



GIFTS, BENEFITS & HOSPITALITY POLICY

Responsible Officer: Governance and Corporate Planning Advisor Authorising Officer: Director Corporate Services	Document No:	
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	Policy Type	Major Council

BACKGROUND

This policy has been developed to ensure transparency and the principles of good governance and accountability are practiced by Councillors and staff when being offered and receiving gifts and hospitality in the course of their duties.

PURPOSE

The purpose of this policy is to establish guidelines for the receiving of gifts, benefits and hospitality by Councillors and staff to avoid any potential or perceived conflicts of interest or breaches of the *Local Government Act 1989* (the Act).

SCOPE

This policy applies in relation to all Councillors, staff and contractors engaged by Council.

POLICY

1. Gifts should not be accepted unless provided for by this policy.
2. Gifts must not be sought, demanded or requested.
3. Gifts received or refused must be placed on the Gift Register.
4. Gifts received must not create a real or perceived sense of obligation that may lead to a perception of preferential service as a result of the gift.

DEFINITIONS

the Act	<i>Local Government Act 1989.</i>
Audit Advisory Committee	Advisory Committee appointed by Council under section 86 of the <i>Local Government Act 1989</i> with responsibility to oversee and monitor audit processes, including internal control activities.
Benefit	Something that is believed to be of value to the receiver, including access to a sporting event, preferential treatment (queue jumping), access to confidential information, accommodation, personal services, pleasure or vacation trips.

Bequest	The act of giving or leaving personal property by a will or something that is bequeathed; a legacy.
Bribe	Means money, reward or service offered to procure action, decision, or preferential treatment in favour of the giver or another person.
Cash	Means money or vouchers which are readily convertible.
Chief Executive Officer (CEO)	Chief Executive Officer of the Rural City of Wangaratta.
Conflict of Interest	Means any private or personal interest, which could prejudicially influence, or be perceived to influence, a person in the performance of his or her public or professional duties (refer <i>Local Government Act, 1989</i> for a comprehensive definition).
Corporate Management Team (CMT)	Executive committee of Council comprising the CEO, Directors and Executive Managers.
Council	Section 5(1) of the <i>Local Government Act 1989</i> defines a council in the following way: "A Council consists of its Councillors, who are the representatives, elected in accordance with this Act, of persons who are residents in the Council's municipal district or ratepayers of the Council." In this case Council refers to the Rural City of Wangaratta.
Councillor	Means an elected person who holds the office of member of the Council.
Gift	Is an item, travel, hospitality, entertainment or other token of appreciation that is not deemed to be of a nominal value.
Gift disclosure threshold	Means \$50 or a higher amount or value prescribed by the Regulations.
Gifts of appreciation	Gifts that are presented to an individual to express thanks, such as flowers, chocolates or moderately priced alcohol and the like. These gifts are generally a one-off occurrence.
Hospitality	Is a meal or service which is offered, has a value greater than \$50, and is not viewed as being connected to official Council business or part of a meal accepted at a conference or seminar.
Monetary Gift	Is cash, cheques, money orders, travelers' cheques, direct deposits or items which can be easily converted to cash.
Nominal Value	Is an item with a face or estimated value of less than \$50.
Official Gift	Is a gift presented to the Council and include gifts received from a Sister City, organisations or corporations that are bestowing a corporate gift (plaques, vases, trophies, artwork) or souvenir.

Reasonable Hospitality	Is a meal or service provided by a not-for-profit organisation to the Mayor, Councillor or a member of Council staff who attends a function or event in an official capacity.
Register of Interest Returns	These are completed by nominated staff, Councillors, and members of special committees to declare any interests they may have (e.g. property owned, gifts over \$500 received) as required by the <i>Local Government Act 1989</i> . The Primary return is completed initially, followed by Ordinary returns twice yearly.
the Regulations	<i>Local Government (General) Regulations 2015</i>
Soliciting	The seeking or requesting of undue reward in order to influence the decision or provision of service.
Sponsorship	Is items which are identified as part of a formal written sponsorship agreement between Council and a third party.
Staff	Any person employed directly by Council, including the Chief Executive Officer, and any person engaged as a short term employee or a contractor undertaking duties on behalf of Council.
Token Gift	Is a gift of nominal value and infrequently received. These gifts may include low-priced promotional items, souvenirs or corporate gifts such as pens, mugs, single bottles of reasonable priced alcohol, free or subsidised meals of a modest nature, invitations to appropriate corporate or social functions organised by community groups or organisations, door prizes at conferences, trade shows.

