

Policy: Gifts, Benefits and Hospitality

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Policy statement

The Victorian Ombudsman's office (VO) will maintain high levels of integrity and public trust in the management of both the receipt and provision of gifts, benefits and hospitality.

This policy has been developed in accordance with the [Victorian Public Sector Commission's \(VPSC\) Minimum Accountabilities for Managing Gifts, Benefits and Hospitality](#) and supports behaviours consistent with *the Code of Conduct for Victorian Public Sector Employees of Special Bodies* and the [Charter of Human Rights and Responsibilities Act 2006](#).

Scope

This policy applies to all VO staff including contractors, temporary staff and interns.

Key principles

- VO will adopt a risk-based approach to ensure all offers and provision of gifts, benefits or hospitality are appropriately assessed and managed and that staff are aware of any risks and/or conflicts of interest inherent to their teams' work and functions.
- All staff will act with integrity and impartiality and place public interest above their private interests when carrying out their official duties and will actively seek to limit offers being made by individuals or organisations¹.
- Staff will declare, via the VO Gifts, Benefits and Hospitality Management system, within 5 business days of an offer being made for all token (less than \$ 50) and non-token offers (equal to and greater than \$ 50), whether accepted or declined² and either seek prior approval to accept the offer or manage the offer in line with the gifts, benefits and hospitality procedure.
- Offers of gifts, benefits, or hospitality to a family member or friend of a VO staff member, where the offer is linked to the VO staff member's role with VO, should be assessed against the minimum accountabilities and the VO Gifts, Benefits and Hospitality policy. These offers should be treated as though they were made directly to the VO staff member, as they may cause an actual, perceived, or potential conflict of interest for the VO staff member and negatively impact the reputation of the VO office. VO staff members should discuss any questions they have about offers made to a family member or friend with their manager

¹ VO recognises that there will be instances where initially refusing the offer may not be possible or cause offence.

² Excludes light refreshments provided during business meetings or paid training courses.

- Where non-token hospitality is offered to a member of the VO and has a legitimate business reason for acceptance, the employee must ensure a declaration is made prior to the event and that it is approved by the Executive Manager or organisational delegate prior to attending. These types of offers carry additional conflicts of interest scenarios and risk factors which must be considered prior to accepting any non-token offer of hospitality, to ensure it does not raise an actual, potential or perceived conflict of interest or have the potential to bring the VO Officer, VO or the public sector into disrepute.
- Staff will refuse all offers based on the areas below:
 - 1. Money or similar:** You must refuse the offer if it is money, used in a similar way to money, or easily converted to money.
 - 2. Conflict of interest:** You must refuse the offer if it gives rise to a conflict of interest (actual, potential or perceived). This means you must refuse the offer if it could influence, or reasonably be seen to influence, how you perform your public duties.
 - 3. Public trust:** You must refuse the offer if it could compromise the public's trust that you will perform your public duties in an impartial manner or the public's trust in the impartiality of your organisation or the public sector.
 - 4. Community expectations:** You must refuse the offer if it is not consistent with community expectations.
 - 5. Bribes:** You must refuse the offer if it could reasonably be seen as a bribe or other inducement. Report the offer to the head of your public sector organisation or their delegate (who should report any criminal or corrupt conduct to Victoria Police or the Independent Broad-based Anti-Corruption Commission).
 - 6. Legitimate business reason – non token offers:** Even if the offer complies with all the other requirements above, you must refuse a non-token offer unless there is a legitimate business reason to accept it. The offer must further the conduct of official business or other legitimate goals of your organisation, the public sector or the State.

Ref: Minimum accountability 2 ([Minimum accountabilities - VPSC](#))

- This policy along with a public gifts, benefits and hospitality register is published on VO's website annually. In accordance with the requirements of the *Financial Management Act 1994*, and *VPSC - Minimum accountability 14 – publishing organisation's policy and the public register*, VO reports annually on its gifts, benefits and hospitality obligations in accordance with and via the Standing Directions of the Minister for Finance. This register is reviewed quarterly by the Audit and Risk Management Committee who may also receive an update regarding analysis of any identified gifts, benefits or hospitality risks along with any proposed improvements.
- Staff are to report any bribes and inducement attempts to the Victorian Ombudsman or delegate and VO will report any criminal or corrupt conduct to Victoria Police or the Independent Broad-based Anti-corruption Commission. Staff can also utilise the Incident Management System to record this information as an incident related to fraud, theft, corruption or other losses.

