



## **GIFTS, HOSPITALITY & BENEFITS POLICY**

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This Policy sets out Westernport Water's (WPW) minimum accountabilities for the management of gifts, hospitality and benefits as required by Westernport Water's (the "Corporation") governing bodies. Collectively the Legislative Context including changes to Government and its structure, and the Instruments, Standing Directions, Instructions and Guidelines that are issued by the various Departments of Government are encapsulated in the term "Machinery of Government" in this Policy.

As a general rule across Public Sector organisations and reinforced through Departmental directives and guidelines, all gift offers should be discouraged and must never be accepted unless there is a clear justification. The same applies for offering gifts to third parties.

### **1. Purpose**

- To minimise gift offers made to, and accepted by, Directors, Officers and Employees of WPW.
- To establish principles and standards for all employees when responding to offers of gifts, hospitality and benefits.
- To establish principles and standards for all employees when offering gifts, hospitality or benefits to any third party individual or organisation.

### **2. Scope**

This policy applies to all Directors, Officers and Employees of Westernport Water.

### **3. Key Definitions**

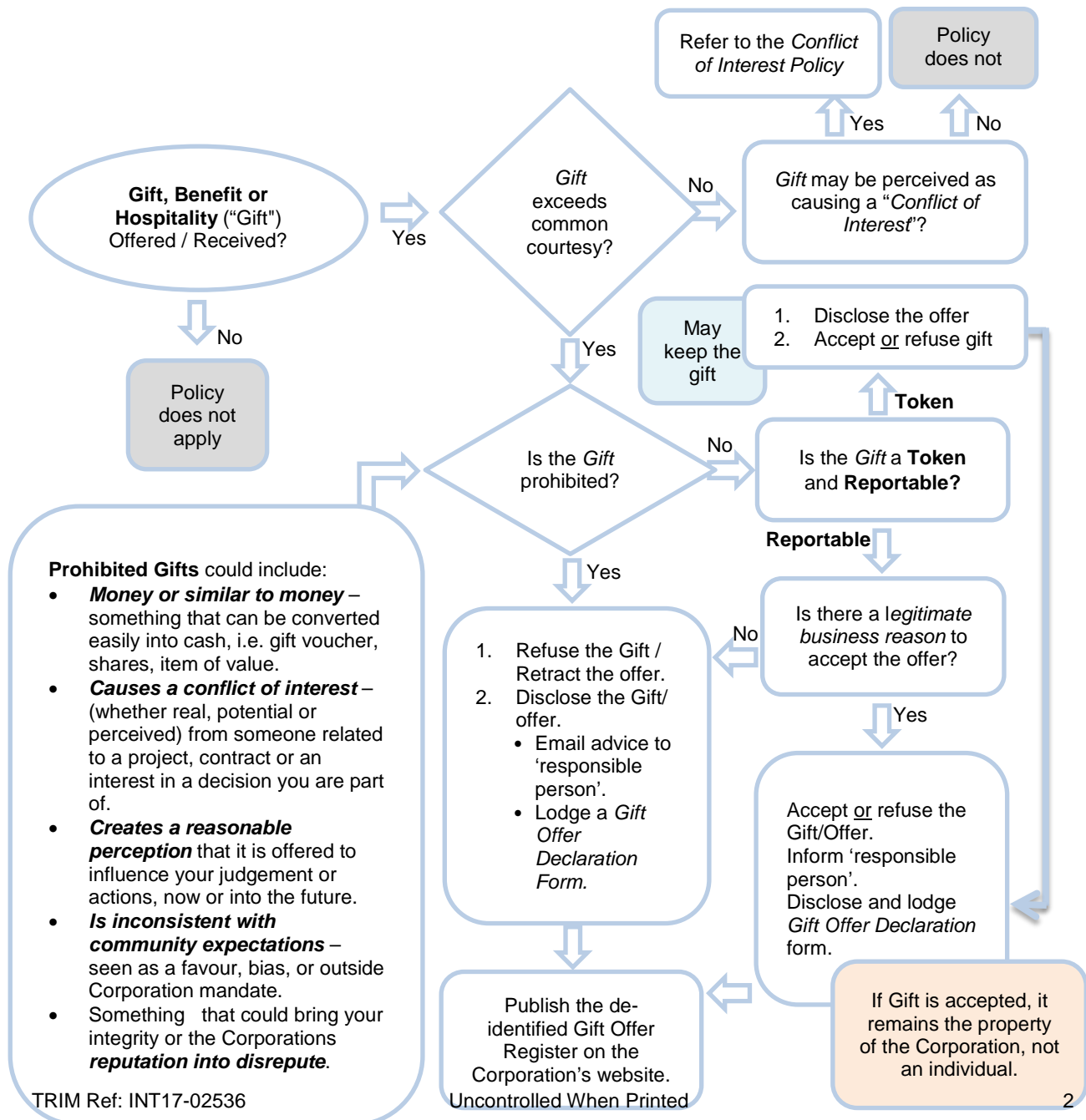
- **Gifts:** are the free or heavily discounted items, intangible benefits or hospitality exceeding common courtesy that are offered to employees in association with their work. They may be enduring such as a work of art or consumables such as a box of chocolates. They range in value from very little to significant and may be given for different reasons.
  - **Hospitality:** is the friendly reception and treatment of guests. It is hospitable to offer light refreshments in the course of a business meeting or as part of a conference program. Hospitality can range from offers of light refreshment at a business meeting to restaurant meals and sponsored travel and accommodation.
  - **Benefits:** are the preferential treatment, privileged access, favours or other advantages offered to an employee. They include invitations to sporting, cultural or social events, access to discounts and loyalty programs, and promises of a new job. While their value may sometimes be difficult to quantify in dollars, they may be highly valued by the intended recipient and therefore used to influence their behaviour.
  - **Prohibited Gifts:** Prohibited gifts include any offer that could create reasonable perception that it is offered to influence or could influence the judgement of a person; Is or is perceived to be inconsistent with community expectations; Is hospitality where there is a high risk of conflict of interest, such as sporting, social, arts or entertainment events with suppliers; Is 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 the employee's standing or which may bring WPW into disrepute; Are non-token offers without a legitimate business benefit.



