

Responding to Offers 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 responding to the offer of 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.

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.

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

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 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 the Board), including consultants, contractors, and staff on fixed term or casual employment contracts and CFA volunteers.

When this business rule applies

3. This business rule applies to CFA staff and volunteers acting in their official capacity/role or representing the organisation who have been offered a gift, benefit or hospitality and outlines the required responses for such circumstances.
4. This business rule applies in circumstances where an offer is made to CFA staff and volunteers acting in their official capacity/role or representing the organisation but is instead accepted (*or taken up*) by the CFA staff or volunteer's family member/s and or friends.

Case Study Example:

ABC Corporation sends 2 tickets to the Grand Prix to a CFA staff or volunteer. The CFA staff or volunteer does not go to the event, but their brother and girlfriend attend and go to the Grand Prix instead. This is an unacceptable practice and would likely give rise to an internal investigation and carry consequences.

When this business rule does not apply

5. 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/acceptance of gifts, benefits or hospitality between colleagues or contained within personal relationships and funded personally.
6. This business rule does not apply to CFA staff and volunteers receiving gifts, benefits and hospitality provided and funded by CFA.
7. This business rule does not apply to CFA staff and volunteers fundraising in line with legislation and CFA policy.
8. This business rule does not apply to CFA staff and volunteers receiving donations on behalf of CFA in line with legislation and CFA policy.

Purpose

9. This Business Rule provides guidance to CFA staff and volunteers when responding to offers of gifts, benefits and hospitality. CFA expects staff and volunteers to apply this Business Rule and the VPSC Minimum Accountabilities in *good faith*.

Minimum Accountabilities

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

Management of Offers of Gifts, Benefits and Hospitality

11. CFA staff and volunteers may accept token offers of gifts, benefits and hospitality without approval, but must declare all token offers whether accepted or declined (excluding token hospitality, such as tea and sandwiches over a lunchtime meeting) by completing the Declaration Form at Schedule B and emailing the form to gifts@cfa.vic.gov.au
12. CFA staff and volunteers working directly in procurement must decline and register all offers. Staff and volunteers not working directly in procurement must decline and register all offers made by a current or prospective supplier, or any person or organization involved in a procurement or tender process.
13. CFA staff and volunteers must refuse all non-token offers of gifts. All offers must be declared by completing the Declaration Form at Schedule B and emailing the form to gifts@cfa.vic.gov.au
14. CFA staff and volunteers may accept non-token offers of benefits and hospitality, however accepted offers:
 15. must have a legitimate business benefit for CFA, the public sector or the State. This benefit must be recorded in sufficient detail on the Declaration Form (Schedule B); and
 16. must not pose an actual, potential or perceived conflict of interest.
17. CFA staff and volunteers must declare all non-token offers of benefit and hospitality, whether they are accepted or declined by completing the Declaration Form at Schedule B and emailing the form to gifts@cfa.vic.gov.au
18. All accepted non-token offers must be approved in writing by the line manager of the CFA staff or volunteer to whom the offer has been made unless there is no reasonable opportunity to seek written approval prior to acceptance. In this instance acceptance must be obtained within five days.
19. The GIFT Test can be a helpful guide for determining when it is appropriate to accept an offer.

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 a token of appreciation or a valuable non-token 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?

Breaches

20. CFA expects all staff and volunteers to comply with this 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.
21. 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 *Conflict of Interests and Private Interests corporate policy*.
22. 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.
23. Where relevant, CFA will communicate its policy and business rule on the offering and provision of gifts, benefits and hospitality to its business associates. Those identified as acting inconsistently with the policy and/or business rule may be subject to contract re-negotiation, including termination.

Speak Up

24. 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.
25. 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

26. 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

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

Business rule status

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

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

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

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

Modification and review

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

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

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

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

35. 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.

36. 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.

37. 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).

38. 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

39. 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.

Schedule B**Gifts, Benefits and Hospitality Declaration Form (page 1 of 2)**

This declaration form supports CFA's *Gifts, Benefits and Hospitality Policy*. CFA staff and volunteers must declare all offers of gifts, benefits and hospitality whether accepted or declined (excluding token hospitality). All offers of non-token gifts must be declined. CFA staff and volunteers must seek written approval from their manager to accept any non-token offer of a benefit or hospitality.

Individual to complete	
1. Declaration date	
2. Name, position and unit/division/brigade	
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 individual and 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. Would accepting the offer: a) create an actual potential or perceived conflict of interest exist (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 the minimum accountabilities)	<i>Detail of conflict of interest:</i>
9. I accepted the offer YES / NO	<i>Signature:</i> <i>Date:</i>
Individual to complete if non-token offer accepted	
10. Reason for making the offer (Please provide sufficient detail)	

Gifts, Benefits and Hospitality Declaration Form (page 2 of 2)



