

Gifts, Benefits and Hospitality Policy

February 2023



Improving the future prosperity of Victoria

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1 Purpose

The purpose of the Gifts, Benefits and Hospitality Policy (“**this Policy**”) is to provide the framework for VFMC directors, employees and contractors to comply with our public sector obligation to ensure that offers of gifts, benefits and hospitality do not influence public sector actions or decision making.

This Policy has been developed in accordance with the binding obligations outlined in the *Minimum Accountabilities for Managing Gifts, Benefits and Hospitality* (“**Minimum Accountabilities**”) issued by the Victorian Public Sector Commission which are binding under the Instructions supporting the Standing Directions of the Minister for Finance. VFMC is committed to and will uphold the following principles in applying this policy:

- *Impartiality* – we have a duty to place the public interest above our private interests when carrying out our official functions. We must not accept gifts, benefits or hospitality that could raise a perception of, or an actual, bias, or preferential treatment. We must not accept offers from those about whom we are likely to make business decisions.
- *Accountability* – we are accountable for:
 - declaring all non-token offers of gifts, benefits and hospitality;
 - declining non-token offers of gifts, benefits and hospitality, or where it is deemed appropriate to accept, seek approval to accept the offer; and
 - the responsible provision of gifts, benefits and hospitality.
- *Integrity* – we 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. We will refuse any offer that may lead to an actual, perceived, or potential conflict of interest.
- *Risk based approach* – VFMC, through its policies, processes and the Audit, Risk and Compliance Committee (“**ARCC**”) will ensure gifts, benefits and hospitality risks are appropriately assessed and managed.

This Policy has been developed to ensure that we:

- practice transparency, applying principles of good governance and accountability;
- demonstrate integrity, impartiality and accountability;
- earn and sustain the trust of those we serve; and
- give confidence to Government, clients, business associates and the Victorian community that we perform our public duties without favouritism, bias, or for personal gain-

The objectives of this Policy are to equip VFMC directors and employees to:

- distinguish and appropriately manage modest tokens of appreciation, or hospitality that is a basic courtesy, from inducements, conflicts of interest or non-token offers without a legitimate business benefit; and
- identify appropriate boundaries for the provision of gifts, benefits and hospitality in a way that is considered reasonable in terms of community expectations.

2 Scope

This Policy applies to all directors, employees, and contractors of VFMC while performing their duties or acting on behalf of VFMC. For the purposes of this Policy, the term ‘employees’ means all employees and contractors.

In accordance with clause 1.2 of the Code of Conduct for Victorian Public Sector Employees (“**the Code**”), all employees are required to comply with this Policy and other policies which support the application of the Code. *A Code of Conduct cannot anticipate every possible situation. Where policies and procedures are unclear or prove insufficient in particular circumstances, it is advisable to go back to first principles. This means considering the core ideas contained in both the Code and the public sector values on which it is based.*

Employees are each required to confirm, on an annual basis, that we have read and understood this Policy and complied with the Policy for the previous 12 months.

Non-compliance with this Policy may constitute misconduct and disciplinary action may be taken. Such disciplinary action may include (depending on the severity of the breach), but is not limited to, reprimand, formal warning or termination of employment or engagement.

Serious or repeated cases will lead to a “first and final” warning being issued and any further digression will result in sanctions to be determined by the CEO and/or Chair.

3 Principles / Minimum Accountabilities

Gifts, benefits and hospitality may be given or received only in accordance with these principles:

When directors and employees are **offered** gifts, benefits and hospitality:

1. You must not, seek or solicit gifts, benefits and hospitality either for yourself or others
2. You must refuse all offers of gifts, benefits and hospitality that:
 - are money, items used in a similar way to money, or items easily converted to money;
 - give rise to an actual, potential or perceived conflict of interest;
 - may adversely affect your standing as a VFMC employee or which may bring VFMC or the public sector into disrepute; or
 - are non-token offers without a legitimate business benefit.
3. You must **declare all non-token offers** (valued at \$50 or more and any lesser value if there is a conflict of interest) of gifts, benefits and hospitality (whether accepted or declined) on VFMC's Gifts, Benefits and Hospitality Register (“the **Register**”), and **seek written approval from your people leader or organisational delegate to accept any non-token offer**. The Risk and Compliance team can provide advice if you are unsure how to interpret the policy, but they cannot approve your decision – the ultimate decision rests with you.
4. You must refuse bribes or inducements and report inducements and bribery attempts to VFMC's CEO or delegate (who should report any criminal or corrupt conduct to Victoria Police or the Independent Broad-based Anti-corruption Commission).