- **Token Gifts or Offers:** a Gift or Offer (or multiple gifts and /or offers) with a total combined value of under \$50
- **Non-Token Gifts or Offers:** a Gift or Offer (or multiple gifts and /or offers) with a total combined value of \$50 or more, whether accepted or declined).
- **Reportable Gifts:** any non-token Gift or Offer that exceeds the *Nominal Value*.
- **Gifts Register:** is a register of reportable gifts. It includes the date a gift was offered, information about the donor and recipient, the nature of the gift, its estimated value and how it was handled.
- **Nominal Value:** is the estimated value of the gift. Gifts estimated to be \$50 or more (or a number of gifts with a cumulative value of \$50 or more) are required to be declared on the Gift Register.

**4. Process**

The following image provides a high-level view of the Policy and reporting requirements.





## **5. Receiving Gifts, Hospitality and Benefits**

- Directors and employees are responsible for ensuring that their own conduct meets the required standards of integrity, and that they place the public's interest above their own when carrying out their work.
- A Hospitality offer of a conference or familiarisation tour must be declined unless there is a clear justification and written approval from the appropriate General Manager or the Managing Director.
- In some instances Hospitality may be deemed an acceptable offer given the nature and relationship between the Corporation and the hospitality provider. For example, where it would be more detrimental to the Corporation's community engagement relationship to decline the offer than it would be to accept it.
- Accepted reportable gifts (e.g. alcohol, chocolates, promotional material) belong to the Corporation and not individuals. Board members and employees accept such offers on behalf of the Corporation.
- Gift registers must be published on the Corporation's website (NB - registers must comply with privacy obligations, should be updated every six months and old versions from the previous financial year must be retained on the site).
- Gift registers will be regularly tabled with ARC and reported to the Board annually.
- All suppliers and contractors must be regularly informed and reminded of the Gifts, Hospitality and Benefits Policy.
- All contracts with suppliers and contractors must have provisions to revoke the contract by the Corporation if the supplier/contractor offers a prohibited gift.