REFERENCES

Local Government Act 1989

Local Government (General) Regulations 2015

Protected Disclosure Act 2012

Conflict of Interest – A Guide for Councillors – October 2012

Conflict of Interest – A Guide for Council staff – October 2011

Rural City of Wangaratta

- Audit Advisory Committee Charter
- Council Policy – Councillor Code of Conduct
- Council Policy – Employee Code of Conduct

REVIEW

This policy will be reviewed every four years.

GIFTS, BENEFITS & HOSPITALITY POLICY

APPENDIX 1: PROCEDURE AND GUIDANCE NOTES

1. GIFTS AND BENEFITS

Gifts should not be accepted unless provided for by this policy.

Councillors and staff should be aware that the accumulation of even small gifts could quickly become an applicable gift and result in the Conflict of Interest provisions within the Act applying.

Individuals should not solicit, demand or request gifts, including business card raffles at events, or receive any personal benefit by virtue of their position which could prejudicially influence, or be perceived to influence, a person in the performance of his or her public or professional duties. To avoid a conflict of interest, acceptance of any gifts, benefits or hospitality in these situations must be declined.

If the organisation will not pay for Council staff attendance at an event or a function, the staff member can attend provided they personally pay the full value of the offer and approval is received from their Director.

If Councillors and staff attend functions or events personally paid for by them – it should be clearly stated that they are there as an individual and not as a Council representative. No identification badge should be worn that indicates the person is a Councillor or Council staff member.

Councillors and staff are to ensure that attendance at private functions does not have potential implications for Council's reputation or image, or may cause a conflict of interest.

In all cases, Councillors and Council staff must record the details of all gifts and benefits over \$50, both received and declined, in the Gift Register maintained by the Governance and Corporate Planning Advisor.

1.1 **TOKEN GIFTS**

Gifts of token value may be accepted by Councillors and Council staff provided that the gift does not create a real or perceived sense of obligation that may lead to a perception of preferential service as a result of the gift.

The following should be used as a guide for Councillors and Council staff in determining whether to accept token gifts. Such gifts may be accepted only when the following have been considered:

- a) The gift is offered in an open or public forum and refusal would be obviously discourteous
- b) Acceptance would not cause any potential, perceived or actual compromise or conflict of interest
- c) The gift does not have a significant monetary value (as a guide, less than \$50);
- d) The gift is not offered on a regular basis.

1.2 **OFFICIAL GIFTS**

Individuals may be involved in social, cultural or community events where official gifts are presented or exchanged. In such circumstances, where it would appear not to be polite or appropriate to decline the offer, it is reasonable for official representatives of Council to accept official gifts on behalf of Council.

All official gifts received are to be reported to the Mayor (Councillors) and/or the Chief Executive Officer (Councillors or Council staff) and recorded in the Receipt of Gifts Register. The gift will be considered the property of Council, and where suitable, the gift will be displayed in an appropriate and secure location for public viewing.

1.3 GIFTS OF APPRECIATION

Individuals must not seek a gift or benefit in appreciation of services rendered. Acceptable alternatives might include a letter or card of thanks as this is less likely to result in a situation that compromises either party.

Where an individual accepts a gift of appreciation it should not exceed the nominal value. Gifts of appreciation that would generally be considered of nominal value might include a bouquet of flowers, a box of chocolates, gifts of home-made items, home grown produce, or a bottle of wine.

1.4 MONETARY GIFTS

The offer of monetary gifts (of any amount) must never be accepted.

1.5 AWARDS AND PRIZES WON AT CONFERENCES AND SEMINARS

Prizes or awards valued at over \$50 that are won at functions, attended at Council's expense, are the property of Council.

Councillors and staff attending functions as Council representatives, and who make no financial contribution to the attendance, lose entitlement to any award or prize won as a result of attending the function.

Prizes and awards valued at over \$50 by Councillors and staff attending functions as Council representatives, and at which Council has made no financial contribution to the attendance must report this prize or award as soon possible to the Chief Executive Officer, who must determine the ownership of the item and the appropriate action to be taken.

1.6 SPONSORSHIP GIFTS

Gifts that are received as part of a sponsorship arrangement are deemed gifts under this policy.

1.7 OWNERSHIP

All gifts and benefits over the nominal value that are not considered a token gift are owned by Council.

