

Provision of Gifts, Benefits and Hospitality

Key Words

gifts – benefits – hospitality – conflict of interest – integrity – offer – declaration – register – private – token – present – prize – presenter – door – contribution – reward – charity – bonus – donation – giveaway – grant – endowment – souvenir – subsidy – tribute – favor – allowance – free – goodie – profit – aid – asset – perk – gain – extras – cordial – generous – accommodation – entertainment – event – hospitableness – welcome – oblige – protocol – function – speech – address – grateful

Preamble

This business rule supports CFA's *Gifts, Benefits and Hospitality Corporate Policy* and aims to ensure that CFA staff and volunteers are aware of and able to comply with their obligations, responsibilities and duties associated with providing gifts, benefits and hospitality in the course of their CFA duties.

Introduction

Definitions

(Note: Commonly defined terms are located in the CFA Policy Dictionary)

Benefits means preferential treatment, privileged access, favours or other advantages offered to an individual. This may include invitations to sporting, cultural or social events, access to discounts and loyalty programs (that are not part of a corporate scheme), 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.

Business Associate means an external individual or entity which CFA has, or plans to establish, some form of business relationship, or who may seek commercial or other advantage by offering gifts, benefits or hospitality.

CFA staff means a person who is directly employed by CFA, including those employees on a fixed term or casual employment contract, consultancy or contractor and also includes members of the Authority (the Board).

CFA volunteer means an officer or member who receives no remuneration for their services in relation to a brigade, but does not include an officer or member of an industry brigade.

Community event means an occasion at which hospitality is provided that is open to the public outside CFA staff and volunteers and their immediate families, whether the event is open to the general public or restricted to a particular group (e.g. students at a primary school, attendees at a community safety meeting)

Conflict of interest *Actual Conflict* means there is a real conflict between an employee's public duties and private interests whilst *Potential Conflict* means an employee has a private interest 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 and *Perceived Conflict* means the public or a third party could form the view that an employee's private interests could improperly influence their decisions or actions, now or in the future.

Gift/s means 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 or jewellery), low value (e.g. a small bunch of flowers), consumables (e.g. chocolate) or money, something used in a similar way to money (e.g. a gift card or voucher) or something easily converted to money. This does not impact on the ability of CFA to fundraise, fundraising that is consistent with legislation and policy is not prohibited.

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

Legitimate Business Benefit means gifts, benefits and hospitality accepted or provided for a business purpose, in that it furthers the conduct of official business or other legitimate goals in CFA, the public sector or the State.

Offer means any expression or advancement of a gift, benefit or hospitality to CFA staff or volunteers in their capacity as a representative of CFA by an external individual or organisation. All offers (excluding token hospitality) must be declared using the declaration form.

Public Monies means all monies received or receivable by CFA in support of or in connection with its objectives, and includes all public and brigade funds.

Register means a central 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

Social event means an occasion or gathering where hospitality may be provided for activities other than CFA's operations, service delivery or administration of a brigade, which is open only to CFA staff and/or volunteers and their immediate families.

Token offer means an offer of a gift, benefit or hospitality that is offered as a courtesy and is of inconsequential or trivial value to both the person making the offer and the individual. The primary determinant of a token offer is that it would not be reasonably perceived within or outside CFA as influencing an individual or raising an actual, potential or perceived conflict of interest, it cannot be worth more than \$50. If token offers are made often by the same person or organisation, the cumulative value of the offers, or the perception that they may influence the recipient, may result in the offers becoming non-token

Non-token offer means an offer of 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.

CFA Executive policy document

1. CFA's Gifts, Benefits & Hospitality Corporate Policy.

Who does this business rule apply to

2. This business rule applies to all CFA staff, including consultants, contractors, and staff on fixed term or casual employment contracts and volunteers.

When this business rule applies

3. This business rule applies to CFA staff and volunteers expending public monies for the provision of gifts, benefits and/or hospitality while acting in their official capacity/role or representing the organisation.

