

1. Policy statement

1.1. Purpose

The purpose of this policy and procedure is to set out Development Victoria's process for:

- (a) responding to offers of gifts, benefits and hospitality; and
- (b) providing gifts, benefits and hospitality.

1.2. Scope

This policy applies to all Board members (Directors) and employees (including secondees and contractors working as staff) of Development Victoria and is intended to support individuals and Development Victoria to avoid conflicts of interest and maintain high levels of integrity and public trust.

Development Victoria has issued this Gifts, Benefits and Hospitality Policy and Procedure (Policy and Procedure) to support behaviour consistent with the *Code of Conduct for Victorian Public-Sector Employees* (the Code). All employees are required under Clause 1.2 of the Code to comply with Development Victoria's Gifts, Benefits and Hospitality Policy and Procedure.

1.3. Requirements

Employees must follow the procedure set out below.

2. Procedure

2.1. Responsibilities

Board	(a) Ensuring that Board members are aware of the Policy and Procedure.
Audit and Risk Committee	(b) Reviewing and approving the Policy and Procedure every two years, or more frequently if required; (c) Reviewing new entries in the Gifts Register on a quarterly basis; and (d) Ensuring that review of the Policy and Procedure is included in the Internal Audit Plan.
CEO	There are specific obligations in the minimum accountabilities for heads of public sector organisations (see Schedule A). These include: (a) Ensuring that employees are aware of the Policy and Procedure; (b) Promoting awareness of and compliance with the Policy and Procedure; (c) Ensuring that the Policy and Procedure are: (i) consistent with the minimum accountabilities set out under the Gifts, Benefits and Hospitality Framework issued by the Victorian Public Sector Commission; (ii) communicated to Board members and employees; (iii) regularly reviewed; and (d) Communicating and making clear that a breach of the Policy and Procedure may constitute a breach of the Code, may constitute criminal or corrupt conduct, and may result in disciplinary action.

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Group Head, Legal and Advisory	<ul style="list-style-type: none"> (a) Advising Board members and employees on their obligations under the Policy and Procedure; (b) Receiving Gifts, Benefits and Hospitality Declaration Forms (Declaration Form) and updating and maintaining the Gifts Register; (c) Reporting quarterly to the Audit and Risk Committee on new entries in the Gifts Register; and (d) Publishing the Policy and Procedure and the Public Register on Development Victoria's corporate website.
Director, Enterprise Finance	<ul style="list-style-type: none"> (a) Undertaking a quarterly review of the organisation's compliance with the Policy and Procedure; and (b) Reporting to the Audit and Risk Committee on the outcome of the quarterly compliance review.
Board Members and Employees	<ul style="list-style-type: none"> (a) Comply with the Policy and Procedure; and (b) Contribute to a culture of integrity and deal with offers of Gifts, Benefits and Hospitality by placing the public interest above their private interests.
Group Heads and Executive Directors	<ul style="list-style-type: none"> (a) Approve gift forms in accordance with the authorisation levels set out in this Policy & Procedure; and (b) Maintaining an awareness of employee's interests and any potential conflicts.

2.2. Policy Principles

The Policy and Procedure have been developed in accordance with requirements outlined in the minimum accountabilities for the management of gifts, benefits and hospitality issued by the Victorian Public Sector Commission (see Schedule A).

Development Victoria is committed to, and will uphold the following principles in applying the Policy and Procedure:

- (a) **Impartiality** – Board members and employees have a duty to place the public interest above their private interests when carrying out their official functions. They will not solicit (seek) gifts, benefits or hospitality, for themselves or others, if the offer could reasonably be seen as connected to their employment.
- (b) **Public Interest** – Board members and employees have a duty to place the public interest above their private interests when carrying out their official functions. Individuals will not accept gifts, benefits or hospitality that could raise a reasonable perception of, or actual, bias or preferential treatment. Individuals will not accept offers from those with whom they are likely to make business decisions.
- (c) **Transparency and Accountability** – processes are in place to ensure that Board members and employees are aware of the requirements of the Policy and Procedure and how to comply with it in practice. Board members and employees are accountable for:
 - (i) declaring all non-token offers of gifts, benefits and hospitality;
 - (ii) declaring all offers of money or items used in a similar way to money, regardless of value;
 - (iii) declaring all offers Ceremonial Gifts, regardless of value; and
 - (iv) declining non-token offers of gifts, benefits and hospitality, or where an exception applies under the Policy or Procedure, seeking approval to accept the offer; and
 - (v) the responsible provision of gifts, benefits and hospitality.

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Individuals with direct reports are accountable for overseeing management of their direct reports' acceptance or refusal of non-token gifts, benefits and hospitality, modelling good practice and promoting awareness of gifts, benefits and hospitality policies and processes.

- (d) **Culture of Integrity** – Board members and employees strive to earn and sustain public trust through providing or responding to offers of gifts, benefits and hospitality in a manner that is consistent with community expectations. Individuals will refuse any offer that may lead to an actual, perceived or potential conflict of interest.
- (e) **Risk-based approach** – Development Victoria, through its policies, processes and the Audit and Risk Committee, will ensure the risks associated with gifts, benefits and hospitality are appropriately assessed and managed. Individuals with direct reports will ensure they are aware of the risks inherent in their team's work and functions and monitor the risks to which their direct reports are exposed.

2.3. Minimum Accountabilities

The Victorian Public Sector Commission has set binding minimum accountabilities for the appropriate management of Gifts, Benefits and Hospitality.

The minimum accountabilities can be found at Schedule A.

2.4. Definitions

Benefits	Benefits are preferential treatment, privileged access, favours or other advantages offered. They include invitations to sporting, cultural or social events, access to discounts and loyalty programs and promises of a new job. The value of benefits may be difficult to define in dollars, but as they are valued by the individual, they may be used to influence the individual's behaviour.
Business Associate	Business associate means an external individual or entity that Development Victoria has, or plans to establish, some form of business relationship with, or who may seek commercial or other advantage by offering gifts, benefits and hospitality.
Ceremonial Gifts	<ul style="list-style-type: none"> (a) Ceremonial gifts are official gifts provided as part of the culture and practices of communities and government, within Australia or internationally. Ceremonial gifts are usually provided when conducting business with official delegates or representatives from another organisation, community or foreign government. (b) Ceremonial gifts are the property of the public sector organisation, irrespective of value, and should be accepted by individuals on behalf of the public sector organisation. The receipt of ceremonial gifts should be recorded on the register but does not need to be published online.
Conflict of Interest	<p>Conflicts of interest may be:</p> <ul style="list-style-type: none"> (a) Actual: There is a <u>real conflict</u> between an employee's public duties and private interests. (b) Potential: 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 the future and steps should be taken now to mitigate that future risk. (c) Perceived: The public or a third party <u>could reasonably form the view</u> that an employee's private interests could improperly influence their decisions or actions, now or in the future.

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Declaration Form	The gifts, benefits and hospitality declaration form used to record accepted or declined non-token offers. This is a digital form that can be found on the DV Intranet.
Direct or indirect	A gift may be offered directly or indirectly. It may be offered directly to a Board member or employee, or offered indirectly via an offer to his/her relative or close associate, including: <ul style="list-style-type: none"> (a) a member of his/her immediate family (e.g., spouse, partner, parent, sibling, child); (b) a regular member of his/her household; or (c) another close associate (e.g., friend, relative, business partner).
Gifts	Gifts are free or discounted items and any item or service that would generally be seen by the public as a gift. These include items of high value (e.g. artwork, jewellery, or expensive pens), low value (e.g. small bunch of flowers) and consumables (e.g. chocolates). Fundraising by public sector organisations that is consistent with relevant legislation and any government policy is not prohibited under the minimum accountabilities.
Gifts Register	The Gifts Register is Development Victoria's internal register of all declarable gifts, benefits and hospitality.
Hospitality	Hospitality is the friendly reception and entertainment of guests. Hospitality may range from light refreshments at a business meeting to expensive restaurant meals and sponsored travel and accommodation.
Legitimate Business Benefit	Legitimate business benefits are gifts, benefits or hospitality accepted or provided that furthers the conduct of official business or other legitimate goals of Development Victoria, the public sector or the State.
Non-reportable Training Offers	Non-reportable training offers are offers made to attend seminars, conferences, workshops or that provide other training opportunities, where the primary purpose of attending is for learning and development and the training offer does not give rise to an actual, potential or perceived conflict of interest.
Non-token offer	A non-token offer is a gift, benefit and hospitality that is, or may be perceived by the recipient, the person making the offer or by the wider community, to be of more than inconsequential value. All offers worth \$50 or more are non-token offers and must be declared and recorded on the Gifts Register.
Public official	Public official has the same meaning as section 4 of the <i>Public Administration Act 2004</i> and includes public sector employees, statutory office holders and directors of public entities.
Public Register	The Public Register is a modified version of the Gifts Register for publication on Development Victoria's corporate website as required by the minimum accountabilities.
Repeat Offer	Multiple offers from the same person, group or organisation. Their combined effect can sometimes lead to the perception that they could influence you.



