

## Gifts, Benefits and Hospitality Policy and Procedures

### 1.0 Purpose

The purpose of this policy is to state BKI's position on:

- responding to offers of gifts, benefits and hospitality; and
- providing gifts, benefits and hospitality (including to staff)

Under the policy, offers and receipt of gifts, benefits and hospitality must be consistent with the Institute's public functions and any offer must be proportionate.

This policy provides guidance to staff and is intended to help staff maintain high levels of integrity and public trust. As a public sector entity, integrity extends to using public funds appropriately and only for public purposes. This policy is important because it guards the appropriate use of public funds and ensures decision-making is aligned to the Institute's public purposes.

This policy represents the expectations of BKI as a public sector entity and vocational educational provider, which receives public funds to conduct its business activities.

This policy has been developed in accordance with the requirements outlined in the *Minimum accountabilities for managing gifts, benefits and hospitality* issued by the Victorian Public Sector Commission.

This policy does not apply to promotional offers or benefits that are provided to BKI in the course of:

- a paid membership arrangement – i.e., where BKI pays a membership to receive a service and as part of that agreement receives benefits
- a sponsorship agreement formed under BKI's Sponsorship Policy.

### 2.0 Policy

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| 2.1 | Accountabilities    | <p>Individuals have a duty to place the public interest above their private interests when carrying out their official functions. They will not accept or solicit gifts, benefits or hospitality that could raise a perception of, or actual, bias, preferential treatment or a conflict of interest.</p> <p>Individuals are accountable for:</p> <ul style="list-style-type: none"> <li>• declaring all non-token offers of gifts, benefits and hospitality;</li> <li>• declining non-token offers of gifts, benefits and hospitality, or where an exception applies under this policy, seeking approval to accept the offer; and</li> <li>• the responsible provision of gifts, benefits and hospitality.</li> </ul> <p>Individuals with direct reports are accountable for overseeing management of their direct reports' acceptance or refusal of nontoken gifts, benefits and hospitality, modelling good practice and promoting awareness of gifts, benefits and hospitality policies and processes.</p> |
| 2.2 | Risk Based Approach | <p>BKI, through its policies, procedures and Audit and Risk Management Committee, will ensure gifts, benefits and hospitality risks 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.</p>   |

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| 2.3 | Token Offers / Non-Token Offers | <p><b>Token Offers</b></p> <p>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 which would be considered a basic courtesy, such as light refreshments offered during a meeting.</p> <p>Whilst the primary determinant of a token offer is that it would not be reasonably perceived within or outside the organisation as influencing an individual raising an actual, potential or perceived conflict of interest, it cannot be worth more than \$50:</p> <p>There are three exceptions to this:</p> <ul style="list-style-type: none"> <li>• Gifts, benefits or hospitality received as part of a BKI Membership (i.e. Victorian Chamber of Commerce)</li> <li>• Gifts, benefits and hospitality received from BKI sponsorship agreements (i.e. Kelly Racing)</li> <li>• Gifts, benefits and hospitality that has a clear link to sector and industry events.</li> </ul> <p><b>Non-Token Offers</b></p> <p>A non-token offer is a gift, benefit or hospitality greater than \$50 that is, or may be perceived of more than inconsequential value</p> <p>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.</p> |
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### 3.0 Procedures

