared and their disclosures will be treated in confidence to protect their personal privacy as much as possible.

Employees 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).

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

Consequences of non-compliance

Disciplinary action may be taken where an employee fails to declare gifts, benefits or hospitality. This includes failing to avoid wherever possible or identify, declare and manage a conflict of interest related to gifts, benefits and hospitality in accordance with VMIA's Conflict of Interest Policy. Action inconsistent with this policy may also constitute misconduct under the *Public Administration Act 2004* and where appropriate may result in disciplinary action. In some circumstances, a breach may constitute criminal or corrupt conduct".

This policy was last updated in June 2024, as per the Gifts Benefits and Hospitality Policy guidance, the next review of this policy is due in June 2027

Need more information?

For further guidance on the policy, also refer to:

- [Conflict of Interest Policy](#)
- [Employee Gifts, Reward and Recognition Policy](#)
- [Procurement Policy and Guidelines](#)
- [VPSC Gifts, Benefits and Hospitality Guide](#)
- [Public Administration Act 2004 \(Vic\)](#)
- [Code of Conduct for Victorian Public Sector Employees](#)
- [Code of Conduct for Directors of Victorian Public Entities](#)

For more information contact the Chief Operating Officer & Corporate Secretary or the Compliance Specialist.

Schedule A - Definitions

Definition	Explanation
Business associate	An external employee or entity which the organisation has, or plans to establish, some form of business relationship, or who may seek commercial or other advantage by offering gifts, benefits or hospitality.
Benefits	Include preferential treatment, privileged access, favours or other advantage offered to an employee. 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 employee, they may be used to influence the employee's behaviour.
Bribes	Dishonestly persuade (someone) to act in one's favour by a gift of money or other inducement
Conflicts of interest	
<i>Actual conflict of interest:</i>	There is a <u>real conflict</u> between an employee's public duties and private interests.
<i>Potential conflict of interest:</i>	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.
<i>Perceived conflict of interest:</i>	The public or a third party could <u>form the view</u> that an employee's private interests could improperly influence their decisions or actions, now or in the future.
Gifts	Are free or discounted items and any item that would generally be seen by the public as a gift. These include items of high value (e.g. artwork, jewellery, or expensive wines), low value (e.g. small bunch of flowers) and consumables (e.g. chocolates).
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.
Inducement	a thing that persuades or leads someone to do something
Legitimate business benefit	Gifts, benefits and hospitality accepted or provided for a business purpose, in that it furthers the conduct of official business or other legitimate goals of the organisation, public sector or State.
Public official	Has the same meaning as under section 4 of the Public Administration Act 2004. This includes public sector employees, statutory office holders and directors of public entities.
Register	Is a record of all declarable gifts, benefits and hospitality. It records the date an offer was made and by whom, the nature of the offer, its estimated value, the raising of any actual, potential or perceived conflicts of interest or reputational risks and how the offer was managed. For accepted offers, it details the business reason for acceptance and the officer approving the acceptance.
Insignificant gifts, benefits and hospitality	Is a gift, benefit or hospitality that is offered as a courtesy or is of inconsequential or trivial value to both the person making the offer and the employee. Whilst the primary determinant of an insignificant gift, benefit and hospitality is that it would not be reasonably perceived within or outside the organisation as influencing an employee or raising an actual, potential or perceived conflict of interest, it cannot be worth more than \$50.
Significant gifts, benefits and hospitality	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 significant offers and must be recorded on a gift, benefit and hospitality register.

Schedule B - Gifts, Benefits and Hospitality Declaration Form

This declaration form supports the VMIA's Gifts, Benefits and Hospitality Policy. Employees must declare all significant **offers of gifts, benefits and hospitality** (whether accepted or declined) and seek approval from their Authorised Approver to **accept any significant offer**.

Employee to complete	
1. Declaration date	
2. Name, position and unit/division	
Details of the gift, benefit or hospitality	
3. Date offered	
4. Describe the gift, benefit or hospitality offered	
5. Estimated or actual value	
6. Offered by (name of employee/organisation making the offer)	
7. Is the person or entity making the offer a business associate of the organisation? (Y/N) If yes, describe the relationship between them and the organisation. If no, describe the relationship between you and the person or organisation making the offer.	
8. Reason for making the offer	
9. Would accepting the offer: a) create an actual, potential or perceived conflict of interest (Y/N); or b) bring you, the organisation or the public sector into disrepute (Y/N)? If either is answered YES, then the offer must be declined in accordance with this policy	<i>Detail of conflict of interest:</i>
10. Is there a legitimate business benefit to the organisation, public sector or State for accepting the offer, i.e. does it meet the following: a) it was offered during the course of your official duties (Y/N); and b) it relates to your official responsibilities (Y/N); and c) it has a benefit to the organisation, public sector or State (Y/N). If NO then offer must be declined If YES then the business benefit must be detailed, in accordance with this policy.	<i>Detail of business benefit:</i>
11. Is the offer an official or ceremonial gift provided when conducting business with official delegates or representatives from: a) another organisation; and b) the community; and c) a foreign government?.	<i>If YES, then please provide details</i>
12. Detail decision regarding ownership of offers (i.e. specify whether retained gift; transferred to organisation's ownership; returned to offeror; donated to charity etc.)	
13. I accepted the offer: (Y/N)	Signature: Date:

Cumulative offers	
14. Are you aware of previous offers to you or others at VMIA by this individual or organisation within the last 12 months? (Y/N)	

Authorised Approver to complete if offer is accepted	
1. Name, position and unit/division	
2. I have reviewed this declaration form and, confirm that, to my knowledge, acceptance of this offer: <ul style="list-style-type: none"> a) does not raise an actual, potential or perceived conflict of interest for the employee or myself; and b) will not bring the employee, myself, the organisation or the public sector into disrepute; and c) will provide a clear business benefit to the organisation, the public sector or the State. 	Signature: Date:

Completed form to be submitted to the Compliance Specialist for inclusion on the VMIA gifts, benefits and hospitality register.

To be completed by Compliance Specialist	
Gifts Register updated:	Date: