

Gifts, Benefits and Hospitality

Policy

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1. Policy Statement

The Greater Cities Commission (the Commission) is committed to promoting appropriate standards of behaviour that protect its integrity and reputation. Accepting a gift or benefit which could be perceived by other persons to be an inducement is inconsistent with the standards of behaviour outlined in the Commission's Code of Ethics and Conduct Policy.

This policy provides the principles and standards for Commission staff to apply when considering whether it is appropriate to accept or provide a gift, benefit and/or hospitality in the course of their work.

There can be serious consequences for the Commission where the management of gifts, benefits and hospitality are mishandled. There is a risk of loss of public trust, damage to the Commission's reputation, financial loss and possible legal action. Staff risk consequences relating to behaviour that breaches this policy which may affect their employment, and where criminal conduct is involved, may even face prosecution.

2. Who does this policy apply to?

The Gifts, Benefits and Hospitality policy (Policy) applies to Commission members (Commissioners), Youth Panel and all employees including:

- permanent staff;
- temporary staff;
- casual staff;
- other Government sector employees who are on secondment or assigned to the Commission;
- contractors;
- consultants;
- volunteers; and
- employees of organisations who provide services under contract to the Commission.

For the purposes of this Policy, "staff" refers to all people to whom this Policy applies.

In this Policy, a reference to a senior executive manager means:

- Chief Executive Officer;
- Executive Director; and
- Director.

3. Key responsibilities

Senior executive managers and managers

A senior executive manager or manager responsible for supervising or managing an individual or group of staff, is responsible for:

- overseeing the effective management of this Policy, including ensuring all staff in their areas are aware of their obligations;
- complying with all reporting requirements in this Policy;
- discussing compliance with this Policy as part of the ongoing management of your teams;
- identifying and managing any potential or perceived corruptions risks; and

- monitor and evaluate the operation of this Policy in their area of responsibility.

Chief Operating Officer

On a case by case basis, the Chief Operating Officer will determine the appropriate action, management, custody, retention and disposal of:

- gifts or prizes won in competitions while on official duty;
- non-returnable gifts; and
- ceremonial gifts awarded to the Commission.

The Chief Operating Officer will inform the Chief Executive Officer of these decisions.

All staff

All staff have a responsibility to:

- always act lawfully, ethically and honestly, and in accordance with the Commission's Code of Ethics and Conduct and the NSW Public Sector values under the *Government Sector Employment Act 2013*;
- refrain from accepting gifts, benefits or hospitality that are prohibited under this Policy;
- register gifts, benefits and hospitality as required under this Policy;
- avoid situations in which individual staff might have, or might reasonably be thought to have, a private interest which conflicts with their official duties;
- avoid situations that give rise to preferential treatment of self or others;
- declare any conflicts or perceived conflict of interest;
- adhere to the financial, procurement and Pcard policies; and
- protect the reputation of the Commission and the NSW Government.

4. Definitions

Bribe	means money or inducements (gifts or benefits) offered to or promised to staff to influence that person to act in a particular way in performing their role that is contrary to the known values of honesty and integrity.
Gift or benefit	means any item, gift card, service, prize, ticket, meal, hospitality or travel, provided by a customer, stakeholder, client, applicant, supplier, potential supplier or external organisation, which has an intrinsic value and/or a value to the recipient, a member of their family, relation, friend or associate. A gift or benefit may be enduring or tangible such as a work of art or consumables such as a box of chocolates, wine or gift voucher. They may also be intangible such as invitations to seating at sporting, cultural or social events or access to discounts.
Hospitality	means the provision of benefits that are directly associated with and consumed at or during the course of a particular event and for which no, or no adequate, consideration is given. Hospitality does not extend to any travel to and from, or overnight accommodation at the place at which an event is to be held. It may include a ticket