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| 3.1 | Approval and Recording of Gifts, Benefits and Hospitality | <p>Where the gift benefit or hospitality is being offered to the Portfolio Executive, the CEO must approve the retention of the benefit, and where offered to the CEO, the Board Chair must approve the retention of that benefit. The Portfolio Executive will take into account clause 3.3 in deciding the outcome of the offer.</p> <p>Where it is decided that the acceptance of a benefit could raise a perception of, or actual, bias, preferential treatment or a conflict of interest, the benefit will be:</p> <ul style="list-style-type: none"> <li>• declined and returned to the giver</li> <li>• retained by BKI and redistributed as part of a BKI Staff Recognition Policy, or</li> <li>• be subject to a raffle, with proceeds provided to a chosen charity.</li> </ul> |
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| 3.2 | Token Offer    | <p>Individuals may accept token offers of gifts, benefits and hospitality without approval or declaring the offer on the BKI register.</p> <p>Individuals <u>must refuse</u> all offers (excluding token hospitality, such as sandwiches over a lunchtime meeting):</p> <ul style="list-style-type: none"> <li>• made by a current or prospective supplier</li> <li>• made during or after a procurement or tender process by a person or organisation involved in the process</li> </ul>  |
| 3.3 | Key principles | <p>For non-token offers, individuals should consider the following principles:</p> <p><b>Independence and free from influence:</b></p> <p>BKI decisions and actions must be, and be seen to be, independent and free from influence. Employees should consider whether the person making an offer could stand to benefit from a decision being made now or in the future by BKI. Where a BKI employee is made an offer in private, they should consider:</p> <ul style="list-style-type: none"> <li>• the person's intentions in making the offer</li> <li>• whether the person has made a number of offers to BKI over the last 12-months, which may indicate an intention to influence.</li> <li>• whether accepting the offer might create a perceived obligation to return a favour on part of either the giver or the recipient of an offer</li> </ul> <p>Employees <u>must refuse</u> an offer where:</p> <ul style="list-style-type: none"> <li>• they or someone else within BKI is about to make a decision about the person who is making the offer, or will make a decision about the person in future.</li> <li>• it could be perceived that the acceptance of that offer might influence them, or be perceived to influence them, in the course of their duties or raise an actual, potential or perceived conflict of interest;</li> <li>• the offer is likely to be a bribe or inducement to make a decision or act in a particular way</li> <li>• the offer extends to their relatives or friends</li> <li>• there is no legitimate business benefit</li> <li>• the offer is money or something easily converted to money or used in a similar way</li> <li>• it is made in secret.</li> </ul> <p>Employees must not accept offers from individual students or their parents to avoid any confusion or misconceptions as to the outcomes of teaching services and decisions. Any group student offers must not be accepted if there is a perception that the offer is in connection with an assessment or education outcome.</p> |

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|  | <p><b>Cultural norms and the prospect of offence</b></p> <p>Culturally, it can be appropriate to accept an offer of a gift, benefit or hospitality if to decline the offer may give rise to offence. An example of this may be an offer made as an expression of appreciation of an employee's time in delivering a presentation to a community group.</p> <p><b>Public Perception</b></p> <p>Employees should consider how the public would view the acceptance of an offer of a gift, benefit or hospitality in the context of BKI's public functions.</p> <p>Individuals are to refuse non-token offers:</p> <p>There will be some exceptions where there is a legitimate business reason for accepting a non-token offer. All accepted non-token offers <b>must</b> be approved in writing by the individual's relevant Portfolio Executive consistently with clause 3.1.</p> <p>The acceptance must be recorded in the Gifts, Benefits and Hospitality Register.</p> <p>Individuals may be offered a gift or hospitality where there is no opportunity to seek written approval from their manager 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 consideration from their relevant Portfolio Executive (or CEO or Board as relevant) within five business days.</p> |
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| 3.4 | Recording of nontoken offers of gifts, benefits and hospitality | <p>All non-token offers, whether accepted or declined, must be recorded in BKI's Gifts, Benefits and Hospitality Register, together with:</p> <ul style="list-style-type: none"> <li>• Whether the offer / gift, benefit or hospitality was declined, returned, retained by the recipient/team, retained by BKI or raffled.</li> <li>• detail the link between any acceptance of an offer to the individual's work functions and benefit to BKI, the public sector or the State.</li> </ul> <p>The Gifts, Benefits and Hospitality Register is administratively supported by the Board Support Officer, CEO's office.</p> <p>This register is published annually on BKI's website.</p> <p>Individuals should consider the following examples of acceptable and unacceptable levels of detail to be included in BKI's register when recording the business reason: <b>Unacceptable:</b> "Networking"</p> <p style="padding-left: 40px;">"Maintaining stakeholder relationships"</p> <p><b>Acceptable:</b> "Individual is responsible for evaluating and reporting outcomes of BKI's sponsorship of Event A. Individual attended Event A in an official capacity and reported back to BKI on the event."</p> <p style="padding-left: 40px;">"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, written approval was subsequently obtained for the gift, which became BKI's property."</p> <p>BKI's Finance and Audit and Risk Management 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 BKI'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.</p> |
| 3.5 | <b>Provision of Gifts, Benefits and Hospitality</b>             | <p>Gifts, benefits and hospitality may be provided to welcome guests, facilitate the development of business relationships, further public sector business outcomes and to celebrate achievements.</p>   |