## **6. Providing Gifts, Hospitality and Benefits**

Any employee when offering gifts, hospitality or benefits to any third party individual or organisation must ensure:

- Any gift, hospitality and benefit is reasonable and any cost proportionate to the benefits obtained.
- Does not exceed community expectations or exceed expectations of common courtesy.
- Is provided for a business purpose in that it furthers the conduct of official business or other legitimate organisational goals.
- That when hospitality is provided, individuals demonstrate professionalism in their conduct, and uphold their obligation to extend a duty of care to other participants.

## **7. Accountabilities**

Employees must adhere to the following requirements and accountabilities:

- Employees must not solicit gifts, benefits or hospitality.
- Employees must refuse all offers of gifts, benefits or hospitality that could be reasonably perceived as undermining the integrity and impartiality of Westernport Water or themselves.
- Employees must refuse all offers of gifts, benefits or hospitality from people or organisations about whom they are likely to make decisions involving tender processes, procurement, enforcement, licensing or regulation.
- Employees must refuse bribes and report bribery attempts to the Managing Director (MD). The MD will ensure the reported bribery attempt is investigated and where appropriate report the matter to Victoria Police, the Independent Broad-based Anti-corruption Commission (IBAC) and Westernport Water's Audit and Risk Committee.

If unsure about how to respond to an offer of a gift, benefit or hospitality, employees must seek advice from their General Manager.



## 8. Responsibilities Under This Policy

**Employees** are responsible for reporting all offers of gifts, benefits and hospitality of more than nominal value. Gifts must be reported on the Gifts Declaration form shown at Appendix A.

The **Board & Executive Coordinator** is responsible for ensuring that records are kept of offers of gifts, benefits and hospitality and that such records are reviewed regularly.

The **People, Remuneration and Governance Committee** is responsible for reviewing the Policy annually. The Audit and Risk Committee review operation of the Policy and the Gifts Register. The format of the Gifts Register is shown at Appendix B.

The **Managing Director** is responsible for providing attestation that:

- Westernport Water has a Gifts, Hospitality & Benefits Policy in place;
- This Policy is consistent with the Public Sector Standards Commissioner framework, and
- The Policy is updated and provided to the Audit & Risk Committee for review, at least once a year.

## 9. Transferring Gifts to Westernport Water's Ownership

Gifts and benefits transferred to Westernport Water's ownership will be distributed by Westernport Water at the discretion of the relevant General Manager or in the case of a gift to a General Manager at the discretion of the MD. In most cases, this gift will become part of a staff ballot, where there is no ability to influence the recipient. In the case of a gift to a Director, the gift or benefit will be donated at the discretion of the Chairman.

In limited circumstances it is considered appropriate that a gift or benefit be retained by the employee. The following gifts and benefits may be retained by the employee, who has attended a conference, noting that the gift or benefit is required to be recorded on the Gifts Register:

- Gifts or benefits offered to employees as a result of the employee performing a specific task such as giving a presentation at a conference; or
- Gifts or benefits offered to an employee as an appreciation of the business relationship with a specific employee or business unit of Westernport Water.

## 10. Declining Gifts

Some employees perform roles that necessarily call for greater scrutiny, particularly employees involved in tender processes. Employees involved in purchasing goods and services or employees involved in awarding contracts must not accept gifts from these suppliers. The gift is required to be recorded in the Gifts Register as having been declined.

## 11. Reporting

All gifts, benefits and hospitality of more than nominal value, whether accepted or declined, are required to be declared and included on Westernport Water's Gifts Register (Appendix B).

Westernport Water's Board of Directors and Executive Team are required to make an Annual Attestation to the Secretary of the Department of Environment, Lands, Water and Planning (DELWP), in a form specified by the Secretary (refer to Appendix C), to the operation, review, promulgation and scrutiny of the gifts, hospitality and benefits policy within the Corporation

The process for reporting and recording gifts for employees is set out below:

- Offer of gift, benefit or hospitality made to employee.
- Employee completes the Gift Declaration form included at Appendix A.