When directors and employees are **providing** gifts benefits and hospitality:

5. You must 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. You must ensure that any costs are proportionate to the benefits obtained for the State and would be considered reasonable in terms of community expectations.
7. You must 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.

VFMC **organisational** minimum requirements – VFMC must:

8. Establish, implement and review organisational policies and processes for the effective management of gifts, benefits and hospitality that comprehensively addresses these minimum requirements and accountabilities.
9. Establish and maintain a Register for gifts, benefits and hospitality offered to VFMC directors and employees that, at a minimum, records sufficient information to effectively monitor, assess and report on these minimum accountabilities.
10. Communicate and make clear within VFMC that a breach of this Policy or related 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 VFMC directors and employees, including possible consequences for a business associate acting contrary to VFMC's policy position. This must take into consideration any whole of Victorian Government supplier codes of conduct.
12. Report at least annually to VFMC's ARCC on the administration and quality control of this Policy, related processes and the Register. This report must include analysis of VFMC'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 this Policy and the Register on VFMC's public website. The published Register should cover the most recent and previous financial year.

4 Management of offers of gifts, benefits and hospitality

You must not seek offers of gifts, benefits and hospitality

Have you been offered a gift, benefit or hospitality?

Offers include:

- Items or services (e.g. chocolates, bottle of wine, free training courses)
- Benefits (e.g. promise of a new job, discounted services)
- Hospitality (e.g. food, drink, travel, accommodation, and tickets to sporting, cultural, or social events)

YES

Is it prohibited?

- Would accepting the offer create an actual, perceived, or potential conflict of interest?
- Could it be perceived as an inducement?
- Is it tickets to a sporting, cultural or social event?
- Is it money, similar to money (e.g. gift vouchers) or easily converted to money (e.g. shares)?
- Is it made by a prospective supplier (i.e. one for whom there is a pending and imminent business decision) (excluding token hospitality)?
- Is it made during a procurement or tender process by a person or organisation involved in the process or a VGPB panel supplier (excluding token hospitality provided at a business meeting)?

YES

NO

Is it a token offer?

(of inconsequential or trivial value and **no more than \$50**)

YES

NO

Refuse the offer

If you cannot immediately refuse, either return the offer or transfer ownership to VFMC.

Refuse & record the offer *

If you cannot immediately refuse, either return the offer or transfer ownership to VFMC.

NO

Does it have a legitimate business benefit**?

YES

Pre-approval to accept & then record the offer ***

Have you received multiple offers from the same source?

NO

May accept the offer

YES

May refuse the offer#

* Generic, bulk event invitations that are declined or ignored (e.g. spam email offers) do not need to be recorded.

** **Networking and maintaining stakeholder relationships are not considered a legitimate business benefit.**

*** Hospitality from Victorian public sector organisations does not need to be recorded.

More than one token offer may be accepted. However, care should be taken to ensure that multiple offers are not used as a device to avoid offers being recorded on the Register.

4.1 Token offers (under \$50 and where no conflict of interest exists)

Recording on Register – You **do not need to record token offers** on the Register.

Acceptance and Approvals – You **do not need approval to accept** token offers. However, token offers may be considered to become non-token where:

- token offers are made often by the same person or organisation; or
- there may be a perception that the offers may influence the recipient (see table below in section 4.2).

You may accept more than one token offer, however, you must take care to ensure that multiple offers are not used as a device to avoid offers being recorded.

Example – Conference presentation

Fred had spent the past week composing and then rehearsing his presentation for the international conference on sustainable development. As Fred makes his closing remarks, the audience applauds and then the MC steps forward to thank him for an engaging presentation and presents him with a box of chocolates.

What should Fred do?

The MC is presenting Fred with chocolates to say thanks for his presentation. Fred's organisation categorises such gifts as token offers, therefore Fred could accept the chocolates. Fred does not need to seek approval or record the chocolates on the Register.

Example – Contractual commitments to provide benefits and hospitality

VFMC has a contract with an investment manager which contains an obligation on the manager to pay for VFMC's travel costs in attending site visits. An investment manager offers John an all expenses paid trip attend several site visits and the manager's annual conference.

What should John do?

John must refer to the contract and determine what falls within the definition of 'travel costs', and may only accept the parts of the offer that comply with the provisions of the contract. John must decline (or VFMC should fund subject to normal expenditure approvals) the invitation to attend the conference and must record the declined offer in the Register.