Section One: Declaring and assessing an offer of gifts, benefits and hospitality

All offers are to be declared whether they have been accepted or declined, token or non-token, via the [Gifts, Benefits and Hospitality Management System](#), within five business days of the offer being made.

When completing the online form both the staff member and their manager (or Executive Manager when it is a hospitality offer), must assess the offer by referring to the GIFT test (below) and consider if the offer could be perceived as influencing the potential recipient in performing their duties or result in reputational damage to VO. In general, the more valuable or repeated the offer, the more likely that there will be a conflict of interest or reputational risk.



Figure 2: GIFT test

G	Giver	<p>Who is providing the gift, benefit or hospitality and what is their relationship to me?</p> <p>Does my role require me to select suppliers, award grants, regulate industries or determine government policies? Could the person or organisation benefit from a decision I make?</p>
I	Influence	<p>Are they seeking to gain an advantage or influence my decisions or actions?</p> <p>Has the gift, benefit or hospitality been offered to me publicly or privately? Is it a courtesy or a token of appreciation or a valuable non-token offer? Does its timing coincide with a decision I am about to make?</p>
F	Favour	<p>Are they seeking a favour in return for the gift, benefit or hospitality?</p> <p>Has the gift, benefit or hospitality been offered honestly? Has the person or organisation made several offers over the last 12 months?</p> <p>Would accepting it create an obligation to return a favour?</p>
T	Trust	<p>Would accepting the gift, benefit or hospitality diminish public trust?</p> <p>How would the public view acceptance of this gift, benefit or hospitality? What would my colleagues, family, friends or associates think?</p>

In addition to the Gift Test, a gift, benefit or hospitality must not be accepted or given by a public sector organisation or its employees if the offer does not comply with the minimum accountabilities, see appendices.

Specific VO examples of offers – accepted and declined

Table below contains VO specific examples of when VO staff can accept or must decline/refuse an offer of a Gift, Benefit or Hospitality:

<p>You can say 'Yes' to the following scenarios:</p> 	<p>You must say 'No' to the following:</p> 
<ul style="list-style-type: none"> • Offers of hospitality, e.g. catering provided by conference/training provider during the work approved conference or training, i.e., sandwiches and beverages, morning, or afternoon tea. • Token gifts (less than \$50), which are acquired through training or given at a conference, e.g., a note pad and pen with conference logo or a small bunch of flowers presented to a VO staff member who gave an address at the end of a conference. • Free training seminars where there is a legitimate business reason to attend e.g. Free legal continuing professional development seminars that are provided to all of government, a free ticket to a conference which would be a professional development opportunity, in exchange for a staff member speaking. • Token or non-token cultural or ceremonial gifts that you accept on behalf of VO e.g. A cultural item presented to VO by a visiting international delegation. • Offers of modest hospitality, e.g. catering, provided at official events or during stakeholder engagement, where staff are attending in an official capacity in support of organisational objectives. 	<ul style="list-style-type: none"> • All offers of cash, or substitutes for cash, e.g. Vouchers, Gift cards. • Offers from a supplier in which you may undertake future procurement activity. • All non-token offers (\$50 and over), which are excessive, not consistent with community expectations and /or derive a personal benefit, such as expensive bottles of wine, jewellery, art works or heavily reduced conference/training fees. • Bribes e.g. A bribe made to an investigator to change the outcome of an investigation. • Offers where there is no legitimate business reason to accept e.g. An offer by a supplier to meet at a corporate box during a sporting event instead of at an office to discuss a contract variation. • Offers which may give rise to a conflict of interest (actual, potential or perceived) e.g. VO attends an agency's premises, to conduct a formal interview, as the agency is under investigation and while there, the agency offers a catered lunch. Even if the offer of hospitality is token, it could be perceived as a conflict of interest.