When this business rule does not apply

4. This business rule does not apply to CFA staff and volunteers acting outside of their work commitments or representations and does not relate to offers of gifts, benefits or hospitality between colleagues or contained within personal relationships.
5. This business rule does not apply to CFA staff and volunteers purchasing gifts, benefits and hospitality when not using public monies.

Purpose

6. This Business Rule provides guidance to CFA staff and volunteers on providing gifts, benefits and hospitality. CFA expects staff and volunteers to apply this Business Rule and the VPSC Minimum Accountabilities in *good faith*.

Minimum Accountabilities

7. The Victorian Public Sector Commission has set binding minimum accountabilities (Schedule A) for the appropriate management of gifts, benefits and hospitality.

Provision of Gifts, Benefits and Hospitality

8. CFA may provide gifts, benefits and hospitality using public monies to welcome guests, facilitate the development of business relationships, further public sector business outcomes and to celebrate achievements.
9. When deciding whether to provide gifts, benefits or hospitality, or the type of gift, benefit or hospitality to provide, CFA staff and volunteers must ensure that:
 - a) 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;
 - b) any costs are proportionate to the benefits obtained for the State, and would be considered reasonable in terms of community expectations; and
 - c) it does not raise an actual, potential or perceived conflict of interest.
10. CFA staff and volunteers should ensure costs are contained appropriately when they are using public monies to provide gifts, benefits and hospitality. The following questions may be useful in determining if it is appropriate to provide gifts, benefits and/or hospitality:
 - a) Will the cost of providing the gift, benefit or hospitality be proportionate to the potential benefits?
 - b) Is an external venue necessary or does CFA have facilities to host the event?
 - c) Is the proposed catering or hospitality proportionate to the number of attendees?
 - d) Does the size of the event and number of attendees align with intended outcomes?
 - e) Will providing the gift, benefit or hospitality be viewed by the public as excessive?
11. There is no requirement to seek approval or declare spending public monies on gifts, benefits or hospitality under this Business Rule. Standard organisational procedure should be followed to ensure that correct approval within the appropriate delegation is obtained prior to providing gifts, benefits or hospitality.
12. The HOST Test can be a helpful guide for determining when it is appropriate to provide gifts, benefits or hospitality.

Table 2. HOST Test

H	Hospitality	<p>To whom is the gift or hospitality being provided?</p> <p>Will recipients be external business partners, or individuals of the host organisation?</p>
O	Objectives	<p>For what purpose will hospitality be provided?</p> <p>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?</p>
S	Spend	<p>Will public funds be spent?</p> <p>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?</p>
T	Trust	<p>Will public trust be enhanced or diminished?</p> <p>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?</p>

Breaches

13. CFA expects all staff and volunteers to comply with the Business Rule and the VPSC Minimum Accountabilities in good faith. Where a breach occurs, if staff and volunteers are acting in good faith no disciplinary action will be taken.
14. Disciplinary action consistent with relevant industrial agreements and legislation, including dismissal, may be taken where CFA staff or volunteers fail to comply with this business rule. This includes where CFA staff or volunteers fail to avoid wherever possible or identify, declare and manage a conflict of interest related to gifts, benefits and hospitality in accordance with CFA's *Integrity Policy - Conflict of Interest and Private Interests*.
15. Actions inconsistent with this policy may constitute misconduct under the *Public Administration Act 2004*, which includes:
 - a) breaches of the binding Code of Conduct for Victorian Public Sector Employees, such as section 3.7 – Conflict of Interest, section 3.9 – Public Trust, and section 4.2 – Gifts and Benefits; and
 - b) individuals making improper use of their position.

Speak Up

16. CFA staff and volunteers who consider that gifts, benefits and hospitality or conflicts of interest within CFA may not have been declared or are not being appropriately managed should *speak up* and notify their manager or the Gifts Officer as soon as possible.
17. CFA will take decisive action, including possible disciplinary action, against individuals who discriminate or victimise those who *speak up* in good faith.