Example – State Purchase contract commitments to provide benefits and hospitality

VFMC is a signatory to the Legal Services Panel (LSP) (a Victorian Government State Purchase Contract). A partner from a panel firm offers members of the legal team an invitation to attend a cocktail party to celebrate the achievements of women in law.

What should the legal team do?

The LSP agreement (to which the law firm is a signatory) obliges panel firms to provide continuing professional education sessions (which often include token hospitality). The legal team must decline the invitation to the cocktail party and should remind the partner of the obligations under the agreement for panel firms to refrain from making offers of hospitality to public sector entities.

4.2 Non-token offers (over \$50 and all offers where there is a perceived, potential or actual conflict of interest)

In assessing whether to accept or decline a non-token offer, you should consider the 'GIFT' test.

'GIFT' test		
G	Giver	Who is providing the gift, benefit or hospitality and what is their relationship to me? <ul style="list-style-type: none"> 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? <ul style="list-style-type: none"> Has the gift, benefit or hospitality been offered to me publicly or privately? Is it a courtesy or a token of appreciation or valuable non-token offer? Does its timing coincide with a decision I am about to make?
F	Favour	Are they seeking a favour in return for the gift, benefit or hospitality? <ul style="list-style-type: none"> Has the gift, benefit or hospitality been offered honestly? Has the person or organisation made several offers over the last 12 months?
T	Trust	Would accepting the gift, benefit or hospitality diminish public trust? <ul style="list-style-type: none"> How would the public view acceptance of this gift, benefit or hospitality? What would my colleagues, family, friends or associates think?

Recording on Register – You **must record all non-token offers** on the Register, whether accepted or declined.

Acceptance and Approvals – You **must seek written approval from your people leader before accepting** a non-token offer. The scenarios in which you may accept or must decline a non-token offer are listed in the table below. The Risk and Compliance team can provide advice if you are unsure how to interpret the policy, but they cannot approve your decision – the ultimate decision rests with you.

If you are offered a gift or hospitality where there is no opportunity to seek written approval before accepting, for example as a wrapped gift that you later identify as being a non-token gift or where you are travelling overseas, you must seek approval from your people leader within five business days.

Where the gift would likely bring you or VFMC into disrepute, you should return the gift. If it represents a conflict of interest for you, either return the gift or transfer the ownership to VFMC to mitigate this risk. You should speak to the Chief Finance and Risk Officer (CFRO) to transfer ownership to VFMC.

Non-token offers	
May be accepted with pre-approval	Must be declined
– brings a legitimate business benefit to VFMC, the public sector, or the State, and no actual, potential, or perceived conflict of interest arises.	– brings no legitimate business benefit to VFMC, the public sector, or the State (note: networking or maintaining stakeholder relationships are not considered a legitimate business benefit)
	– could create an actual, potential, or perceived conflict of interest
	– could bring you, VFMC, the public sector, or the State into disrepute
	– could be perceived as an inducement
	– not perceived as reasonable in terms of community expectations

Non-token offers	
May be accepted with pre-approval	Must be declined
	– money , items used in a similar way to money, or items easily converted to money
	– invitations to ticketed sporting, cultural or social events
	– made by a prospective supplier (i.e. one for whom there is a pending and imminent business decision) (excluding token hospitality)
	– made during a procurement or tender process by a person or organisation involved in the process (excluding token hospitality)
	– offers from those about whom you are likely to make business decisions (excluding token hospitality)

Examples of offers which you may receive are listed below:

Example – A day at the tennis (no legitimate business benefit)

Pam works in the investment team, and part of her role includes contributing to the assessment of which external fund managers to appoint, terminate or retain. While attending a lunch with an existing external manager, Pam is invited by that manager to attend the upcoming Australian Open tennis tournament, along with other clients of the same manager.

What should Pam do?

It was appropriate for Pam to attend the lunch hosted by the existing external manager so that she could report back to her employer on the information received at the lunch regarding the relationship and performance of the external manager to date. However, it would not be appropriate for Pam to attend the Australian Open event, as the focus of the event is maintaining stakeholder relationships which is not considered a legitimate business benefit for VFMC. It could also raise a perceived conflict of interest, as the organisation making the offer could be seeking to influence Pam’s future investment decision to appoint (i.e. for a further mandate), terminate or retain them as a manager. She should decline the invitation and record the non-token offer of Australian Open tickets on the Register.

Example – Travel sponsorship (legitimate business benefit and conflict of interest)

Joe works in the digital & technology team, and part of his role includes contributing to the assessment of which external service providers to appoint, terminate or retain. Joe is invited by an existing service provider to attend a one week conference in Sydney with flights, accommodation and meals paid for by the service provider.

What should Joe do?

There is a legitimate business benefit for VFMC in Joe attending the conference to understand recent technology developments and report back on the information presented. However, it could raise a perceived conflict of interest, as the service provider making the offer could be seeking to influence Joe’s future decision to retain them.

Joe should discuss with his people leader if the conflict of interest can be eliminated by VFMC paying for the flights, accommodation, and meals. If they agree that the conflict can be eliminated and his people leader approves Joe’s attendance; Joe may accept the conference element of the offer and decline the flights, accommodation, and meals element, and must record both on the Register. If the conflict cannot be eliminated, Joe must decline the full invitation and record the offer on the Register.

Example – Conference presentation (no legitimate business benefit and conflict of interest)

Mary agreed to present at a conference hosted by a law firm on the benefits of diversity and inclusion in the investment management profession. She was drawing on her 30-year career as both an investment professional and non-executive director. In anticipation of Mary's valuable contribution at the conference, a representative from the law firm contacted Mary and asked if, in recognition of the time and effort she was putting into speaking at the event, would she like to nominate a registered charity that the law firm could make a monetary donation to on her behalf.

What should Mary do?

Mary should decline the offer and suggest the law firm may like to donate to a charity of their own choosing. The law firm could then make the financial donation directly to a registered charity in their name with no involvement from Mary. If the declined offer is a non-token one, Mary must record the declined offer on the Register.

4.3 Conflicts of interest

In determining whether an actual, potential or perceived conflict of interest arises from an offer you receive, you must consider the relationship between you and the person or organisation offering the gift, benefit or hospitality. You should refer to the VFMC Code of Conduct if you need further information on conflicts of interest.

You **must not** accept gifts, benefits or hospitality from those about whom you are likely to make business decisions. Examples include, during, or immediately prior to, tenders for service from external parties such as technology providers, and external fund managers etc. In these cases you have the power to make a decision in favour of the person making the offer and could be influenced, or create a perception that the offer is an inducement for a favourable decision.

4.4 Repeat offers, inducements and attempted bribery

You should be alert to repeated offers of gifts, benefits and hospitality from a single source. VFMC must report to the ARCC on the risks associated with such offers. The cumulative value of the offers over a year may be quite high, and receiving multiple offers from the same person or organisation can generate a stronger perception that they will influence you. When accepting offers becomes a habit or even an expectation, you are likely to be in breach of the VFMC Code of Conduct.

You **must refuse** all bribes or inducements and report inducements and bribery attempts to the CEO or CFRO, who must then report any criminal or corrupt conduct to Victoria Police or the Independent Broad-based Anti-corruption Commission. You must report any colleague who tries to solicit a bribe.

The acceptance of money, items used in a similar way to money, or items easily converted to money is prohibited, as accepting this type of offer has a high risk of influencing, or being perceived as an inducement for favourable treatment.

4.5 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 VFMC, irrespective of value, and you should accept them on behalf of VFMC. You should speak to the CFRO to arrange handover of the gift to VFMC. The receipt of ceremonial gifts should be recorded on the Register, but this information does not need to be published online.

4.6 Hospitality provided by Victorian public sector organisations

Victorian public sector (“**VPS organisation**”) organisations may provide hospitality to stakeholders, as part of their functions. When offered hospitality by a VPS organisation, refer to section 3.

You may accept **hospitality from a VPS organisation**, provided the reason for your attendance is consistent with VFMC's functions and objectives and with your role. No approval or declaration is needed.

5 Managing the provision of gifts, benefits and hospitality

When deciding whether to provide gifts, benefits or hospitality, or what type to provide, you must ensure that:

- it is provided for a business reason (see section 5.1 below);
- any costs are proportionate to the benefits obtained for VFMC or the State (see section 5.2 below); and
- it would not give rise to an actual, potential, or perceived conflict of interest.

In assessing whether, or how, to provide gifts, benefits or hospitality, you should consider the 'HOST' test.