Note: These examples also extend to gifts, benefits and hospitality offered to VO staff member's family and friends, where the offer is linked to the VO staff member's role with VO. These offers are treated as though they were made to the VO staff member direct. VO staff members should discuss any questions they have about offers made to a family member or friend with their manager.

Token offers

Provided no repeat offers, conflicts of interest or reputational damage are identified, token offers with a value of less than \$ 50 can be accepted and retained by the staff member post declaration.

Non-token offers

Non-token offers have a value of \$ 50 or more and staff members can only accept and retain these offers if the offer is consistent with the following requirements:

- the offer was made in the course of the staff member's official duties and has a benefit to VO, public sector or the State; and
- there is no actual, potential or perceived conflict of interest or reputational damage.

Where the value of the offer is known in advance, the staff member must obtain advanced approval from their Manager/Executive to accept the offer. However, in the instance where the value is initially unknown or there is no legitimate business benefit, the non-token offer must be declined and returned to the individual/organisation. If this is not possible (e.g. it would cause offence) the offer must be surrendered, and the ownership of the offer transferred to the VO office.

Ceremonial and official gifts

Ceremonial and official gifts or any gift of cultural significance are the property of VO office. Staff members accept these gifts on behalf of VO.

Repeat offers

The receipt of multiple offers (token and non-token) from the same person or organisation can generate a perception that the offering person or individual could influence the staff member or VO. Staff members should refuse repeat offers from the same source regardless of the value of the offer if they create or have the potential to create a conflict of interest or may result in reputational damage.

Thanks is enough

In addition, and to align with the model VPS policy, we should encourage staff to develop a culture of 'Thanks is enough'. The aim is to move to a culture in which offers are not accepted even if they are permitted under this policy. Whilst this is a new sector wide approach, the aim is to discourage gift offers, especially repeat offers. VO staff should utilise the below statement where appropriate to implement this new approach.

It is the Victorian Ombudsman Gifts, Benefits and Hospitality policy position that officers must decline all gifts, as a simple thanks is enough.

Offer of a Gift, Benefit or Hospitality: key workflows

There are three distinct steps which are taken to ensure we comply with the offer section of the policy, and they are broadly declaring, assessing and reporting. The below workflow provides the higher order considerations for each step.