- Employee forwards the Gifts Declaration form to the Manager Strategy Performance and Governance (MSPG).
- The MSPG enters the details of the gift, benefit or hospitality onto Westernport Water's Gifts Register as shown at Appendix B.
- The MSPG ensures the Gift Register is published on the Corporation's website.

#### **12. Training and Awareness**

This Policy shall form part of the Staff Induction Program for new employees and be published on Westernport Water's Intranet. Refresher training shall be undertaken on a periodical basis.

#### **13. Consequence of Non-Compliance**

Employees are reminded that breaches of this Policy could constitute a breach of binding Codes of Conduct and result in disciplinary action.

#### **14. Responsible Officer**

Policy Owner – Managing Director

Responsible Policy Officer – General Manager Corporate & People

#### **15. Review Date**

This Policy is to be reviewed every three years. This Policy will continue in operation until replaced by a subsequent version or rescinded.



## 16. Appendix A - Gift, Benefit & Hospitality Declaration Form

### Declaration by a board member or employee who receives a reportable gift offer

#### How to fill out this form

The information that you provide in this form will be entered into the reportable Gifts Register. A de-identified copy of the register is published on WPW's external website annually.

For assistance in filling out this form contact your line manager (for employees), chair (for board members and the MD), or deputy chair (for the chair).

For the definition of a 'reportable gift offer' and to decide whether a gift is 'prohibited' see WPW's *Gifts, Benefits and Hospitality Policy* ('the policy').

A copy of the policy and related guidance is available from TRIM. The policy is also published on WPW's website.

#### How to lodge this form

Forward a completed copy of this form to the Manager Strategy Performance and Governance (MSPG).

The MSPG enters the details of the gift, benefit or hospitality onto Westernport Water's Gifts Register as shown at Appendix B.

The MSPG ensures the Gift Register is published on the Corporation's website.

#### 1. Date of offer (insert)

#### 2. Source of offer

(i) Organisation (or individual stakeholder):

(ii) Name and title of person making offer:

(iii) Type of organisation (e.g. supplier, prospective tenderer, industry stakeholder with commercial interest, not-for-profit stakeholder, etc.):

#### 3. Description of gift offered (insert)

#### 4. Value

Do you believe that the gift offered may be of cultural, historic or other significance? Yes  No

Estimated value of gift offered: \$ .....

Have you received any other gift offers from this source in the last 12 months? Yes  No

If yes, estimate the total value of gift offers you have received from this source in the last 12 months: \$ .....

#### 5. Prohibited?

No  Yes - Conflict of interest  OR other reasonable perception that judgement may be influenced

Inconsistent with community expectations  May bring integrity into disrepute  Money or similar

If yes, briefly describe why:

Example: "Conflict of interest - offered by tenderer about whom I am likely to make or can influence a decision."



## 6. Accepted or declined?

The gift offer was: declined  OR accepted **on behalf of WPW**

If the gift offer was accepted, what is the 'legitimate business reason' for doing so (i.e. business purpose that furthers the official business or other legitimate goals of WPW, public sector or State)?

## 7. Public interest approval (only complete if relevant)

Occasionally, it will be in the public interest for a board member or employee to be granted approval to use a reportable gift as their own. If you are applying for this to occur, on what basis?

- To avoid being in breach of the policy through no fault of my own;
- Prior written approval has been granted under for sponsored attendance at a conference or familiarisation tour.

## 8. Comments (if any)

## 9. Signed and dated declaration

I confirm that the information I have provided is true and correct.

Name:

Title:

Signature:

Date:

## Acknowledgement by Manager Strategy, Performance & Governance

**Noted**  I have noted the contents of the above declaration.

Comments (if any)

Example: "XYZ appears to be a frequent offeror of gifts. Remedial action is recommended."

Example: "In my view, the application for 'public interest approval' is justified. My reasons are attached."

Name:

Title:

Signature:

Date:

## Office use only:

- A. Gifts register:** confirmation that the register has been updated.
- B. Remedial action:** any remedial action to be taken (e.g. letter to frequent offeror about policy requirements).
- C. Accepted gifts:** if the gift was accepted:
- (i) how WPW will use or dispose of the gift in accordance with the policy;
  - (ii) if the gift (or its proceeds) are being donated, details of the organisation receiving the donation; and
  - (iii) signature (dated) of the person(s) authorising these decisions, including their name and position title.
- D. Assets register:** confirmation that, if applicable, the assets register has been updated.