'HOST' test		
H	Hospitality	To whom is the gift or hospitality being provided? <ul style="list-style-type: none"> • Will recipients be external business partners, or directors and employees of VFMC?
O	Objectives	For what purpose will hospitality be provided? <ul style="list-style-type: none"> • Is the hospitality being provided to further the conduct of official VFMC or public sector business? • Will it promote and support government policy objectives and priorities? • Will it contribute to employee motivation, wellbeing and workplace satisfaction? • Does the size of event and number of attendees align with intended outcomes?
S	Spend	Will public funds be spent? <ul style="list-style-type: none"> • What type of hospitality will be provided? • Will it be modest or expensive, and will alcohol be provided as a courtesy or an indulgence? • Will the costs incurred be proportionate to the benefits obtained? • Is an external venue necessary or does the organisation have facilities to host the event? • Is the proposed hospitality proportionate to the number of attendees? • Is the gift symbolic rather than financial in value?
T	Trust	Will public trust be enhanced or diminished? <ul style="list-style-type: none"> • Could you publicly explain the rationale for providing the gift or hospitality? • Have there been multiple recent events that would result in perceptions of excess if further events are funded? • Will the event be conducted in a manner which upholds the reputation of the public sector? • Have records in relation to the gift, benefit or hospitality been kept in accordance with reporting and recording procedures?

5.1 Provided for a business reason

The provision of gifts, benefits or hospitality should deliver a benefit to VFMC or the State and uphold, and where possible, enhance the reputation of the public sector.

External guests

VFMC may provide gifts, benefits or hospitality for the purpose of:

- receiving guests (e.g. a visiting delegation from another jurisdiction);
- facilitating relationships between third party organisations that are in the interests of the State (e.g. an event where community sector and business organisations can meet to establish partnerships); or
- launching an initiative (e.g. a new community awareness campaign).

Directors and employees

VFMC may provide hospitality internally for a range of reasons, including catering as part of a large employee-related event, for example a training course, workshop, planning day, seminar, or conference.

Catering an internal event can be an effective means of celebrating achievements or promoting particular behaviours and is consistent with common business practices. In deciding whether VFMC should pay for all, some or none of the costs associated with an event, you should consider the requirements of the HOST test.

Celebrations such as birthdays, marriages or the birth of a child should not be funded by VFMC. Whilst VFMC may provide gifts to employees, for example as part of an organisational reward and recognition program, this should only occur in exceptional circumstances and any gifts should be token in nature.

5.2 Costs proportionate to the benefits

When providing a gift, benefit or hospitality you must consider the balance between costs incurred, potential benefits to VFMC or the State, and community expectations. You should contain costs wherever possible and follow the expenditure approval requirements set out in the VFMC Instrument of Delegations and VFMC Procurement Policy and record keeping requirements as per the VFMC Records Management Policy.

5.3 Catering events and meetings

If an event or meeting is significant in duration and extends over usual meal times, it is generally considered a basic courtesy to provide token hospitality such as tea, coffee or a light meal. This type of hospitality usually has a low cost per head and is in line with community expectations. VFMC must also ensure compliance with any requirements under relevant law including occupational health and safety obligations.

5.4 Providing alcohol

The supply of alcohol at any event can lead to increased risks, including the risk of anti-social behaviour and reputational damage. VFMC generally does not permit the consumption of alcohol during business hours.

If alcohol is provided to you, you must consider your individual obligations under the VFMC Code of Conduct, and you must not be impaired by alcohol whilst in the workplace or whilst representing VFMC.

6 Declaring gifts, benefits and hospitality

6.1 Gifts, Benefits and Hospitality Register (“the Register”)

VFMC maintains the Register in the Protecht system, and this is regularly reviewed by the Risk and Compliance team.

You are individually responsible for declaring in Protecht all non-token gifts, benefits and hospitality offered to you (whether accepted or declined). You should seek advice from the CEO, CFRO or COO if you are uncertain of how to respond to an offer of a gift, benefit or hospitality.

Directors - you must declare any non-token offers of gifts, benefits and hospitality offered to you in your capacity as a director of VFMC (whether accepted or declined), on VFMC’s register by informing the Board at the next scheduled Board meeting and by providing written notification to the Corporation Secretary.

You **do not need to declare** generic and/or bulk event invitations that are declined (e.g. spam email offers or unsolicited offers from unknown parties), or hospitality from VPS organisations, where attendance is consistent with public sector functions, objectives and roles.

6.2 Publication

A subset of the Register, together with this Policy, must be published on the VFMC public website. The published Register must cover the most recent and previous financial year.

VFMC takes into consideration requirements under relevant privacy legislation and the VFMC Privacy Policy when publishing the register online. VFMC will provide more generic information about the recipients and donors of declined offers and publish role titles rather than individual names for accepted offers.