<p>11. Is there a legitimate business benefit to the organisation, public sector or State for accepting the offer, does it meet the following:</p> <ul style="list-style-type: none"> a) it was offered during the course of the 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). <p>(If any of the answers to the above questions is NO then the offer must be declined, and if YES then the business benefit must be detailed, in accordance with the minimum accountabilities)</p>	<p><i>Detail of business benefit:</i></p>
Manager to complete (NON-TOKEN OFFERS ONLY)	
1. Name, position and department/directorate/brigade	
2. Relationship to staff/volunteer	
Complete if individual declined offer	
3. I have reviewed this declaration form and submit it for inclusion on the organisation's gifts, benefits and hospitality register.	<p><i>Signature:</i></p> <p><i>Date:</i></p>
Complete if individual accepted offer	
<p>4. I have reviewed this declaration form and, confirm that, to my knowledge, accepting this offer:</p> <ul style="list-style-type: none"> a) does not raise an actual, potential or perceived conflict of interest for the individual or myself; and b) will not bring the individual, myself, the organisation or the public sector into disrepute; and <p>will provide a clear business benefit to the organisation, the public sector or the State.</p>	<p><i>Signature:</i></p> <p><i>Date:</i></p>
5. Detail decision regarding ownership of tangible offers (e.g. specify whether staff/volunteer retained gift; transferred to organisation's ownership; returned to offeror; donated to charity etc.)	
<p><i>Completed form to be sent to gifts@cfa.vic.gov.au for inclusion on CFA's Gifts, Benefits and Hospitality Register</i></p> <p><i>Please attach any supporting documentation</i></p>	

Frequently Asked Questions –

Responding to offers 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 *Responding to Offers 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 accepting offers of gifts, benefits and hospitality.

Q: *Do I need to declare gifts, benefits or hospitality offered to me within CFA (e.g. brigade dinners, including token gifts given at brigade dinners, catering at a training day, a recognition plaque or award)?*

A: No, the *Responding to Offers of Gifts, Benefits and Hospitality Business Rule* does not apply to offers within CFA. If the gift, benefit or hospitality you are being offered is coming from within CFA you do not have to consult the Business Rule and it does not need to be declared.

Q: *How do I know if an item offered to me is a donation or a gift?*

A: If an item is offered to you personally, with the intention that you will keep the item, then that is a gift and you should consult the *Responding to Offers of Gifts, Benefits and Hospitality Business Rule* before accepting the item. If an item is offered to you as a representative of CFA or your brigade, with the intention that you will pass on the item to CFA or your brigade, then that is a donation. The Business Rule does not apply to donations and all offers of donations should be managed through the relevant policies and procedures.

Examples:

1. You are offered a box of chocolates as a thank you after making a presentation on fire safety at a community event. The box of chocolates is meant for you to keep and enjoy. This is a gift, and you should consult the *Responding to Offers of Gifts, Benefits and Hospitality Business Rule*. Because the box of chocolates is worth under \$50 you can keep them and you don't need approval from your line manager. You must complete the Declaration Form and send it to gifts@cfa.vic.gov.au.
2. A member of the public comes to the Fire Station and gives you a \$200.00 cheque made out to the brigade. This is clearly intended for the brigade and not for you personally. This is a donation so you don't have to consult the Business Rule. You should handle the donation in line with the relevant policies and procedures.

Q: *Who is my line manager for the purpose of getting my Declaration Form approved?*

A: Relevant line managers are:

1. CFA staff, their manager.
2. Volunteers, the Brigade Captain.
3. Volunteers at an Integrated Brigade, the Officer in Charge.
4. CFA Board members, the CFA Board Chair.
5. CFA Board Chair, the Chair of the Finance, Risk and Audit Committee.

Q: *Can I take my partner with me to an event I am invited to?*

A: If the event is an internal CFA event (such as an annual brigade dinner) then the Business Rule does not apply and you are free to bring your partner if they are invited.

If you are invited to an external event, you must be able to satisfy that your acceptance of the offer will provide a legitimate business benefit to CFA, the public sector or the State. The Victorian Public Sector Commission has advised that it does not deem taking a partner to an event as creating a legitimate business benefit, and therefore you must decline the invitation on behalf of your partner. If your attendance creates a legitimate business benefit you may attend alone, or you may purchase a ticket at full price for your partner if you want them to attend with you.

Examples:

1. You are invited to attend an annual brigade dinner, and the invitation includes your partner. This is an internal CFA event, so you can take your partner and you do not need to complete a Declaration Form.
2. You are invited to attend a dinner on the first night of a conference by representatives of a private company (e.g. Ernst & Young), and the invitation includes your partner. Depending on the situation, you may determine that there is a legitimate business benefit in you attending. However, you must refuse the invitation for your partner, or, if they attend they must pay for their own dinner. You should complete a Declaration Form and include that your partner was invited but you declined on their behalf, or note that they attended but paid for themselves.
3. You are invited to attend a Mayoral Ball as part of a recognition event for CFA, and the invitation extends to your spouse. Depending on the situation, you may determine that there is a legitimate business benefit in you attending. However, you must refuse the invitation for your spouse, or, if tickets are available for the event, you may purchase a ticket at full price for your spouse. You should complete a Declaration Form and include that your spouse was invited but you declined on their behalf, or note that they purchased a ticket at full price and attended with you.

Q: *My brigade wants to run a fundraising event, do we need to get permission under the Responding to Offers of Gifts, Benefits and Hospitality Business Rule?*

A: The Business Rule does not apply to fundraising, so there is no need to request permission to run a fundraising event from the Gifts Officer. All fundraising should continue to be done in accordance with the relevant policies and procedures, including obtaining approval under these policies and procedures when required.

Q: *Do I need to declare generic/marketing offers that I receive?*

A: No, if you receive an offer that you believe is non-specific or generic and is marketing material you do not need to declare the offer. However, if you accept the offer you should complete a Declaration Form.

Examples:

1. An envelope that is addressed to you, but it contains a generic flyer for a symposium/conference that is not specifically addressed to you or CFA.
2. An email that invites you to a company's end of year function but it is not a personal invitation and appears to be a mass mail-out.