**Appendix B: Example of Westernport Water Gifts, Benefits and Hospitality Register**

**Register of responses to reportable gift offers**

The template for the *Register of responses to reportable gift offers* is as follows. When publishing the register on the external website delete all identifying information.

A Entry no.	B Date gift offered	C Offeror	D Offeror number	E Prohibited gift? If so, why?	F Board member or employee to whom the gift was offered	G Description of gift offered	H Cultural, historic or other significance?	I Est. value of this offer	J Est. combined value	K Was the gift accepted or declined? If accepted, record the legitimate business reason (benefit).	L If the gift was accepted: (1) How is it to be used/ disposed of? (2) Who authorised this decision?	M Any relevant: (1) Comments (2) Remedial action.
#/year		Include: (i) Name of offeror (organisation offering gift). (ii) Name and title of person making offer on behalf of offeror. (iii) Type (e.g. supplier; prospective tenderer; industry stakeholder with commercial interest; 'not for profit' stakeholder; etc.).  <b>When publishing on website delete all information in this column EXCEPT do not delete (iii) 'type of organisation'.</b>	The 'offeror number': <ul style="list-style-type: none"> <li>is assigned to an organisation the first time that an offer it makes is recorded in the register</li> <li>remains the same for every reportable offer made by that organisation</li> <li>enables gift patterns to be identified when the register is published on the internet.</li> </ul>	Reasons include: <ul style="list-style-type: none"> <li>Money or similar</li> <li>Conflict of interest ('COI'). Note reason why.</li> <li>Could otherwise reasonably be perceived as influencing judgement.</li> <li>Inconsistent with community expectations</li> <li>Could bring integrity into disrepute</li> <li>No legitimate business reason</li> </ul> <b>When publishing on website delete any identifying information.</b>	Include: (i) name (ii) title/position no. (iii) type – i.e. board member, executive, or employee  <i>[Other data can also be required e.g. 'division']</i>  <b>When publishing on website delete all information in this column EXCEPT do not delete (iii) board member, executive, or employee.</b>	<b>When publishing on website delete any identifying information.</b>	Note that: <ul style="list-style-type: none"> <li>All gifts of cultural, historic, or other significance are reportable, regardless of their monetary value.</li> <li>Any gift from a visiting delegation or any other official gift is of 'significance'.</li> </ul> <b>When publishing on website delete any identifying information.</b>	Est. \$ value of this gift offer.	Est. total \$ value of all gift offers from this source to the board member or employee in last 12 months.	<b>When publishing on website delete any identifying information.</b>	(1) For example: 'entered into Assets Register'; 'donated to Melbourne Museum'.  (2) Note name and title/position no. of person who authorised how the gift is to be used or disposed of by the agency.  <b>When publishing on website delete all information in (2).</b>	(1) Note any relevant comments, including by whom made.  (2) Note any remedial action that has been or will be taken additional to that noted in comments.  <b>When publishing on website delete any identifying information, for example, substitute:</b> <ul style="list-style-type: none"> <li>offeror number for offeror's name</li> <li>'board member' for name and details of chair or board member</li> <li>'executive' for name and details of CEO or other executive</li> <li>'employee' for name and details of employee.</li> </ul>





**Appendix C**  
**Attestation by public entities in DELWP portfolio**

**Attestation by public entities in Department Environment Land, Water and Planning Industries portfolio**

I,

.....  
(name, title, organisation)

certify that:

- My public entity has policies and procedures in place that are consistent with the minimum requirements and accountabilities outlined in the Gifts, Benefits and Hospitality Policy Framework issued by the Victorian Public Sector Commissioner;
- staff are informed about these gifts, benefits and hospitality policies and procedures; and
- Westernport Water Board's Audit & Risk Committee reviews the operation of the policies and procedures at least once a year to ensure transparent reporting of accepted gifts, benefits and hospitality.

**Signature:** .....

**Date:** .....