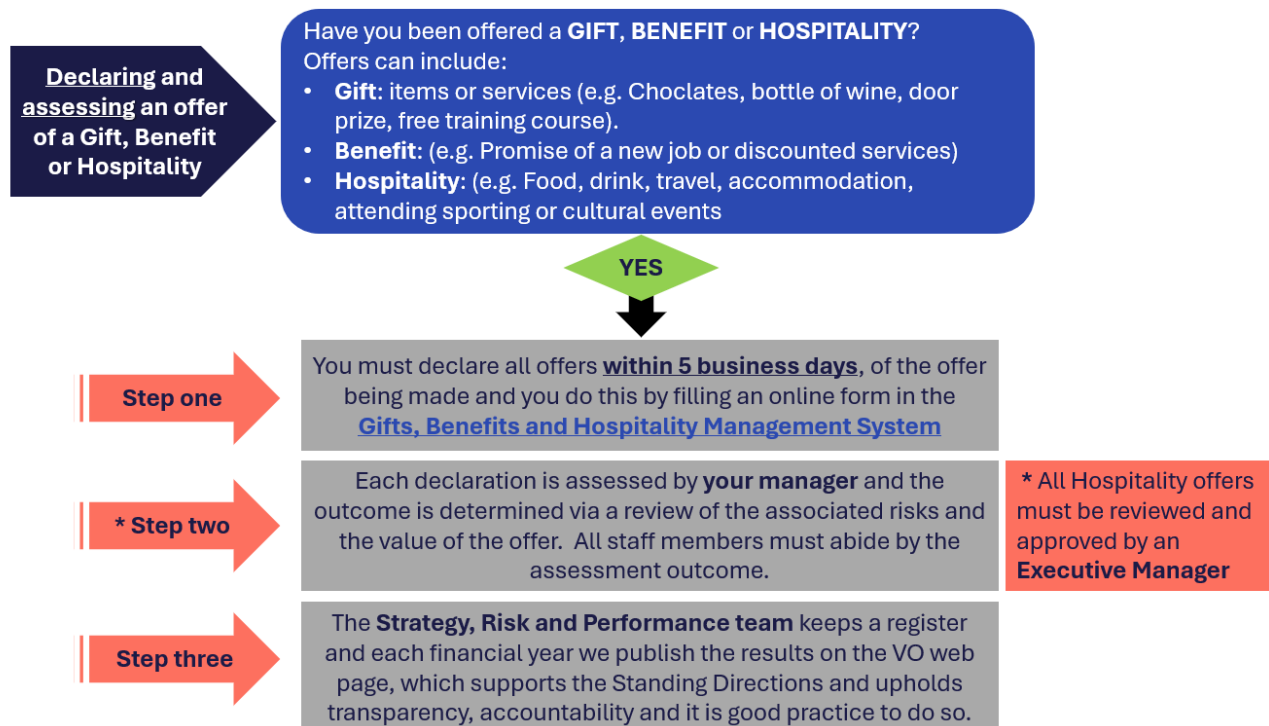


Figure 1: workflow declaring and assessing an offer

Finalisation of an offer

Once the declaration has been completed, the Manager/Executive will assess the information provided and advise if the offer can be accepted, declined, returned or surrendered and the ownership transferred to VO. Acceptance of an offer is determined by:

- the value and type of the offer i.e. if it is token, non-token or ceremonial/official
- if the offer creates a perceived, actual or potential conflict of interest
- if the offer will, or may lead to, reputational damage
- if the offer is a repeat offer from the same person or organisation
- if a non-token offer there is a legitimate business reason to accept it
- and non-token gifts that are surrendered to VO will be retained by the office and raffled with the proceeds donated to a charity.

Section Two: Providing gifts, benefits and hospitality

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

When deciding whether to provide gifts, benefits and hospitality or the type of gift, benefit or hospitality to provide, the staff member must consider the below HOST test and the cost involved in providing the gift, benefit and hospitality.

Figure 3: HOST test

H	Hospitality	To whom is the gift or hospitality being provided? Will recipients be external business associates, or individuals of the host organisation?
O	Objectives	For what purpose will hospitality be provided? Is the hospitality being provided to further the conduct of official business? Will it promote and support government policy objectives and priorities? Will it contribute to staff wellbeing and workplace satisfaction?
S	Spend	Will public funds be spent? 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?
T	Trust	Will public trust be enhanced or diminished? Could you publicly explain the rationale for providing the gift or hospitality? Will the event be conducted in a manner which upholds the reputation of the public sector? Have records in relation to the gift or hospitality been kept in accordance with reporting and recording procedures?

Containing costs

The costs involved with providing gifts, benefits and hospitality should be contained. As well as the HOST test, key considerations to ensure costs are appropriately managed are:

- **Venue:** Does VO have appropriate facilities to host the event?
- **Proportionality:** Do the potential benefits equate to the cost of providing the gift, benefit or hospitality? Does the size of the event and number of attendees align with intended outcomes? Would the public view the proposed arrangements as excessive?
- **Policy:** Does the provision of gifts, benefits or hospitality reflect or contradict VO's policies such as the provision of alcohol or rewards and recognition?

- Staff may responsibly provide gifts, benefits or hospitality if:
 - it is provided for a business reason that furthers the conduct of VO business or other legitimate organisational goals, or promotes and supports government policy objectives and priorities
 - the costs are contained and proportionate to the benefits obtained for the State, and would be considered reasonable in terms of community expectations and
 - there is no actual, potential or perceived conflict of interest.

Approval

All costs associated with the provision of gifts, benefits and hospitality must be approved via the MYOB Advanced system. The financial delegate must be made aware of the reason for the gift, benefit and hospitality provision and the steps undertaken to contain the costs at the time of approval.

