

GIFTS, BENEFITS AND HOSPITALITY POLICY

1. Purpose

To provide direction and guidance on the principles and responsibilities that South East Water and its workers will adhere to regarding their obligation to ensure that gifts and benefits received are ethical, properly managed, appropriately disclosed and reasonable in terms of community expectations.

The aim is to minimise gift offers accepted by Board members and workers. This helps to protect and promote public confidence in the integrity of South East Water. Gift, benefit and hospitality offers are discouraged and must never be accepted unless there is clear justification, consistent with the prohibitions in this policy, to do so.

2. Scope of Policy

This Policy applies to all South East Water workers (directors, employees, contractors, deemed employees and students and consultants) offered gifts, benefit or hospitality. It excludes the provision of gifts, benefit or hospitality.

3. Definitions

For purposes of this Policy, unless otherwise stated, the following definitions shall apply:

Benefits	Preferential treatment, privileged access, favours or some other advantage offered. These can include access to a sporting venue box, access to information, products or services, or the promise of a new job.
Bribe	An offer of money or other inducement made with the intent to corruptly influence a board member or worker in the performance of their duties. Bribery or attempted bribery of a public official is a criminal offence.
Business benefit	The provision or acceptance of a gift, benefit or hospitality that contributes towards meeting legitimate business objectives or purpose of the organisation, public sector or State.
Common courtesy	Polite, basic and modest and does not raise a conflict of interest. The following offers do not exceed common courtesy. They are not offers that need to be disclosed under this policy: a cup of coffee at another organisation's premises; a modest working lunch, such as sandwiches and pastries, at another organisation's premises; and a cup of coffee at a café (unless there is a conflict of interest). The following offers exceed common courtesy (that must be disclosed under this policy): a 'fine dining and wines' working lunch at another organisation's premises; an offer to pay for a working lunch at a café; an offer of a free spot at an industry golf day.
Conflict of interest	A conflict between a Board member's or worker's public duty to act in the best interests of South East Water and their private interests

(financial or non-financial). A conflict exists whether it is: real (it currently exists); potential (it may arise, given the circumstances); or perceived (the public could reasonably form the view that a conflict exists, or could arise, that may improperly influence the person's performance of their duty, now or in the future).

Direct or indirect	An offer may be direct or indirect. It may be made directly to a Board member or worker, or indirectly via a relative or close associate, including: a member of immediate family (spouse, partner, child, grandchild, parent, sibling, etc.); a regular member of their household (whether or not they are related); or another close associate (friend, business associate, other relative, etc.).
Gifts	Free or discounted tangible items or services. These can include money, a physical object such as a watch or an indirect gift such as a ticket to an entertainment event, function 'door prize' or services such as tree-logging or house painting.
Gifts, Benefits and Hospitality Register	An internal register of reportable gifts. It records the details of the offered gift, donor and recipient, the nature of the gift, value how it was handled, etc.
Hospitality	The friendly reception and treatment of guests, internal or external stakeholders. It includes offers of food, drink, travel, accommodation, events or activities (e.g. sporting, social, industry, arts, entertainment, or other events/activities).
Offer	Anything of monetary or other value that is offered to a Board member or worker as a result of their role with South East Water. It includes gifts, benefits and hospitality that exceeds common courtesy.
Pecuniary	Of, or relating to money or monetary value.
Reportable offer	Gifts, benefits and hospitality that must be recorded on a register. A gift, benefit or hospitality exceeding the token value, or is of cultural, historic or other significance, received are reportable, whether they are accepted or not. An accepted reportable offer remains the property of the organisation.
Responsible person	Person whom the board member or employee notifies of any gift offers received; notifies of suspected bribery attempts; and seeks advice from about the Policy and how to comply. Employees notify their line manager, board members notify the board chair and the board chair notifies the deputy chair. The chair, should also seek advice from the Minister and/or DELWP.
Token offer	A gift, benefit or hospitality offered, to an individual, as a courtesy and/or of inconsequential or trivial value (not exceeding combined \$50 value in the previous 12 months from the same source) and does not create an actual, perceived or potential conflict of interest. A token offer that is not prohibited may be refused or accepted and retained as their own.
Value	The estimated or actual value in Australian dollars, including cumulative value, offered by the same individual or organisation within a 12 month period.

4. Policy Statement

Any decision made in relation to South East Water's business must be seen to have been made with complete impartiality to any external factors. South East Water must be comfortable that all business decisions are made objectively and only on the basis of merit. As such, the Policy must be adhered to regarding the giving and receiving of gifts, benefits and hospitality. This Policy has been developed with respect to the requirements of the Victorian Public Sector - gifts, benefits and hospitality framework and the Department of Environment, Land, Water and Planning model policy on Gifts, benefits and hospitality – responding to gift offers.

4.1 Accountabilities and obligations

Board members and workers are responsible for ensuring that their own conduct meets the required standards of integrity. They place the public interest above their own interests when carrying out their official duties. This includes declaring all offers in accordance with this Policy and refusing prohibited offers).