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| <p>3.6</p> | <p>Management of the provision of gifts, benefits and hospitality – Key Principles</p> | <p>When deciding whether to provide gifts, benefits or hospitality or the type of gift, benefit or hospitality to provide, individuals must ensure:</p> <p><b>Public Trust</b></p> <ul style="list-style-type: none"> <li>any offer of a gift, benefit or hospitality must not raise an actual, potential or perceived conflict of interest; and</li> <li>must uphold the reputation of the public sector, with documented rationale (in the register) for why the offer is made.</li> </ul> <p><b>Business Interests</b></p> <p>Any offer must advance a legitimate business interest in that it furthers the conduct of official business or other legitimate organisational goals, promotes and supports government policy objectives and priorities or contributes to staff wellbeing and workplace satisfaction;</p> <p><b>Proportionality</b></p> <ul style="list-style-type: none"> <li>Associated costs must be proportionate to the benefits obtained for the State, and would be considered reasonable in terms of community expectations. The cost will be modest and inexpensive and any alcohol that will be provided is a courtesy, minimal and not an indulgence.</li> </ul> <p><b>Key considerations</b></p> <p>When considering making an offer of a gift, benefit or hospitality, key questions staff should ask themselves are</p> <ul style="list-style-type: none"> <li>Will the cost of providing the gift, benefit or hospitality be proportionate to the potential benefits?</li> <li>Is an external venue necessary or does the organisation have facilities to host the event?</li> <li>Is the proposed catering or hospitality proportionate to the number of attendees?</li> <li>Does the size of the event and number of attendees align with intended outcomes?</li> <li>Will providing the gift, benefit or hospitality be viewed by the public as excessive?</li> </ul> |
| <p>3.7</p> | <p>Gifts to colleagues and Institute employees</p>                                     | <p>The Institute is proud to recognise the achievements of staff through its employee services. This includes its <i>Recognition Policy</i>, its BKI KanBe Staff awards and the suite of services available through our employee assistance program.</p> <p>Celebrating or recognising personal life events of colleagues or their friends and family does not fall within the Institute’s public functions and is not permitted under this policy. Of course, if colleagues want to purchase gifts for each other, this is open for them to do so personally.</p>  |