Roles and responsibilities

Role	Responsibility
Ombudsman	<i>Owner</i> – Accountable for VO's Gifts, Benefits and Hospitality Policy and regulatory obligations.
Director Legal	<i>Legal Compliance</i> – Responsible for ensuring compliance of the policy and standards with the Charter of Human Rights and Responsibilities 2006 and any other legislation under which VO operates.
Executive Director Corporate Services	<i>Custodian</i> – Accountable for ensuring the drafting, maintaining and seeking authorisation of the policy and procedure. Approves VO's donations to a recognised charity and VO's acceptance of any non-token offers.
Governance, Risk and Quality Lead	<i>Responsible</i> – Responsible for maintaining the policy, procedure and supporting register.
Corporate Governance Committee	<i>Authorisation</i> – Authorises the policy and monitors compliance through reporting.
Staff including agency staff, contractors and third parties	<i>Implementation</i> – Responsible for acting in compliance with the policy and procedure.

Non-compliance

A staff member's failure to declare a gift, benefit or hospitality in accordance with this policy and procedure could lead to disciplinary action or renegotiation of contracts, if applicable.

Additionally, actions inconsistent with this policy may constitute misconduct under the *Public Administration Act 2004*, which includes:

- Breaches of the Code, such as sections covering conflict of interest (section 3.7), public trust (section 3.9), gifts benefits and hospitality (section 4.2), and use of official information (section 3.4); and
- Employees making improper use of their position.

Document Approval

This document was endorsed by the Chief Operating Officer on 24 August 2021 and approved by the Executive Committee at a meeting of the Executive on 27 August 2021

Document Review

This document is due for review upon major changes to the VPSC guidelines or three years from the date of the last review change.

Version Control

Version	Date	Description	Author
V1.0	27/08/ 2021	The document was endorsed by the Chief Operating Officer and approved by the Executive Committee at a meeting of the Executive	Manager C&R
V2.0	10/11/2022	The policy was updated to include the assessment process for all Hospitality offers, requiring Executive approval.	G, R & Q Lead
V3.0	21/10/2024	Alignment to the VPS model policy thresholds, added Thanks is enough, criteria, reordering of content to improve readability and removal of 'procedure' from title to align with Policy and Process Management Framework guidelines and updating of roles and responsibilities to align with organisational structure.	G, R & Q Lead
V3.1	5/04/2025	Enhancements to V3.0, include additional compliance references to the VPSC – Minimum accountabilities – parts a, b and c, to the appendices, VO specific examples for offers you can accept and those you should decline, updated definitions table and updated process workflow for declaring and managing an offer aligning to VO style guide and updated the Teams name – SR&P.	G, R & Q Lead
V3.2	14/04/2025	Addition of the new key principle that offers of gifts, benefits and hospitality offered to VO staff member's family and friends, where the offer is linked to the VO staff member's role with VO, are treated as though they were made to the VO staff member direct. Thus, must be assessed and managed as per policy.	G, R & Q Lead

V3.3	28/04/2025	Added the new VO prescribed statement to support the 'Thanks is enough' approach.	G, R & Q Lead
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Appendix A: Definitions

Term	Definition
Associate	An external individual or entity which VO has or plans to establish a working relationship with, that could further the conduct of official VO business or support other legitimate goals of the Victorian Ombudsman, public sector or State. All offers of gifts, benefits or hospitality from an associate must be declared and assessed to ensure that no personal benefit or advantage is sought, and if the offer is accepted could bring the VO office into disrepute.
Benefits	Offers of preferential treatment, privileged access, favours or other advantage. Includes 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 if they are valued by the recipient, they may be used to influence their behaviour.
Ceremonial Gift	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.
Actual conflict of interest	There is a real conflict between a staff member's public duties and private interests.
Potential conflict of interest	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 form the view that the offer could improperly influence decisions/actions, now or in the future.
Gifts	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), low value (e.g. small bunch of flowers) and consumables (e.g. chocolates).
Hospitality	The friendly reception and entertainment of guests. Hospitality may range from light refreshments at a meeting to expensive restaurant meals and sponsored travel and accommodation.

Term	Definition
Legitimate business benefit	Gifts, benefits and hospitality accepted or provided for a business purpose that furthers the conduct of official business or other legitimate goals of VO, public sector or State.
Public Register	Is a record, preferably digital, of a subset of the information contained in a register, for publication as required by the minimum accountabilities.
Register	A record of all declared gifts, benefits and hospitality.
Token offer	An offer valued at less than \$50 that is offered as a courtesy or is of inconsequential or trivial value to both the person making the offer and the individual and would not be reasonably perceived within or outside the organisation as influencing an individual or raising an actual, potential or perceived conflict of interest.
Non-token offer	An offer that is valued at \$50 or more or may be perceived by the recipient, the person making the offer or by the wider community, to be of more than inconsequential or trivial value.