Responsible person	<p>The Responsible Person is the relevant person set out in the table below, who the Board member or employee:</p> <p>(a) notifies of gift offers, provides Declaration Forms and seeks approval for the acceptance of offers; and</p> <p>(b) seeks advice from in relation to offers of gifts, benefits and hospitality and incurring related expenses.</p> <p style="text-align: right;"><i>Responsible Person</i></p> <p><i>Employee:</i> Relevant Group Head / Executive Director</p> <p>If the value of the offer is \$150 or more, approval must also be obtained from the CEO.</p> <p><i>Group Head:</i> CEO</p> <p><i>CEO:</i> Chairperson</p> <p><i>Board member:</i> Chairperson</p> <p><i>Chairperson:</i> Deputy Chairperson</p>
Token offer	<p>A token offer is a Gift, Benefit or Hospitality that is of inconsequential or trivial value to both the person making the offer and the recipient (such as basic courtesy). Token offers are worth less than \$50.</p>

3. Management of Offers of Gifts, Benefits and Hospitality

This section sets out the process for accepting, declining and recording offers of gifts, benefits and hospitality. Any exceptions to this process must have the prior written approval of:

- (a) the CEO in the case of offers of gifts, benefits and hospitality to employees; and
- (b) the Chairperson in the case of offers of gifts, benefits and hospitality to Board members or the CEO.

All approved exceptions will be reported to the Audit and Risk Committee.

3.1. Conflict of Interest and Reputational Risk

When deciding whether to accept an offer, Board members and employees should first consider if the offer could be perceived as influencing them in performing their duties or lead to reputational damage. The more valuable the offer, the more likely that a conflict of interest or reputational risk exists.

3.2. When a Gift or Offer Must be Refused

Board members and employees should consider the GIFT test at Figure 1 and the requirements below to help decide whether to refuse an offer. Offers (token or non-token) must be refused where:

- (a) the offer could compromise the public's trust that you will perform your public duties in an impartial manner or the public's trust in the impartiality of Development Victoria or the public sector;
- (b) the offer gives rise to an actual, potential or perceived conflict of interest;
- (c) it is a non-token offer and there is no legitimate business reason to accept it;
- (d) the offer could adversely affect the individual's standing as a public official or could bring Development Victoria or the public sector into disrepute;
- (e) the offer is made by a person or organisation about which they will likely make or influence a decision;
- (f) the offer is:
 - (i) made by a current or prospective supplier; or

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- (ii) made during an actual or likely procurement or tender process by a person or organisation involved in the process;
- (g) the offer could reasonably be seen as a bribe or inducement¹ to make a decision or act in a particular way;
- (h) the offer extends to the individual's relatives or friends;
- (i) the offer is money or used in a similar way to money (such as a gift certificate), or something easily converted to money (such as shares). All such offers, regardless of value, must be declared;
- (j) in relation to hospitality and events, Development Victoria will already be sufficiently represented to meet its business needs;
- (k) acceptance could be perceived as endorsement of a product or service, or acceptance would unfairly advantage the sponsor in future procurement decisions;
- (l) the offer is made by a person or organisation with a primary purpose to lobby or influence Development Victoria;
- (m) the offer is made in secret; or
- (n) the offer is not consistent with community expectations.

NB: virtual events and gifts are subject to the same rules and must be refused if any of the above apply.