	or right of entry to the relevant event, as well as food, beverage, entertainment and other consumables provided at the event.
High risk hospitality	<p>examples of high-risk hospitality include:</p> <ul style="list-style-type: none"> • restaurant meals; • travel and/or accommodation; • invitations to corporate boxes or marquees; • substantial hospitality; • invitations to lunches, dinners or other events to 'seal the deal' or to 'celebrate' finalisation of a procurement process or the signing of a contract; • invitations to functions held at private homes; • invitations which extend to family members, relations, friends and associates.
Low risk hospitality	<p>examples of low risk hospitality include:</p> <ul style="list-style-type: none"> • functions where the recipient attends in an official capacity as a Commission representative; • hospitality provided as part of a conference package, where the Commission has paid a fee for the staff member to attend; • catered briefings, roundtables or launches where invitees from a range of external organisations are present; and • occasional working lunches, where the hospitality is incidental and of low-value.

5. General Principles and standards

The guiding principles of this Policy are informed by the NSW Government's and Commission's values.

As a general rule, where there is doubt about whether to accept hospitality, staff should always err on the side of caution and refuse.

All offers of gifts, benefits or hospitality must be recorded on the Commission's Gifts and Benefits Register, regardless of whether the offer is accepted or declined.

5.1. Prohibited gifts and benefits

Staff should never solicit a gift, benefit or hospitality.

Under no circumstances should staff accept a gift or benefit:

- as an inducement to act in a certain way;
- where there could be a perception that it has been offered as an inducement to act in a certain way;
- that comprise cash, cheques, money orders or gift vouchers;
- where it is to be provided to a family member, relation, friend or associate;
- where they currently, or may in the future, exercise discretion in the making of a decision affecting the giver;
- if they are unsure whether they should;

- if it could be perceived as undermining the core values of trust, integrity, service and accountability of the government sector;
- if it is or could create a conflict of interest (that is, where there is an actual, potential or reasonably perceived conflict between an individual staff member's private interest and the impartial performance of their official duties);
- from people or organisations about whom they are likely to make decisions involving, but not limited to, recommending a policy or strategy, reviewing a plan, tender processes, procurement of goods or services, enforcement, licensing and/or regulation; or
- from people or organisations expecting preferential treatment or favours in return.

To further guide staff on whether to accept a gift, they should assess the risk by asking the following questions:

Giver	Who is providing the gift or benefit and what is their relationship to me, the Commission and the NSW Government?
Influence	Is the giver seeking to influence my decisions or actions?
Favour	Is the giver seeking a favour in return for the gift or benefit?
Trust	Would accepting the gift or benefit diminish public trust?

5.2. Threshold dollar value test

Gifts (other than hospitality)

If acceptance of a gift or benefit is not prohibited and is considered low risk, staff must also consider the value of the offer. If it is valued at \$50 or less, the gift or benefit may be accepted and retained by the staff member, however it still needs to be declared on the Commission's Gifts and Benefits Register. The gift should be offered in a business situation and not given as a personal gift (such as pens, calendars, coffee mugs, T-shirts or folders with a company logo).

If the value of the offer is \$50 or more, the gift or benefit should, wherever possible, be politely refused. The offer should also be declared on the Commission's Gifts and Benefits Register even though it has been refused.

The exception is that, if the offer is an act of goodwill towards the people of New South Wales and offence might possibly be given by its rejection the gift may be accepted on behalf of the State. However, the gift or benefit must not become the personal property of staff. It will belong to the Commission.

Where multiple gifts or benefits are received from the same source, within a six month period, staff must assess whether the items have a cumulative value of \$50 or greater. If they do, then any subsequent gifts or benefits received from the same giver should be treated as having a value of \$50 or more.

Hospitality

An offer of hospitality that is valued under \$150 and is not otherwise prohibited, after an assessment that deems it low risk, may be accepted.

An offer of hospitality valued at \$150 or more, that is not prohibited or high risk, in agreement with the staff member's manager/supervisor, may be accepted provided:

- the hospitality is proportionate – where the same meal is given to everyone, the meal is proportionate for the event and preferential treatment is not being given (ie a reasonable person would not think that the hospitality was intended to influence the recipient to act in the interests of the giver, either now or in the future); and
- the hospitality fits into the Commission’s portfolio interests or business operations or for government networking purposes.

