

# POLICY

## Gifts, Benefits and Hospitality

### 1. PURPOSE

This policy outlines EPA's approach to managing the receipt or provision of gifts, benefits or hospitality, which is crucial to organisational integrity and maintaining public trust. The policy sets standards and expectations for ethical and professional conduct and supports EPA's compliance with the Code of Conduct for Victorian Public Sector Employees (the Code) and the Standing Directions 2018 issued under the *Financial Management Act 1994* (Standing Directions).

### 2. CONTEXT

The public sector values in the Code and the *Public Administration Act 2004* set fundamental obligations for public sector employees, including to act with integrity, impartiality and accountability. The Code is binding on all staff. Similarly, the Instructions supporting the Standing Directions set binding minimum accountabilities for the appropriate declaring and management of gifts, benefits and hospitality.

The receipt or provision of gifts, benefits or hospitality can create potential for or perception of undue influence over public administration. These risks can arise anywhere in an organisation, however some activities, functions and circumstances create greater risk due to the potential for private benefits and require stronger controls. These include:

- Making binding decisions
- Regulating individual or business activities
- Distributing funds or other financial benefits, including subsidies and concessions
- Procurement

### 3. APPLICATION

This policy applies to all EPA employees including Governing Board and Committee members, Senior Executive Service employees, ongoing and fixed term Victorian Public Sector (VPS) employees, people seconded to EPA from other agencies or departments, interns and to contractors engaged through labour hire.

### 4. POLICY PRINCIPLES

#### 4.1 Public interest

EPA employees have a duty to place the public interest above their private interest when working for EPA. Employees must not accept gifts, benefits or hospitality that could raise a reasonable perception of, or actual, bias or preferential treatment.

#### 4.2 Accountability

Employees are personally accountable for:

- declaring all non-token offers of gifts, benefits and hospitality, including declined offers;
- declining non-token offers of gifts, benefits and hospitality, or where an exception applies under this policy, seeking approval to accept the offer; and
- the responsible provision of gifts, benefits and hospitality.

Employees with direct reports are accountable for overseeing management of their direct reports' acceptance or refusal of non-token gifts, benefits and hospitality, modelling good practice and promoting awareness of gifts, benefits and hospitality policies and processes. People leaders and Senior Executives are accountable for managing risks arising from the receipt or provision of gifts, benefits and hospitality within their teams and functional areas.

#### 4.3 Risk-based approach

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EPA takes a proactive risk-based approach to managing risks arising from the receipt or provision of gifts, benefits and hospitality. Team Leaders, Managers and Senior Executives must ensure they are aware of the conflicts inherent in their team's work and functions and monitor the risks to which their staff are exposed.

#### 4.4 Transparency

EPA ensures transparency by publishing the register of gifts, benefits and hospitality accepted on its website.

#### 4.5 Speak up

Employees who consider that receipt or provision of gifts, benefits or hospitality at EPA may not have been declared or is not being appropriately managed should speak up and notify their manager, authorised representative or the Integrity Team. EPA will take decisive action, including possible disciplinary action, against employees who discriminate against or victimise those who speak up in good faith.

### 5. DEFINITIONS

<b>Business associate</b>	An individual or body that the public sector organisation has, or plans to establish, some form of business relationship with, or who may seek commercial or other advantage by offering gifts, benefits or hospitality.
<b>Benefits</b>	<p>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.</p> <p>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.</p>
<b>Conflict of interest</b>	<p>Conflicts may be:</p> <p><b>Actual:</b> There is a <b>real conflict</b> between an employee's public duties and private interests.</p> <p><b>Potential:</b> An employee has private interests that <b>could conflict</b> 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.</p> <p><b>Perceived:</b> The public or a third party could reasonably <b>form the view</b> that an employee's private interests could improperly influence their decisions or actions, now or in the future.</p>
<b>Gifts</b>	Gifts are free or discounted items or services and any item or service 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.

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<b>Hospitality</b>	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.
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#### 6. RESPONSIBILITIES

<b>Governing Board</b>	The Governing Board has overall accountability for EPA's governance, risk management and ensuring compliance with applicable legislation and policies. The Governing Board approves this policy and ensures its periodic review.
<b>Risk and Audit Committee</b>	The RAC reports to and advises the Governing Board and EPA's management on risk management systems and practices and the compliance and control environment. The RAC is responsible for reviewing the effectiveness of EPA's Integrity Framework and organisational systems and policies for setting and monitoring compliance with applicable laws, regulations, Ministerial Directions, Standards and government policies. The RAC endorses this policy for approval by the Board.
<b>Chief Executive Officer</b>	The CEO is responsible for ensuring that EPA staff are aware of and comply with this policy. Under the Standing Directions the CEO is required to ensure that EPA develops policies and procedures that apply the minimum accountabilities set out in the Victorian Public Sector Commission's Gifts, Benefits and Hospitality Policy Framework.
<b>Executive Directors and Directors of standalone branches</b>	Executive Directors and Directors of standalone branches are accountable for managing the receipt or provision of gifts, benefits or hospitality within their divisions and branches.
<b>Chief Quality Officer (CQO)</b>	The CQO advises on the operation of this policy, including on matters that require investigation due to a reported breach, and is responsible for ensuring that EPA has systems and processes in place for managing the receipt or provision of gifts, benefits or hospitality.
<b>Integrity team</b>	The Integrity Team advises on the operation of this policy and has responsibility for day to day oversight of the gifts, benefits and hospitality framework.
<b>People leaders</b>	People leaders are accountable for managing the receipt or provision of gifts, benefits or hospitality within their teams.
<b>EPA staff</b>	EPA staff must follow the standards set out in this policy and participate in mandatory periodic education and training to ensure they understand their obligations under this policy. All staff must declare the receipt of gifts, benefits or hospitality.

#### 7. FURTHER INFORMATION

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## Gifts, Benefits and Hospitality

<b>Internal resources</b>	<a href="#">Integrity Connect</a> Gifts, Benefits and Hospitality Procedure (under development)
<b>External Resources</b>	<a href="#">Public Administration Act 2004</a> <a href="#">Financial Management Act 1994</a> <a href="#">Standing Directions 2018 under the Financial Management Act 1994</a> <a href="https://vpsc.vic.gov.au/ethics-behaviours-culture/gifts-benefits-hospitality/">https://vpsc.vic.gov.au/ethics-behaviours-culture/gifts-benefits-hospitality/</a> <a href="https://vpsc.vic.gov.au/ethics-behaviours-culture/codes-of-conduct/">https://vpsc.vic.gov.au/ethics-behaviours-culture/codes-of-conduct/</a> <a href="https://vpsc.vic.gov.au/ethics-behaviours-culture/public-sector-values/">https://vpsc.vic.gov.au/ethics-behaviours-culture/public-sector-values/</a>

### 8. ASSURANCE

EPA monitors compliance with this policy through a range of detective, preventive and corrective internal controls, detailed in the Gifts, Benefits and Hospitality Procedure. Control activity, including the register of gifts, benefits and hospitality, is reported to the Senior Executive Committee and the RAC at least annually. The register is published on EPA's website. A breach of this policy may result in disciplinary outcomes, including termination of employment.

### 9. APPROVAL

<b>Policy owner</b>	Chief Quality Officer
<b>Approved by</b>	Governing Board: 8 May 2024 Risk and Audit Committee: 22 March 2024 Senior Executive Committee: 1 March 2024 People Sub Committee: 22 February 2024
<b>Contact</b>	Senior Integrity Advisor
<b>Date issued</b>	8 May 2024
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