1.8 DISPOSAL OF GIFTS

If a gift does not have a public value the recipient may, at the discretion of the Chief Executive Officer, buy the gift from Council. The purchase price must be the manufacturer's wholesale value of the gift in the place of origin at the time of purchase, as determined by the Chief Executive Officer. If there is difficulty in assessing the value, a valuation must be obtained by Council from an appropriately experienced person or body.

The Chief Executive Officer may dispose of gifts by any of the following methods:

- a) Return to original recipient
- b) Return to sender
- c) Placing gift on display
- d) Disposal by resolution of Council
- e) Transfer to other public agencies or authorities
- f) Transfer as a gift to a recognised charitable, aid or non-profit organisation
- g) Archival action by Museums Victoria, or State Library Victoria
- h) Reduction to scrap

- i) Retained and collected and when there is a number of gifts, a raffle will be held amongst staff and the money collected donated to a charity, not-for-profit organisation or a worthy recipient as determined by the CEO or
- j) Destruction.

2. HOSPITALITY

Hospitality is a meal or service which is offered, has a value greater than \$50, and is not a meal or service offered that is connected to official Council business, or a meal accepted at a conference or seminar.

Councillors and Council staff, in an '*official capacity*', will from time to time receive invitations of hospitality to attend various functions and events.

Where hospitality provides an opportunity to network, or undertake business of a common purpose, it may be appropriate to accept such invitations.

Reasonable hospitality received by the person at an event or function the person attended in an official capacity as the Mayor, a Councillor or a member of Council staff is not considered a conflict of interest under the Local Government Act 1989. This does not negate the need for that hospitality to be placed in Council's Receipt of Gifts Register, if over the nominal value.

Official capacity is that the Mayor or Councillor receives the invitation in the name of the Mayor or Councillor and the invitation is received by the Council Office or via the Councillors' official e-mail.

In some circumstances a Councillor or Council staff member may attend the event if Council either fully reimburses the organisation for the full cost of the hospitality, or if the Councillor or Council staff member personally pays for their own attendance.

If acceptance of the hospitality is likely to create the impression that an attempt is being made to compromise the impartiality of the Councillor or Council staff member, or could be perceived as a conflict of interest, the offer of hospitality must be declined.

The value of hospitality can be difficult to estimate and is open to personal interpretation, therefore in the interests of consistency and transparency the following nominal values have been assigned to the following:

Hospitality offered	Nominal value
Finger food and beverages	\$50.00
Seated meals and beverages	\$100.00
Sporting event and catering i.e. general admission	\$150.00
Corporate Suite sporting event and catering i.e. box tickets	\$300.00

Where a Councillor or Council staff member is accompanied by their partner and/or other family member(s), the assigned hospitality value of the event which must be declared is the aggregated amount of all attendees, using the above figures.

Details of hospitality received are to be recorded in the Receipt of Gifts Register.

3. NOT APPLICABLE

This policy does not cover gifts received during a donation period of an election campaign.

Specifically *Local Government Act 1989 (as amended) Division 9 – Election Campaign Donation*.

4. APPROVAL AND PROCESSING

The following process must be followed for all gifts, benefits and hospitality.

Staff Process

Value Process	Roles and Responsibilities
Less than \$50	<p>Staff member</p> <ul style="list-style-type: none"> • Completes form and submits it to their Manager • Formally acknowledges the donor. <p>Manager</p> <ul style="list-style-type: none"> • Determines compliance in accordance with the Policy. • Finalises form and submits it to the Governance & Corporate Planning Advisor <p>Governance & Corporate Planning Advisor</p> <ul style="list-style-type: none"> • Updates Register
\$50- \$100	<p>Staff member</p> <ul style="list-style-type: none"> • Completes form and submits it to their Manager • Formally acknowledges the donor. <p>Manager</p> <ul style="list-style-type: none"> • Determines compliance in accordance with the Policy. • Determines if the gift should be accepted or declined in accordance with this Policy. • Finalises form and submits it to the Governance & Corporate Planning Advisor <p>Governance & Corporate Planning Advisor</p> <ul style="list-style-type: none"> • Updates Register
\$100 - \$150	<p>Staff member</p> <ul style="list-style-type: none"> • Completes form and submits it to their Director • Formally acknowledges the donor <p>Director</p> <ul style="list-style-type: none"> • Determines compliance in accordance with the Policy. • Determines if the gift should be accepted or declined in accordance with this Policy. • Finalises form and submits it to the Governance & Corporate Planning Advisor <p>Governance & Corporate Planning Advisor</p> <ul style="list-style-type: none"> • Updates Register
\$150 or more	<p>Staff member</p> <ul style="list-style-type: none"> • Completes form and submits it to the CEO • Formally acknowledges donor <p>Governance and Corporate Planning Advisor</p> <ul style="list-style-type: none"> • Determines compliance in accordance with the Policy. • Recommends if the gift should be accepted or declined. <p>CEO</p> <ul style="list-style-type: none"> • Determines if the gift should be accepted or declined • Finalises form and submits it to the Governance & Corporate Planning Advisor