Figure 1 - GIFT Test

G	Giver	<ol style="list-style-type: none"> 1. Who is providing the gift, benefit or hospitality and what is their relationship to me? 2. Does my role require me to select suppliers, award grants, regulate industries or determine government policies? 3. Could the person or organisation benefit from a decision I make?
I	Influence	<ol style="list-style-type: none"> 4. Are they seeking to gain an advantage or influence my decisions or actions? 5. Has the gift, benefit or hospitality been offered to me publicly or privately? 6. Is it a courtesy or a token of appreciation or a valuable non-token offer? 7. Does its timing coincide with a decision I am about to make?
F	Favour	<ol style="list-style-type: none"> 8. Are they seeking a favour in return for the gift, benefit or hospitality? 9. Has the gift, benefit or hospitality been offered honestly? 10. Has the person or organisation made several offers over the last 12 months? 11. Would accepting it create an obligation to return a favour?
T	Trust	<ol style="list-style-type: none"> 12. Would accepting the gift, benefit or hospitality diminish public trust? 13. How would the public view acceptance of this gift, benefit or hospitality? 14. What would my colleagues, family, friends or associates think?

¹ See Section 3.12 of this Policy and Procedure

3.3. Estimated Value

Employees are required to include the actual or estimated value of each offer when registering an offer.

In most instances this is quite simple. For example, where the offer is tickets to an event or gifts of wine or chocolates etc. the employee can usually ascertain the price by a quick google search or by asking the offeror.

On those rare occasions where a value cannot be easily established, people registering items should always err on the side of the higher value range.

Unless there is evidence for a lower amount (eg a menu with prices), a meal should be registered for no less than \$50, and if alcohol is included no less than \$100.

3.4. Token Offers

A token offer is an offer of a gift, benefit or hospitality that is of inconsequential or trivial value to both the person making the offer and the individual. It may include promotional items such as pens and note pads, and modest hospitality that would be considered a basic courtesy, such as light refreshments offered during a meeting.

A token offer is worth less than \$50.

Token offers can be accepted by a Board member or employee provided that acceptance of the offer is not precluded under section 3.2 above (when a gift offer must be refused). Individuals may accept token offers without approval or declaring the offer on the Gifts Register.

Offers of money or items used in a similar way to money, regardless of value, must be declared.

3.5. Items offered in a private capacity

A GBH is anything of value including friendly reception or treatment of guests such as refreshments or entertainment, that is offered to a Development Victorian employee in their work capacity beyond their normal employment entitlements. This policy and procedure does not apply where an offer is made to a departmental person in their private capacity.

For example:

- An invitation to attend an event as a plus-one of a friend or family member, where the offer is not a result of their role at Development Victoria
- A scholarship, or other grant or payment, made to support the employee's education, awarded based on academic or other achievement
- Other gifts, benefits or hospitality offered or received in an employee's private capacity.

In all situations, this is subject to the employee being satisfied that a perception would not be created that their integrity was being challenged if they were to accept.

3.6. Non-Token Offers (reportable gift offers)

A non-token offer is an offer of a gift, benefit or hospitality that is not a token offer (i.e. is worth \$50 or more) and is an offer 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.

Non-token offers must be reported in accordance with the process described below.

A Board member or employee can only accept non-token offers if:

- (a) acceptance of the offer is not precluded under section 3.2 above (when a gift offer must be refused);
- (b) there is a legitimate business reason for acceptance; and
- (c) the Responsible Person approves the acceptance of the offer in writing by signing the Declaration Form.

Due consideration should be given to the GIFT test in *Figure 1* above.

A Board member or employee may be offered a gift or hospitality where there is no opportunity to seek written approval from the Responsible Person prior to accepting. For example, they may be offered a wrapped gift that they later identify as being a non-token gift. In these cases, the individual must seek approval from the Responsible Person within 5 business days of receipt of the non-token offer.

Where the gift would likely bring the individual or Development Victoria into disrepute, the organisation should return the gift. If it represents a conflict of interest for the individual, the organisation should either return the gift or transfer ownership to the organisation to mitigate this risk.

3.7. Requirement to Record all Non-Token Offers (both accepted and declined)

Other than non-reportable training offers, all non-token offers², whether accepted or declined, must be reported in the Gifts Register. All Board members and employees who are offered a gift, benefit or hospitality with a value of \$50 or more must complete the Declaration Form and deliver it to DV Legal within 5 business days of receiving the gift or offer. Compliance with this timeframe will be reported to the Audit and Risk Committee.

If the Board member or employee intends to accept the offer, the Responsible Person must approve the acceptance by signing the relevant section of the Declaration Form.

