Councillor Gifts, Benefits and Hospitality Policy

1. Purpose

The purpose of this policy is to comply with Section 138 of the *Local Government Act 2020* (the Act) which requires the adoption of a Councillor Gift Policy, including a gift register.

2. Objective

Councillors will on occasions be offered gifts, benefits or hospitality. While these offers may be very genuine in nature they can give rise to:

- The perception of (or actual) improper influence over a decision or an exercise of a power;
- Perceived or potentially inappropriate relationships;
- Discomfort to the recipient; and
- Embarrassment if the offer is declined.

This policy aims to:

a) Provide clear direction for councillors for how to respond to any offer or receipt of any gift, benefit or hospitality;
b) Protect councillors from being compromised and to avoid the public perception of improper influence or bias; and
c) Demonstrate to the community, suppliers, and other agencies that the council will deal with all matters in an impartial, open and accountable manner free of improper influence or bias.

The council discourages the acceptance of gifts, benefits and hospitality, including token gifts. Transparency and accountability requirements apply for councillors to disclose gifts, benefits or hospitality received or offered.

This policy should be read in conjunction with the *Model Councillor Code of Conduct*, and the *Gifts, Benefits and Hospitality Guidelines* (issued by the Chief Executive Officer).

3. Scope

This policy applies to gifts, benefits or hospitality received by, or offered to, councillors and applies to all councillors.

4. Definitions

4.1 Benefit

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 paid work. Benefits are a type of gift. Unless otherwise specified, the policy and guidelines for gifts apply equally to benefits.

The value of benefits may be difficult to define in dollars. Benefits are regulated because they may influence an individual's behaviour.

4.2 Gift

Under the Act a gift is defined as "any disposition of property otherwise than by will made by a person to another person without consideration in money or money's worth or with inadequate consideration, including—

a) the provision of a service (other than volunteer labour); and
b) the payment of an amount in respect of a guarantee; and
c) the making of a payment or contribution at a fundraising function".

The term gift does not include gifts received from family members or friends offered in a purely personal capacity, or those received through being a beneficiary of a will of a family member or friend. These may however come under the ambit of the conflict of interest rules under Division 2 of Part 6 of the Act. Any bequests to councillors as a direct result of their position with the council must not be retained. Arrangements may be made to donate the bequest to a charitable institution in the name of the person or returned to the immediate family.

4.3 Hospitality

The provision of food and beverages or tickets for events that is not otherwise classified as a token gift. Hospitality is a type of gift. Unless otherwise specified, the policy and guidelines for gifts apply equally to hospitality.

4.4 Token gift

a) Is a gift (other than money) that has a nominal value (up to $50), and is infrequently received;

b) Does not create a sense of obligation in the receiver that will influence, or appear to influence, the exercise of his or her official duties; and

c) Does not include money of any value (or something easily exchanged for money).

5. Policy

5.1 Gifts should not be accepted, unless provided for by this policy.

5.2 Token gifts may be accepted.

5.3 Where it would be impolite or otherwise impractical to decline a gift, the gift may be accepted on behalf of the council as a corporate gift.

5.4 Hospitality should not be accepted, except where:

a. There is clear value to the work of the council (for example, building relationships with community groups); and

b. The hospitality is received at an event or function that the person attended in an official capacity (i.e.: it directly relates to their public duty); and

c. It is reasonable hospitality (that is, a reasonable person would consider it appropriate and not excessive); and

d. It does not advantage the donor in their dealings with the council.

5.5 Where a gift or hospitality is offered (regardless of whether it is accepted or declined) it must be disclosed and recorded in the Gifts, Benefits and Hospitality Register.

5.6 Token gifts do not need to be disclosed; however, councillors may choose to disclose them for recording in the Gifts, Benefits and Hospitality Register.

5.7 When the accumulation of token gifts from a single source exceeds $50 in a 12 month period they must be disclosed and recorded in the Gifts, Benefits and Hospitality Register.

5.8 Under section 137 of the Act councillors must not accept anonymous gifts that are equal to or exceed the gift disclosure threshold, which is currently $500. If for any reason a Councillor finds themselves in possession of a gift when they don't know the name and address of the person who gave the gift, the Councillor can give the gift to the Council within 30 days to avoid committing an offence under the Act.

5.9 The *Gifts, Benefits and Hospitality Guidelines* explain the process to be followed with disclosure and recording in the Gifts, Benefits and Hospitality Register. The Register will be submitted annually to the Audit Committee.

5.10 Councillors must take all reasonable steps to ensure that family members, (refer section 126 of the Act), do not receive gifts, benefits or hospitality that could appear to an impartial observer to be an attempt to influence or secure a favour from the council.

5.11 The adherence to this policy does not remove any other obligations under the Act, any other legislation, or relevant codes and policies regarding gifts, benefits and hospitality and the disclosure of any interests.

5.12 Breaches of this policy will be a disciplinary matter to be dealt with in accordance with the Codes of Conduct, Workplace Agreements, policies, and procedural guidelines in place at the time. In so far as a breach may also be an offence under the Act, the provisions of the Act will apply.

6. The GIFT test

The GIFT test (developed by the Victorian State Services Commission) is a good example of what to think about when deciding whether to accept or decline a gift, benefit or hospitality.

G	**Giver**	**Who is providing the gift, benefit or hospitality and what is their relationship to me?** Does my role require me to select contractors, award grants, regulate industries or determine 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?** Has the gift, benefit or hospitality been offered to me publicly or privately? Is it a courtesy, a token of appreciation or a 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?** Has the gift, benefit or hospitality been offered honestly? Has the person or organisation made several offers over the last 12 months? Would accepting it create an obligation to return a favour?
T	**Trust**	**Would accepting the gift, benefit or hospitality diminish public trust?** How would I feel if the gift, benefit or hospitality became public knowledge? What would my colleagues, family friends or associates think?

7. Attachments

Nil.

8. Related policies

- *Staff Gifts, Benefits and Hospitality Policy*
- *Councillor Code of Conduct*
- *Staff Code of Conduct*
- *Fraud and Corruption Prevention and Management Policy*
- *Gifts, Benefits and Hospitality Guidelines*

9. Related legislation

- *Local Government Act 2020*
- *Victorian Charter of Human Rights and Responsibilities Act 2006.*

10. Review

Council may review this policy at any time but unless otherwise requested at least every four years from date of adoption. Minor amendments to the policy may be authorised by the CEO at any time where such changes do not alter the substance of the policy e.g.: typographical errors, a change to the name of a related policy, or a change to the name of legislation.

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