All offers of hospitality, whether they are accepted or declined, must be declared on the Commission’s Gifts and Benefits Register. This does not include invitations that are mass circulated and not directed or addressed to a particular staff member.

Sporting, entertainment and cultural events

In many cases, the value of such invitations and tickets will be significant, possibly beyond the acceptance threshold of a gift. It is important to distinguish between situations where staff attendance at an event is unrelated to their work responsibilities. If there is no relation to carrying out their official duties, staff should not accept offers of these types. For transparency, it is preferable for the acceptance and allocation of invitations and tickets to be managed and recorded centrally.

Invitations and tickets from unrelated third parties – that is, from parties not directly involved in the event – should always be treated as gifts and benefits.

Some event invitations may include hospitality, and should be refused as Substantial hospitality, unless the Chief Executive Officer approves.

In the case of the Chief Executive Officer, the Secretary of the Department of Premier and Cabinet would need to approve attendance.

Travel and accommodation

Occasionally, Commission staff may be offered travel or accommodation upgrades during official travel within Australia or overseas.

Staff should never seek or solicit an upgrade from a travel or accommodation provider in relation to official travel.

Where a travel or accommodation provider seeks to upgrade a staff member for operational reasons, at no charge to the staff member or the Commission, staff may accept the upgrade, but should record receipt of the upgrade in the Commission’s Gifts and Benefits Register.

6. Disposal of gifts

The Department of Planning and Environment’s Disposal of Surplus or Unserviceable Goods (Assets) Policy provides guidance on how to appropriately dispose of goods.

6.1. Accountability and record keeping

Staff members must record all offers of gifts, benefits or hospitality in the Commission’s Gifts and Benefits Register.

The method and authorisation of the method of disposal will also be recorded in the Register.

Records must be maintained in accordance with the *State Records Act 1988*.

6.2. Storage and audit of gifts

All non-perishable gifts valued over \$50 will be stored in a secure cupboard and the contents recorded. An inventory of the gifts will be kept.

At the end of each financial year, an internal audit of gifts will be conducted against the inventory. The disposal of gifts must occur at least once per year and be recorded.

6.3. Surrender of gifts over \$50 or more

All gifts valued over \$50 must be surrendered to the Chief Operating Officer who will make a decision regarding disposal or retention by the Commission.

Gifts may be disposed of via any of the methods outlined in the Disposal of Surplus or Unserviceable Goods (Assets) Policy or as outlined below.

6.4. Disposal of perishable gifts

In the case of perishable gifts such as chocolates, food hampers etc, an appropriate method to dispose of the gift could be to share the gift among staff or alternatively donate the gift to the Commission's nominated charity if practical.

Where it is decided to share the gift among staff, records must be kept showing this as the authorised method of disposal.

Refer to the Commission's Disposal of Surplus or Unserviceable Goods (Assets) Policy for further information on methods of disposal.

6.5. Disposal of non-perishable gifts

Non-perishable goods valued over \$50 must be surrendered to the Chief Operating Officer who will make a decision regarding the retention or disposal of the goods. Where appropriate, an internal auction amongst staff could occur with the proceeds going to the Commission's nominated charity.

Alternatively, a raffle could be held with staff, with proceeds going to the Commission's nominated charity. Any raffles held must adhere to the requirements set out in the NSW Fair Trading's guidelines on *Guessing competitions and raffles*.

Refer to the Commission's Disposal of Surplus or Unserviceable Goods (Assets) Policy for further information on methods of disposal.

7. Gift and benefit giving

Staff providing a gift or benefit should ensure:

- the Commission's delegations are complied with in approving granting of the gift or benefit;
- it is provided for a business purpose; it should assist the conduct of official business or other legitimate organisational goals, or promote and support Government policy objectives and priorities;
- any costs are proportionate to the benefits obtained for the State, and would be considered reasonable in terms of community expectations; and
- the gift or benefit is purchased through a transparent and equitable process, particularly if they are ongoing and the selected vendor(s) can end up with a competitive industry advantage.