The legitimate business reason for accepting the non-token offer must also be recorded on the Declaration Form and contain sufficient detail to link the acceptance to the individual’s work functions and legitimate business benefit to Development Victoria.

Board member and employees should consider the following examples of acceptable and unacceptable levels of detail to be included in the Gifts Register when recording the business reason:

Recording your legitimate business benefit on the Declaration Form	
Acceptable level of detail	“Individual is responsible for evaluating and reporting on the outcomes of Development Victoria’s sponsorship of Event A. Individual attended Event A in an official capacity and reported back to Development Victoria on the event.”
Acceptable level of detail	“Individual presented to a visiting international delegation. The delegation presented the individual with a cultural item worth an estimated \$200. Declining the gift would have caused offence. The gift was accepted by the individual on behalf of Development Victoria, with written approval subsequently obtained.”
Insufficient level of detail	“Networking” OR “Maintaining stakeholder relationships” <i>You will need to add further details on how the event has a business benefit to your official duties</i>

Networking and stakeholder relationship management that support Development Victoria’s strategy are valuable ways to make relevant business connections and maintain business relationships. However simple descriptions recorded on the Declaration Form such as ‘networking’ or ‘maintaining stakeholder relationships’ are not sufficient. Individuals must explain how the event has a legitimate business benefit to the individual’s official duties or responsibilities and/or furthers the conduct of official business or other legitimate goals of Development Victoria, the public sector or the State.

Legal maintains the Gifts Register and enters the relevant details from the Declaration Form onto the Gifts Register. The Public Register must, at a minimum, contain the information specified in minimum accountability 14 (see Schedule A). The Public Register will cover the previous financial year and be

² Including non-token offers received from government departments or other public sector organisations

published on Development Victoria's public website within four months of each new financial year.

Development Victoria's Audit and Risk Committee will receive a report at least annually on the administration and quality control of the gifts, benefits and hospitality policy, processes and register. The report will include analysis of Development Victoria's gifts, benefits and hospitality risks (including multiple offers from the same source and offers from business associates), risk mitigation measures and any proposed improvements.

3.8. Ownership of Gifts Offered to Individuals

A Board member or employee who accepts a non-token gift is doing so on behalf of Development Victoria. Ownership of the gift remains with Development Victoria unless/until the Responsible Person approves the retention of the gift.

A Board member or employee must transfer to Development Victoria official gifts or any gift of cultural significance or significant value.

If a gift is of cultural, historic or other significance it will be offered to an appropriate public institution, such as the Melbourne Museum or the National Gallery of Victoria. Consideration will be given to donating other reportable gifts, or the proceeds from their sale to a non-profit organisation.

3.9. Repeat Offers

Receiving multiple offers (token or non-token) from the same person or organisation can generate a stronger perception that the person or organisation could influence you. Board members and employees should refuse repeat offers from the same source if they create a conflict of interest or may lead to reputational damage.

3.10. Ceremonial Gifts

Ceremonial gifts are official gifts provided as part of the culture and practices of communities and government, within Australia or internationally. Ceremonial gifts are the property of the Development Victoria, irrespective of value, and should be accepted by individuals on behalf of Development Victoria. The receipt of ceremonial gifts should be recorded on the Gifts Register but does not need to be published on the Public Register.

3.11. Where DV sponsors the organisation offering tickets to an event

Development Victoria Board members and employees do not need to declare the offer of tickets to an event where:

- (a) Development Victoria has sponsored the hosting organisation, and
- (b) The terms of the sponsorship agreement state that Development Victoria Board members or employees will be provided with tickets to that specific event, and
- (c) The event is of professional relevance to the activities of Development Victoria.

In these circumstances, these tickets do not constitute an offer of a gift, benefit or hospitality, as defined in this Policy & Procedure, as they are received as a result of the sponsorship agreement.

3.12. Reporting attempts to Bribe

A Board member or employee who is offered a gift that they believe is, or may be, an attempted bribe or inducement will:

- (a) refuse the offer;
- (b) report the offer immediately to the CEO or Group Head Legal and Advisory; and
- (c) complete a Declaration Form so that the refusal can be recorded in the Gifts Register.

The CEO or person offered the bribe will report any criminal or corrupt conduct to the Victorian Police and/or the Independent Broad-based Anti-Corruption Commission.