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|     |                                      | <p>The Institute will generally only cover the costs associated with hospitality where it relates to an Institute directed or sponsored event. This reflects the Institute's recognition that employees can fairly expect not to be financially disadvantaged by attending or participating in Institute events. Ad hoc expenditure on discretionary items such as food and beverages is inconsistent with the spirit of this policy and the Institute's public objectives.</p> <p>At times, circumstances may arise where the Institute considers it is appropriate to apply an exception to this policy and may choose to purchase a gift for an Institute employee. Departures from Institute policy can be considered through the Office of the Chief Executive Office.</p>  |
| 3.8 | Bribe or Inducement                  | <p>If an individual considers they have been offered a bribe or inducement, the offer must be reported to the Integrity and Corruption Control Officer (who should report any criminal or corrupt conduct to Victoria Police or the Independent Broad-based Anti-corruption Commission).<sup>1</sup></p>   |
| 3.9 | Consequences of breaching the policy | <p>Disciplinary action may be taken where an individual fails to adhere to this policy. This includes where an individual fails to identify, declare and manage a perceived conflict of interest related to gifts, benefits and hospitality in accordance with BKI's Conflict of Interest requirements.</p> <p>Actions inconsistent with this policy may constitute misconduct under the <i>Public Administration Act 2004</i>, which includes:</p> <ul style="list-style-type: none"> <li>• breaches of the binding <i>Code of conduct for Victorian public sector employees</i>, such as sections of the Code covering conflict of interest (section 3.7), public trust (section 3.9) and gifts and benefits (section 4.2); and</li> <li>• individuals making improper use of their position.</li> </ul> <p>For further information on managing breaches of this policy, please contact the Chief People, Culture &amp; Strategy Officer.</p> <p>BKI will communicate its policy on the offering and provision of gifts, benefits and hospitality to those acting on behalf of BKI. Those identified as acting inconsistently with this policy may be subject to contract re-negotiation, including termination.</p> <p>There may also be consequences for any business associates that offer gifts, benefits and hospitality to BKI employees that are contrary to the principles of this policy and/or if the offer is a breach of any Victorian Government supplier codes of conduct.</p> |

<sup>1</sup> In this context, corrupt conduct includes the conduct of *any* person that may or is intended to adversely impact on the honest performance of public officers. As such, this can include the conduct of members of the public, students and contractors. See section 4, *Independent Broad-based Anti-corruption Commission Act 2011 (Vic)*.

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| 3.10 | Speak Up | <p>Individuals who consider that gifts, benefits and hospitality or conflict of interest within BKI may not have been declared or is not being appropriately managed should speak up and notify their manager, the Head of Governance Risk and Compliance or the Integrity and Corruption Officer (Risk &amp; Assurance Manager). People can also Speak Up using the Institute's external <a href="#">portal</a>.</p> <p>BKI will take decisive action, including possible disciplinary action, against individuals who discriminate against or victimise those who speak up in good faith.</p> |
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### 4.0 Roles and Responsibilities

| Role  | Responsibility  |
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| Responsible Body                            | The Board is responsible for ensuring compliance with Standing Directions and approval of this policy   |
| Finance Audit and Risk Management Committee | The Finance Audit and Risk Management Committee (FARMC) is required to be satisfied the Board's attestation of compliance with the requirements of the Standing Directions.   |
| Accountable Officer                         | The Chief Executive Officer is the Accountable Officer<br>The Accountable Officer has overall responsibility for this policy  |
| Chief People, Culture & Strategy Officer    | The Chief People, Culture & Strategy Officer is responsible for promoting Speak Up and for providing additional information regarding the consequences of breaching this policy.  |
| Compliance Manager                          | The Compliance Manager is responsible for monitoring compliance with the requirements of Standing Directions.   |
| Head of Governance, Risk and Compliance     | <p>The Head of Governance, Risk and Compliance has the responsibility for:</p> <ul style="list-style-type: none"> <li>the implementation and operation of the policy</li> <li>responsibility for providing a report of all gifts, benefits and hospitality to the ARMC annually</li> <li>ensuring that the gifts, benefits and hospitality register is published on the internet annually</li> </ul>  |
| Board Support Officer                       | The Board Support Officer is responsible for administratively maintaining the Gifts, Benefits and Hospitality Register and will document the outcome of an offer of a gift, benefit or hospitality in accordance with clause 3.1.   |
| Portfolio Executives and delegated managers | <p>Individuals with direct reports:</p> <ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul> |

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| Employees / International Agents | <ul style="list-style-type: none"> <li>Maintain their awareness and comply with the requirements of this policy and associated processes.</li> <li>Report to their Manager or the Chief Operating Officer any bribery attempt within 24 hours of the offer.</li> </ul> |
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### 5.0 Related Policies and Procedures