6.3 Speak up

As part of VFMC’s commitment to integrity, we promote a culture of encouraging our people to speak up, ask questions, share their ideas and their concerns in a safe and supportive environment without fear of retaliation or penalty. Where you have any questions regarding a potential issue, whether it is a possible exception to, or breach of, VFMC policy, you should raise your concern with your people leader or a member of the Risk and Compliance team. The Exceptions, Fraud Corruption and Other Losses and Public Interest Disclosures policies provide further information around how to raise issues that may be of concern.

If you consider that gifts, benefits and hospitality or conflicts of interest within VFMC may not have been declared or are not being appropriately managed you should speak up and notify your people leader or the CFRO. VFMC may take decisive action, including possible disciplinary action, against individuals who discriminate against or victimise those who speak up in good faith.

7 Reviews

7.1 Risk and Compliance Annual Review

As outlined in the VFMC Compliance Verification Plan, the Risk and Compliance team performs periodic reviews of the Register to monitor compliance with the requirements of this Policy. The results of these reviews are reported to the ARCC annually.

7.2 CEO Annual Attestation

Under the Standing Directions of the Minister for Finance, VFMC is required to attest in the Annual Report that there have been no material breaches of the Standing Directions. This attestation includes compliance with this Policy., and it is supported by attestations from the CEO and management to the Board in this respect.

7.3 CIO Review – Investment Proposals

The CIO (or Executive Manager, Investments in the CIO's absence) must review the Gifts, Benefits and Hospitality Register and satisfy himself or herself that there are no items which need to be brought to TRAC's attention in the context of the consideration of any investment proposal. The signature of the CIO on the relevant Investment Proposal Document is deemed to be confirmation that this has occurred.

8 Related Documents

8.1 Related policies

- Code of Conduct
- Compliance Verification Plan
- Instrument of Delegations
- Investment Proposal Approval Framework
- Privacy Policy
- Procurement Policy
- Records Management Policy

8.2 Related Acts

- Financial Management Act 1994
- Public Administration Act 2004
- Public Records Act 1973

8.3 Related guidance

- Gifts, Benefits and Hospitality Policy Guide: Victorian Public Sector revised July 2018. The Minimum Accountabilities in the guide are binding obligations for VFMC under the Instructions supporting the Standing Directions of the Minister for Finance 2018, incorporating revisions to 31 December 2021.
- The Code of Conduct for Victorian Public Sector Employees.
- The Code of Conduct for directors of Victorian public entities.

Appendix 1 - Definitions

Term	Definition
Business Associate	an external individual or entity which VFMC has, or plans to establish, some form of business relationship, or who may seek commercial or other advantage by offering gifts, benefits or hospitality.
Benefits	include preferential treatment, privileged access, favours or other advantage offered to an individual. They may 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.
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. 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	<i>Actual</i> - there is a <u>real conflict</u> between an employee's public duties and private interests. <i>Potential</i> - 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 - the public or a third party could reasonably <u>form the view</u> that an employee's private interests could improperly influence their decisions or actions, now or in the future.
Gifts	are 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, jewellery, or expensive pens), low value (e.g. small bunch of flowers), consumables (e.g. chocolates) and services (e.g. painting and repairs). Fundraising by public sector organisations that is consistent with relevant legislation and any government policy is not prohibited under the Minimum Accountabilities.
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	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. It should be noted that 'networking' and 'maintaining stakeholder relationships' are not considered to be a 'legitimate business benefit'.
Public official	has the same meaning as under section 4 of the <i>Public Administration Act 2004</i> . This includes: <ul style="list-style-type: none"> • public sector employees; • statutory office holders; and • directors of public entities.
Public Register	register is a record, preferably digital, of a subset of the information contained in a register, for publication as required by the Minimum Accountabilities. Guidance regarding the information that should be published is provided in the VPSC Gifts, Benefits and Hospitality Policy Guide.
Register	is a record, preferably electronic, 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

Term	Definition
	was managed. For accepted offers, it details the business reason for acceptance and the officer approving the acceptance.
Token offer	<p>is an offer of a gift, benefit or hospitality that is offered as a courtesy or is of inconsequential or trivial value to both the person making the offer and the recipient. 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 or raising an actual, potential, or perceived conflict of interest, it cannot be worth more than \$50.</p> <p>They may include promotional items, such as pens and note pads provided to you at a conference, or modest hospitality that would be considered a basic courtesy, such as light refreshments offered during a meeting.</p>
Non-token offer	<p>is 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 and must be recorded on a gift, benefit and hospitality register.</p>