Contacts for Further Information

18. CFA staff and volunteers who require more information, explanation or are unsure about any of the points raised under this business rule should ask their manager or send an enquiry to gifts@cfa.vic.gov.au for advice.

Approvals & Administration Features

Related CFA Strategic and/or Executive Policy, *business rules* or other supporting documentation

19. This business rule was endorsed by the CFA Executive on 5 July 2018.

Business rule status

20. This business rule was endorsed by the CFA Executive on 5 July 2018.

21. *This business rule was approved by General Counsel.

22. This business rule was approved on 24 July 2018.

23. This business rule is effective from 24 July 2018.

Modification and review

24. This business rule is due for review on 23 July 2020.

25. The Gifts Officer is responsible for reviewing this business rule.

Advice/Record of endorsement and approval (& evidence assurance)

26. All business rules must be made available via CFA's intranet and/or brigades on line (as appropriate).

27. The Gifts Officer has arranged for the upload via CFA's intranet and/or brigades on line of the approved business rule and must provide advice of its approval to the defined audience.

28. The Gifts Officer must provide a copy of the approved business rule and evidence of its approval to CFA's Executive Officer Policy & Governance - Sapphire Christofilos - (ext 8772 or via email s.christofilos@cfa.vic.gov.au) within 2 business days of obtaining approval for the business rule.

29. CFA's responsible Executive member must maintain evidence of the Executive endorsement (Executive meeting date and meeting minute extract of endorsement) and approval (e.g. email).

30. This evidence must be arranged and maintained by the Executive member responsible for this business rule and must be provided to auditors and other relevant officer's upon request.

Further Information

31. Contact the Gifts Officer – Stephanie McCall – for further information about this business rule via ext 8296 or email gifts@cfa.vic.gov.au

Schedule A

Victorian Public Sector Commission's minimum accountabilities

Public officials offered gifts, benefits and hospitality:

1. Do not, for themselves or others, seek or solicit gifts, benefits and hospitality.
2. Refuse all offers of gifts, benefits and hospitality that:
 - (a) are money, items used in a similar way to money, or items easily converted to money;
 - (b) give rise to an actual, potential or perceived conflict of interest;
 - (c) may adversely affect their standing as a public official or which may bring their public sector employer or the public sector into disrepute; or
 - (d) are non-token offers without a legitimate business benefit.
3. Declare all non-token offers (valued at \$50 or more) of gifts, benefits and hospitality (whether accepted or declined) on their organisation's register, and seek written approval from their manager or organisational delegate to accept any non-token offer.
4. Refuse bribes or inducements and report inducements and bribery attempts to the head of the public sector organisation or their delegate (who should report any criminal or corrupt conduct to Victoria Police or the Independent Broad-based Anti-corruption Commission).

Public officials providing gifts, benefits and hospitality:

5. Ensure that any gift, benefit and hospitality is provided for a business purpose in that it furthers the conduct of official business or other legitimate organisational goals, or promotes and supports government policy objectives and priorities.
6. Ensure that any costs are proportionate to the benefits obtained for the State, and would be considered reasonable in terms of community expectations.
7. Ensure that when hospitality is provided, individuals demonstrate professionalism in their conduct, and uphold their obligation to extend a duty of care to other participants.