	Governance & Corporate Planning Advisor <ul style="list-style-type: none"> • Updates Register
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COUNCILLOR PROCESS

Value	Process – Roles and Responsibilities
Any value	Councillor <ul style="list-style-type: none"> • Completes the form and submits it to the CEO Executive Assistant to the Mayor and Councillors <ul style="list-style-type: none"> • Formally acknowledges the donor on behalf of Council • Finalises form and submits it to the Governance & Corporate Planning Advisor Governance & Corporate Planning Advisor <ul style="list-style-type: none"> • Updates Register

5. RECEIPT OF GIFTS REGISTER

A Register will be maintained by the staff member with responsibility for governance matters and reported to the Audit Advisory Committee and the Chief Executive Officer every twelve months. The Register contains the following information:

- Date gift, benefit or hospitality received
- Name of recipient
- Description of Gift
- Provider Name (Individual or Company)
- Value
- Disposal Method
- Date entered into register

6. RESPONSIBILITIES

Councillors

- Resolve to formally adopt this policy as a Major Council Policy.
- Provide oversight and review of this policy as advised by the Audit Advisory Committee.
- Comply with the requirements of the policy related to Councillors.

Audit Advisory Committee

- Monitor this policy and the Receipt of Gifts Register on a twelve monthly basis.
- Report on the adequacy of this policy to Council.

Chief Executive Officer

- Lead the establishment and maintenance of an appropriate culture of ethics and probity throughout the organisation.
- Maintain ultimate responsibility for the organisation's treatment of gifts, benefits and hospitality.
- Monitor this policy and the Receipt of Gifts Register on a six monthly basis.

Corporate Management Team

- Lead, coordinate and monitor implementation of this policy.
- Review the status of gifts, benefits and hospitality received. In particular, address any arising situation where gifts, benefits and hospitality received by Councillors or staff is

forecast to approach or exceed the gift disclosure threshold of the conflict of interest provisions of the Act.

- Receive declarations of gifts as provided for in this policy.
- Endorse this policy.

Governance & Corporate Planning Advisor

- Facilitate implementation and review of this policy.
- Maintain the Receipt of Gifts Register.
- Report on gifts, benefits and hospitality received by Councillors and staff to the CEO and the Audit Advisory Committee.

Management

- Receive declarations of gifts as provided for in this policy.
- Comply with this policy.
- Ensure that staff adhere to this policy.

Staff and Contractors

- Comply with this policy.

7. CHARTER OF HUMAN RIGHTS COMPLIANCE

It is considered that this policy does not impact on any human rights identified in the Charter of Human Rights Act 2007.

GIFTS, BENEFITS & HOSPITALITY POLICY

APPENDIX 2: RECEIPT OF GIFTS REGISTER



RECEIPT OF GIFT DECLARATION

Declarations made using this form will be held on the Gift Register. This form must be completed within 14 days of receiving the gift or benefit or, if it was received overseas, within 14 days of returning to Australia.

Recipient name: _____

Recipient title: _____

Gift type:

Reasonable Hospitality	Token Gift (<\$50)
General Hospitality (>\$50)	General Gift
Official Gift	Provision of services free of charge or at a reduced rate

Full description of gift:

Received from: _____ on (date) _____

Value of gift: _____

Has the gift been independently valued by an appropriately experienced person or body?

Yes No

If yes, state the name of person/body valuing gift _____

Disposal of gift:

Kept by recipient	Declined
Handed to CEO's office	Donated to community group or charity (List below)
Purchased by recipient	

Recipient Signature: _____

Date: _____

Manager/Director Signature: _____

Date: _____

CEO Signature: _____

Date: _____

**PLEASE RETURN COMPLETED FORM TO THE
GOVERNANCE & CORPORATE PLANNING ADVISOR**