Improper Conduct Policy and Procedure

Conflicts of Interest

BKI Code of Conduct

Travels, Meals and Entertainment Policy

### 6.0 References

*Public Administration Act 2004 (Vic)*

Code of Conduct for Victorian Public Sector Employees

BKI Code of Conduct

Victorian Public Sector Commission; *Minimum accountabilities for managing gifts, benefits and hospitality*

### 7.0 Definitions

| Word/Term                      | Definition   |
|--------------------------------|--|
| BKI                            | Bendigo Kangan Institute   |
| Word/Term                      | Definition   |
| CEO                            | Chief Executive Officer  |
| Benefits                       | Preferential treatment, privileged access, favours or other advantage offered (e.g. access to discounts and loyalty programs, and promises of employment).   |
| Bribe                          | Money or other inducement given or promised to corruptly influence performance.  |
| Actual Conflict of Interest    | There is a <u>real conflict</u> between an employee's public duties and private interests.   |
| Potential Conflict of Interest | an employee has private interests that <u>could conflict</u> with their public duties. This refers to circumstances where it is foreseeable that a conflict may arise in future and steps should be taken now to mitigate that future risk |
| Perceived Conflict of Interest | the public or a third party could <u>form the view</u> that an employee's private interests could improperly influence their decisions or actions, now or in the future.   |

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| Legitimate Business Benefit | Gifts, benefits and hospitality accepted or provided for a business purpose, in that it furthers the conduct of official business or other legitimate goals of the organisation, public sector or State. |
| Token Offer                 | 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.  |
| Non-Token Offer             | 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                |

### 8.0 Version Control and Change History

| Version | Approved By | Approval Date | Issue Date | Next Review | Description of Change   | Document Owner                         |
|---------|-------------|---------------|------------|-------------|---|--|
| 1.0     | Board       | 27/10/14      | 04/12/14   | 31/12/15    | The content of this policy originated from Bendigo TAFE POL 219 Gift, Benefits and Hospitality Policy | Chief Business and Performance Officer |
| 2.0     | N/A         | N/A           | 02/03/15   | 31/12/15    | Editorial change: Removal of logos from the template  | Chief Business and Performance Officer |
| 3.0     | CEO         | 18/09/15      | 18/09/15   | 31/12/17    | Changes to align with DET Gifts, Benefits and Hospitality Policy                                      | Chief Operating Officer                |
| Version | Approved By | Approval Date | Issue Date | Next Review | Description of Change   | Document Owner                         |
| 3.1     | CEO         | 15/11/17      | 16/11/17   | 15/11/18    | Gift reporting threshold changed  | Chief Operating Officer                |
| 4.0     | CEO         | 13/03/18      | Unknown    | 13/03/20    | Updated in line with VPSC guidelines  | Chief Operating Officer                |
| 5.0     | CEO         | 03/07/19      | 10/05/18   | 03/10/20    | Updated in line with VPSC guidelines  | Chief Operating Officer                |

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| 6.0 | COO                                    | 13/11/2020 |            | 12/11/2020 | <p>Realigned accountabilities to be focused on to be on the avoidance of accepting gifts that could raise a perception of, or actual, bias, preferential treatment or a conflict of interest as opposed to obtaining a benefit.</p> <p>Lowered token gift value.</p> <p>Inserted options for treating an offer of gift, benefit or hospitality.</p> | Chief Operating Officer              |
| 7.0 | BOARD                                  | 09/12/2020 | 18/12/2020 | 09/12/2021 | General changes.  | Chief Operating Officer              |
| 8.0 | Head of Governance Risk and Compliance | 27/09/2021 | 27/09/2021 | 2023       | <p>Inserted 3.7.</p> <p>Changed references from ARMC to FARMC.</p>  | Chief Governance and Quality Officer |