Appendix B: Related Documents

- [Conflict of Interest Policy](#)
- [Code of Conduct for Victorian Public Sector Employees of Special Bodies](#)
- [Code of Conduct for Directors of Victorian Public Entities](#)
- [Standing Directions of the Minister for Finance](#)
- [VPSC Gifts, Benefits and Hospitality model policy](#)
- [The minimum accountabilities are issued by the Victorian Public Sector Commission \(VPSC\)](#). A gift, benefit or hospitality must not be accepted or given by a public sector organisation or its employees if the offer does not comply with the minimum accountabilities

Minimum Accountabilities: Part B, Part C and Part D - key focus areas

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

Part B – Receiving offers of gifts, benefits and hospitality		Part C – Providing gifts, benefits and hospitality :	
Minimum accountability 1	<p>Do not solicit offers:</p> <p>You must not solicit (seek) any gift, benefit or hospitality, for yourself or others, if the offer is connected to your employment.</p>	Minimum accountability 4	<p>Business Purpose: You must ensure that any gift, benefit and hospitality (token or non-token) you provide on behalf of your organisation is provided for a business purpose, in that it:</p> <ul style="list-style-type: none"> furthers the conduct of official business or other legitimate organisational goals, or promotes and supports government policy objectives and priorities.
Minimum accountability 2	<p>You must refuse all offers based on the areas below:</p> <p>1. Money or similar: You must refuse the offer if it is money, used in a similar way to money, or easily converted to money</p> <p>2. Conflict of interest: You must refuse the offer if it gives rise to a conflict of interest (actual, potential or perceived). This means you must refuse the offer if it could influence, or reasonably be seen to influence, how you perform your public duties.</p> <p>3. Public trust: You must refuse the offer if it could compromise the public's trust that you will perform your public duties in an impartial manner or the public's trust in the impartiality of your organisation or the public sector.</p> <p>4. Community expectations: You must refuse the offer if it is not consistent with community expectations.</p> <p>5. Bribes: You must refuse the offer if it could reasonably be seen as a bribe or other inducement. Report the offer to the head of your public sector organisation or their delegate (who should report any criminal or corrupt conduct to Victoria Police or the Independent Broad-based Anti-corruption Commission).</p> <p>6. Legitimate business reason – non token offers: Even if the offer complies with all the other requirements above, you must refuse a non -token offer unless there is a legitimate business reason to accept it. The offer must further the conduct of official business or other legitimate goals of your organisation, the public sector or the State.</p>	Minimum accountability 5	<p>Cost and Community Expectation : You must ensure that the cost of providing a gift, benefit or hospitality is:</p> <ul style="list-style-type: none"> proportionate to the benefits obtained for the State would be considered reasonable in terms of community expectations.
Minimum accountability 3	<p>If you receive a non-token offer (valued at \$50 or more), you must:</p> <ul style="list-style-type: none"> declare the offer in writing, even if you refuse it always refuse the offer unless it complies with minimum accountability 2 and you have approval as set out in your organisation's policy. 	Minimum accountability 6	<p>Conflict of Interest: You must ensure that you do not provide a gift, benefit or hospitality unless:</p> <ul style="list-style-type: none"> no conflict of interest exists (actual, potential or perceived), or you declare a conflict and your organisation develops a management plan that explicitly allows you to provide it.
		Minimum accountability 7	<p>Behaviour : You must ensure that when hospitality is provided, participants:</p> <ul style="list-style-type: none"> demonstrate professionalism in their conduct uphold their obligation to extend a duty of care to other participants.
Part D – Additional obligations for Heads of public sector organisations			
		Minimum accountability 8	<p>Culture and Good Practice</p> <p>You must model good practice and foster a culture of integrity.</p>
		Minimum accountability 9	<p>Policy and Process</p> <p>You must establish, implement and review organisational policies and processes for the effective management of gifts, benefits and hospitality. Your organisation's policy must comprehensively address the minimum accountabilities.</p>