8. Hospitality

Any expenditure by the Commission on official hospitality and/or entertainment must be in accordance with the following principles:

- the Commission's delegations are complied with in approving the official hospitality and/or entertainment;
- it is provided for an official business purpose; it must assist the conduct of official business or other legitimate organisational goals, or promote and support Government policy objectives and priorities;
- expenses must be properly documented and saved into the Commission's financial information system;
- the expense must generate direct benefits; the hospitality and/or entertainment must result in, or be reasonably expected to contribute to, achieving the Commission's objectives and should not be used merely for social occasions;
- the expense must be reasonable for the circumstances, and publicly defensible; for example, it is appropriate to provide modest refreshments like sandwiches during an all-day training session, but more lavish arrangements would not be appropriate;
- expenditure should not provide a personal benefit to staff members or their family or friends (e.g. Christmas functions, birthday celebrations, staff farewells or work social events). In exceptional circumstances and only with the approval of the Chief Executive Officer, families of staff may be asked to attend official functions as their presence is clearly necessary for the success of the function or where the party to be entertained is to be accompanied by a family member;
- in general, hospitality and/or entertainment should not be extended to consultants or other providers of goods and services unless authorised by the relevant senior executive manager; and
- when hospitality is provided, staff involved must demonstrate professionalism in their conduct, and uphold their obligation to extend a duty of care to other participants.

8.1. Approval of hospitality and/or entertainment expenditure

Authority to approve expenditure on official hospitality and/or entertainment must be consistent with the Commission's financial delegations, as well as its procurement delegations.

Approval for any official hospitality and/or entertainment expenditure should be obtained prior to the cost being incurred.

9. Breaches of the Gifts, Benefits and Hospitality Policy

Behaviour that is contrary to this Policy should be reported to a supervisor or manager (unless reporting as a public interest disclosure – see Public Interest Disclosure Policy).

Each report will be evaluated to determine whether a formal process is required and action may be taken in relation to any contraventions. The matters to consider when deciding what action to take include:

- the seriousness of the breach;
- the likelihood of the breach occurring again;
- whether the staff member has committed the breach more than once;
- the risk the breach poses to staff, stakeholders, and any other persons; and
- whether the breach would be serious enough to warrant action for misconduct.

A breach of this Policy may constitute misconduct under the *Government Sector Employment Act 2013* and may result in any of the following actions:

- suspension and/or termination of employment;
- imposition of a fine;
- reducing remuneration;
- reducing classification or grade;
- assignment to a different role; or
- caution or reprimand.

The Commission provides reports of suspected fraud and/or corrupt conduct to the Independent Commission Against Corruption (ICAC), and in some cases, to the NSW Police. Where a breach of the Policy is considered to involve potentially corrupt conduct, the Commission will notify ICAC. ICAC has significant statutory powers to investigate serious corrupt conduct in all NSW Government departments and agencies.

10. Further information and resources

10.1. Internal Policies

- Greater Cities Commission Code of Ethics and Conduct Policy
- Greater Cities Commission Fraud and Corruption Control Policy
- Greater Cities Commission Accounts Payable Policy
- Greater Cities Commission Public Interest Disclosures Policy
- (Draft) Greater Cities Commission Procurement Policy
- Department of Planning and Environment Risk Management Policy

10.2. Legislation

NSW

- *Government Sector Employment Act 2013*
- *Government Sector Employment Rules 2014*
- *Independent Commission Against Corruption Act 1988*
- *Public Finance and Audit Act 1983*
- *Government Sector Finance Act 2018*
- *State Records Act 1988*

10.3. Other resources

Public Service Commission Managing Gifts and Benefits

Public Service Commission Code of Ethics and Conduct for NSW Government Employers

DFSI, NSW Government Travel and Transport Policy, November 2016

NSW Fair Trading – Guessing competitions and raffles

10.4. Support and/or advice

Employee Assistance Program – (AccessEAP)

1800 818 728

info@accesseap.com.au

Safework NSW – Information, advice or assistance

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