Heads of public sector organisations:

8. Establish, implement and review organisational policies and processes for the effective management of gifts, benefits and hospitality that comprehensively address these minimum accountabilities.
9. Establish and maintain a register for gifts, benefits and hospitality offered to public officials that, at a minimum, records sufficient information to effectively monitor, assess and report on these minimum accountabilities.
10. Communicate and make clear within the organisation that a breach of the gifts, benefits and hospitality policies or processes may constitute a breach of binding codes of conduct and may constitute criminal or corrupt conduct, and may result in disciplinary action.
11. Establish and communicate a clear policy position to business associates on the offering of gifts, benefits and hospitality to employees, including possible consequences for a business associate acting contrary to the organisation's policy position. This must take into consideration any whole of Victorian Government supplier codes of conduct.
12. Report at least annually to the organisation's audit committee on the administration and quality control of its gifts, benefits and hospitality policy, processes and register. This report must include analysis of the organisation's gifts, benefits and hospitality risks (including repeat offers from the same source and offers from business associates), risk mitigation measures and any proposed improvements.
13. Publish the organisation's gifts, benefits and hospitality policy and register on the organisation's public website (applies only to organisations with an established website). The published register should cover the current and the previous financial year.

Frequently Asked Questions –

Provision of gifts, benefits and hospitality

The below Frequently Asked Questions are designed to support CFA staff and volunteers to make good decisions when providing gifts, benefits or hospitality. They should be read together with the *Provision of Gifts, Benefits and Hospitality Business Rule* (available on CFA's Intranet and Brigades Online) which provides other useful guidelines for determining the appropriateness of providing gifts, benefits and hospitality.

Q: *Can I still provide catering at meetings?*

A: If it is appropriate due to the nature and timing of the meeting (for example, if it's being held in the evening and will likely run over dinner time) then hospitality can be provided. CFA staff and volunteers should also consider options to contain costs when providing hospitality during meetings. One easy way to contain costs is to avoid holding meetings over meal times where possible.

Q: *Can my brigade still host an annual dinner for brigade members and invite brigade members, their partners and/or families, community members, Operations Managers, Board members etc.?*

A: Yes, annual dinners are an important part of recognising the work that volunteers do all year round. CFA staff and volunteers coordinating annual dinners should turn their minds to the *Provision of Gifts, Benefits and Hospitality Business Rule* and consider options to contain costs of events to an appropriate level in line with community expectations.

Q: *Can my brigade still pay to host events for our community, like Santa Runs on the truck or fair days at the local school?*

A: Events can be paid for by CFA if they contribute to CFA's goals. If your brigade believes that running these kinds of events promotes CFA's objectives (for example by encouraging community engagement or increasing brigade membership) then they can be paid for by CFA. CFA staff and volunteers coordinating these kinds of events should consider options to contain costs.

Q: *Can my **brigade** pay for an end of year recognition event to thank our volunteers and their families?*

A: If your brigade believes that this kind of event will promote CFA's goals (for example, respect for volunteers and community engagement) then they can be paid for by CFA. CFA staff and volunteers coordinating these kinds of events should consider options to contain costs.

Q: *Can my **department** pay for an end of year function for our staff members?*

A: The Victorian Public Sector Commission has advised that they do not deem staff end of year functions as contributing to organisational goals. Social events for CFA staff must be paid for by the staff members, and should not be paid for by CFA.

Q: *Can my brigade pay for something small like flowers or a card to send to a **volunteer colleague** to express sympathy (such as for sickness or loss of a loved one) or celebration (such as a marriage, birth of a child or a promotion/retirement)?*

A: If your brigade believes that this kind of even will promote CFA's goals (for example, respect for volunteers and volunteer retention) then they can be paid for by CFA. These kinds of purchases should be kept to a minimum, and if your brigade is going to make this kind of purchase you should consider options to contain costs.

Q: *Can my department pay for something small like flowers or a card to send to a **staff colleague** to express sympathy (such as for sickness or loss of a loved one) or celebration (such as a marriage, the birth of a child or a promotion/retirement)?*

A: The Victorian Public Sector Commission has advised that they do not deem these kinds of gifts to staff members as contributing to organisational goals. These kinds of items should be paid for personally, and should not be paid for by CFA. The only exception is honours and awards for service to CFA, for example a plaque presented to a staff members who is retiring after a significant period of service. Staff members should consult the appropriate policies and procedures for honours and awards.