4. Management of the Provision of Gifts, Benefits and Hospitality

This section sets out the requirements for providing gifts, benefits and hospitality. These requirements apply when making any offer of a gift, benefit or hospitality, including an offer to another Victorian public sector organisation.

4.1. Requirements of Providing Gifts, Benefits and Hospitality

Gifts, benefits and hospitality may be provided when welcoming guests, to facilitate the development of business relationships, further public-sector business outcomes and to celebrate achievements.

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

- (a) Any gift, benefit or hospitality (token or non-token) is provided for a business reason that furthers the conduct of official business or other legitimate organisational goals, or promotes and supports government policy objectives and priorities;
- (b) that any costs are proportionate to the benefits obtained for Development Victoria and would be considered reasonable in terms of community expectations (the HOST test at Figure 2 is a good reminder of what to think about in making this assessment);
- (c) it does not raise an actual, potential or perceived conflict of interest; and
- (d) participants demonstrate professionalism in their conduct and uphold their obligation to extend a duty of care to other participants.

Figure 2 - *HOST Test*

H	Hospitality	<ol style="list-style-type: none"> 1. To whom is the gift or hospitality being provided? 2. Will recipients be external business associates, or individuals of the host organisation?
O	Objectives	<ol style="list-style-type: none"> 3. For what purpose will hospitality be provided? 4. Is the hospitality being provided to further the conduct of official business? 5. Will it promote and support government policy objectives and priorities? 6. Will it contribute to staff wellbeing and workplace satisfaction?
S	Spend	<ol style="list-style-type: none"> 7. Will public funds be spent? 8. What type of hospitality will be provided? 9. Will it be modest or expensive, and will alcohol be provided as a courtesy or an indulgence? 10. Will the costs incurred be proportionate to the benefits obtained?
T	Trust	<ol style="list-style-type: none"> 11. Will public trust be enhanced or diminished? 12. Could you publicly explain the rationale for providing the gift or hospitality? 13. Will the event be conducted in a manner which upholds the reputation of the public sector? 14. Have records in relation to the gift or hospitality been kept in accordance with reporting and recording procedures?

4.2. Containing Costs

Board members and employees should contain costs involved with providing gifts, benefits and hospitality wherever possible. The following questions may be useful to assist individuals to decide on the type of gift, benefit or hospitality to provide:

- (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 Development Victoria 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) Is the gift symbolic, rather than financial, in value?
- (f) Will providing the gift, benefit or hospitality be viewed by the public as excessive?

Gifts to Board members or employees (e.g., to recognise significant work achievements or service milestones) will be determined individually. Gifts awarded for employment milestones may be more than token value as approved by the Group Head, Operations. Personal celebrations or condolences (e.g., birthdays, marriages, birth of a child, bereavement cards or flowers) will not be funded using public monies.

Alcohol must not be provided at an event unless this has been approved by the CEO.

5. Breaches

Disciplinary action consistent with the relevant industrial instrument and legislation, including dismissal, may be taken where an individual fails to adhere to the Policy and Procedure. This includes where an individual fails to avoid wherever possible, or identify, declare and manage a conflict of interest related to gifts, benefits and hospitality in accordance with Development Victoria's Conflicts of Interest Policy and Procedure.

Actions inconsistent with this Policy and Procedure 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 sections of the Code covering conflict of interest, public trust and gifts and benefits; and
- (b) individuals making improper use of their position.

In some circumstances, a breach may constitute criminal or corrupt conduct.

For further information on managing breaches of the Gifts, Benefits and Hospitality Policy and Procedure, please contact the Group Head, Legal and Advisory.

Development Victoria will communicate its policy on the offering and provision of gifts, benefits and hospitality to contractors, consultants and other business associates. Those identified as acting inconsistently with the Policy and Procedure may be subject to contract re-negotiation, including termination.

5.1. Speak Up

Individuals who consider that gifts, benefits and hospitality or conflict of interest within Development Victoria may not have been declared or is not being appropriately managed should speak up and notify their manager or the Group Head, Legal and Advisory.

Individuals who believe they have observed corrupt conduct in their colleagues may also make a public interest disclosure directly to an appropriate independent body. Further information on how to make such a disclosure is set out in Development Victoria's Making and Handling Protected Disclosures Policy and Procedure.

Development Victoria will take decisive action, including possible disciplinary action, against individuals who discriminate against or victimise those who speak up in good faith. Development Victoria will also respond in a constructive manner to the information provided by individuals who speak up.

5.2. Contacts for Further Information

A conflict of interest resulting from the acceptance of a gift, benefit or hospitality is not always clear to those who have them. Individuals who are unsure about accepting a gift, benefit or hospitality, or the application of the Policy and Procedure, should ask their manager or the Group Head, Legal and Advisory for advice.

5.3. Governance and Review

The Gifts Register is reviewed quarterly by the Audit and Risk Committee and is regularly audited.

The Director, Enterprise Finance will report quarterly to the Audit and Risk Committee on the administration and quality control of the Gifts, Benefits and Hospitality Policy and Procedure and Gifts Register. The report will include analysis of Development Victoria's gifts, benefits and hospitality risks (including multiple offers from the same source and offers from business associates), risk mitigation measures and any proposed improvements.

The Audit and Risk Committee will review and approve this Policy and Procedure every two years, or more frequently if required.

6. Related Documentation

Documents required to comply with policy and/or procedure:

- A07 Conflicts of Interest Policy and Procedure (Board)
- A08 Conflicts of Interest Policy and Procedure (Staff)
- A10.1 Gifts, Benefits and Hospitality Declaration Form
- A10.3 Gifts Register
- Development Victoria Public Register (published on DV's Public Website (www.development.vic.gov.au))
- A11 Making and Handling Public Interest Disclosures Policy and Procedure

Documents referred to:

- Code of Conduct for Victorian Public-Sector Employees
- Code of Conduct for Directors of Victorian Public Entities
- Gifts, Benefits and Hospitality Framework (Victorian Public Sector Commission)
- Instructions supporting the Standing Directions of the Minister for Finance 2021
- Public Administration Act 2004
- Education and Training Reform Act 2006
- Victorian Public Sector Commission's Model Public Gifts Register

7. Version control

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Schedule A: Minimum accountabilities

For managing gifts, benefits and hospitality in the Victorian public sector.

Part A – Introduction

The minimum accountabilities are issued by the Victorian Public Sector Commission (VPSC).

A gift, benefit or hospitality must not be accepted or given by a public sector organisation or its employees if the offer does not comply with the minimum accountabilities.

The minimum accountabilities are binding under the Instructions supporting the Standing Directions of the Minister for Finance 2018. Accordingly, all public sector organisations should incorporate the minimum accountabilities as the binding foundation of their gifts, benefits and hospitality policy.

Organisations are encouraged to use and can adapt the model policy to take into account their organisation's functions and any special requirements in its establishing documents as long as they make sure their policies are at least as strict as the minimum accountabilities.

Part B – Receiving offers of gifts, benefits and hospitality

You must comply with the minimum accountabilities when responding to all offers of gifts, benefits or hospitality (token or non-token), including offers from other public sector organisations.

Minimum accountability 1 – Do not solicit offers

You must not solicit (seek) any gift, benefit or hospitality, for yourself or others, if the offer could reasonably be seen as connected to your employment.

Minimum accountability 2 – Offers you must refuse

You must always refuse a gift, benefit or hospitality (token or not token) if any of the following apply:

1. Money or similar

You must refuse the offer if it is money, used in a similar way to money, or easily converted to money.

2. Conflict of interest

You must refuse the offer if it gives rise to a conflict of interest (actual, potential or perceived). This means you must refuse the offer if it could influence, or reasonably be seen to influence, how you perform your public duties.

3. Public trust

You must refuse the offer if it could compromise the public's trust that you will perform your public duties in an impartial manner or the public's trust in the impartiality of your organisation or the public sector.

4. Community expectations

You must refuse the offer if it is not consistent with community expectations.

5. Bribes

You must refuse the offer if it could reasonably be seen as a bribe or other inducement.

Report the offer to the head of your 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).

6. Legitimate business reason – non token offers

Even if the offer complies with all the other requirements above, you must refuse a non-token offer unless there is a legitimate business reason to accept it. The offer must further the conduct of official business or other legitimate goals of your organisation, the public sector or the State.

Minimum accountability 3 – Declare all non-token offers

If you receive a non-token offer (valued at \$50 or more), you must:

- declare the offer in writing, even if you refuse it

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- always refuse the offer unless it complies with minimum accountability 2 and you have approval as set out in your organisation's policy.

The offer and outcome will be recorded on the organisation's official internal register and in the public register.

Part C – Providing gifts, benefits and hospitality

These minimum accountabilities relate to providing gifts, benefits and hospitality on behalf of your organisation.

They apply when making any offer of a gift, benefit or hospitality, including an offer to another Victorian public sector organisation.

Minimum accountability 4 – business purpose

You must ensure that any gift, benefit and hospitality (token or non-token) you provide on behalf of your organisation 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.

Minimum accountability 5 – cost and community expectations

You must ensure that the cost of providing a gift, benefit or hospitality is:

- proportionate to the benefits obtained for the State
- would be considered reasonable in terms of community expectations.

Minimum accountability 6 – conflicts of interest

You must ensure that you do not provide a gift, benefit or hospitality unless:

- no conflict of interest exists (actual, potential or perceived), or
- you declare a conflict and your organisation develops a management plan that explicitly allows you to provide it.

Minimum accountability 7 – behaviour

You must ensure that when hospitality is provided, participants:

- demonstrate professionalism in their conduct
- uphold their obligation to extend a duty of care to other participants.

If you are a participant who is accepting hospitality, you must also comply with these standards.

Part D – additional obligations for heads of public sector organisations

As the head of a public sector organisation, in addition to the other minimum accountabilities, you must also comply with the following requirements.

Minimum accountability 8 – culture and good practice

You must model good practice and foster a culture of integrity.

Minimum accountability 9 – policies and processes

You must establish, implement and review organisational policies and processes for the effective management of gifts, benefits and hospitality.

Your organisation's policy must comprehensively address the minimum accountabilities.

You must ensure that the requirements in your organisation's gifts, benefits and hospitality policy are at least as strong as those in the minimum accountabilities.

The VPSC recommends that your organisation:

- adopt the gifts benefits and hospitality model policy and model forms published by the VPSC
- where appropriate, adapt them to take into account your organisation's functions and any requirements in its establishing documentation.

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When an employee speaks up in good faith

You must ensure that your organisation's policy and procedures require the organisation to:

- actively support and protect employees who speak up in good faith about a possible breach of the policy
- take decisive action, including possible disciplinary action, against anyone who discriminates against or victimises an employee who speaks up in good faith
- respond in a constructive manner to the information provided.

Minimum accountability 10 – communicating to employees

You must ensure that your organisation's policy and related processes are communicated effectively to employees.

This includes communicating that a breach of the policy may constitute a breach of a binding code of conduct and, where appropriate, may result in disciplinary action. In some circumstances, a breach may constitute criminal or corrupt conduct.

Minimum accountability 11 – communicating to business associates

You must ensure that a clear policy position is established and communicated to business associates on the offering of gifts, benefits and hospitality to employees, including the possible repercussions for a business associate acting contrary to the organisation's policy position.

The information provided to (potential) suppliers should include:

- what constitutes a gift, benefit or hospitality the organisation's policy
- that the organisation discourages the making of offers
- any whole of Victorian Government supplier codes of conduct.

Minimum accountability 12 – reports to audit committee

You must 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 internal register.

This report must include a copy of the internal register, 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.

Minimum accountability 13 – internal register

You must ensure that an official internal register of non-token gifts, benefits and hospitality offered to employees is established and maintained.

At a minimum, the register must record sufficient information to:

- effectively monitor, assess and report on the minimum accountabilities,
- meet the information requirements for the public register.

Minimum accountability 14 – publishing organisation's policy and the public register

You must ensure that the following documents are available to the public:

- your organisation's gifts, benefit and hospitality policy
- the public register of reportable gift offers received.

If your organisation has an external website the policy and public register must be published on it. If no public website exists, other reasonable arrangements must be made to ensure the information is available to the public.

The public register should cover the previous financial year and be published within four months of each new financial year.

The public register must at a minimum contain the following reportable information:

- all non-token offers, whether they were accepted or not
- the date each non-token offer was made



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- the position of the recipient
- the position and organisation of the person making each offer
- where possible, whether the offeror is a business associate of the organisation
- a description of each offer and its value
- whether the offer was accepted or declined
- if accepted, the business reason for doing so.