The Board chair, the Managing Director and workers with direct reports are responsible for being aware of, and monitoring, the risks inherent in their team's work and functions, model good practice and promote awareness of this policy and related processes.

Those uncertain on how to comply with this Policy should seek advice from their Responsible person. They can also seek advice from the Risk, Quality & Assurance Group. This does not abrogate their responsibility to make the right decision.

A Board member or worker who believes that another Board member/worker may have breached this Policy must:

- approach the person to give them the opportunity to notify the Responsible person and remedy any breach; or
- notify the Responsible person directly.

If the matter involves corruption or serious misconduct, the Board member or worker can choose to instead report the matter to IBAC as a protected disclosure.

Board members and employees must act in accordance with their respective obligations and with good public sector governance practice, including:

- the Water Act 1989 (Vic);
- the Public Administration Act 2004 (Vic)
- binding codes and accountabilities issued by the Victorian Public Sector Commission
- government policy;
- directions, guidelines and/or statements of obligation or expectation issued by the Minister; and
- all other laws and obligations that bind South East Water.

4.2 Receiving Gifts, Benefits and Hospitality

In the course of business relationships a Board member or worker may be offered a gift, benefit or hospitality from time to time from a customer, supplier or stakeholder. These gifts, benefits or hospitality are usually given for commercial purposes and can be either pecuniary or non-pecuniary in nature.

Board members and workers must be particularly cautious about accepting gift offers of hospitality. Offers of gifts, benefits and hospitality are often inconsistent with community expectations. There is also a high risk of conflict of interest. In such cases, the offer must be refused even if there is a legitimate business reason to accept. Networking, maintaining stakeholder relationships, refusal may offend, etc. are not legitimate business reasons.

Any gift, benefit or hospitality that is given with the intent to influence the party to act in a particular manner towards an existing or potential supplier or commercial partner, or could be interpreted as doing so, should not be accepted. Board members and workers must never solicit gifts, benefits or hospitality for themselves or anyone else, in any form. If they believe that a gift, benefit or hospitality was offered as a deliberate inducement to act in a particular manner, the offered item should be returned and the incident reported to the Responsible person.

4.3 Prohibited offers

South East Water Board members and workers must refuse offers:

- Of money or pecuniary equivalents such as shares or vouchers;
- That are more than of token value that could be reasonably perceived as undermining the integrity and impartiality of themselves or South East Water.
- Made with the intent to corruptly influence. Bribery attempts must be reported to the Responsible person or their delegate;
- A gift, benefit or hospitality that is not provided for a legitimate business benefit.
- From people or organisations about whom they are likely to make decisions or can influence: tender processes; procurement; enforcement; licensing; regulation; contracts; or awarding of grants or sponsorship
- That are inconsistent with community expectations;
- That present an actual, potential or perceived conflict of interest; and
- To a direct or indirect party, such as a partner, relative or friend.

High risk events and activities

Invitations to attend or participate in a sporting, social, 'industry', arts, entertainment, or other event or activity are high risk. Examples of offers that must be refused, even if there is a legitimate business reason include:

- Attendance as a guest in a football corporate box, car or horse racing event;
- Attendance to a concert or theatre event;
- Attendance at industry golf days or playing golf at a reduced fee;
- Being provided a meal at a restaurant; or
- Accepting complimentary/discounted tickets for family members to attend events.

Networking, maintaining stakeholder relationships, 'refusal may offend', etc. are not legitimate business reasons.

Conferences and familiarisation tours

Offers in relation to conferences or familiarisation tours (e.g. sponsored attendance, participation, travel, or accommodation) must be declined unless there is:

- Clear justification, such as where the invitation is issued by a government department, or the event is funded by DELWP, or, depending on the circumstances, the offeror is a peak body; and
- Prior written approval that sets out clear reasons is specifically granted by the Managing Director (for employees) or the Responsible person (for the chair and Board members). The signed and dated approval must be attached to the gift offer declaration and noted in the Register.

South East Water Board members or workers unsure about how to respond to an offer of a gift, benefit or hospitality should seek advice from the Responsible person.

4.4 Recording and disclosing offers

To assist South East Water to monitor the frequency and nature of offers, offers are to be disclosed (within five working days of the offer) in accordance with the requirements for token or reportable offers, whether offered and accepted or offered and declined, on the South East Water Gifts, Benefits and Hospitality Register.

The registration of offers includes: the offer date; the source (organisation and individual); what was offered and why; that it was a token offer, (including estimated value and combined value of all gifts offered to them from that source in the last 12 months); whether it was a prohibited gift and, if so, why; and whether the offer was accepted or refused.

A Board member or worker disclosing offers, and the responsible person, must each retain a copy of the disclosure. This will assist: to fulfil their responsibility to keep track of offers made to them by that source exceed a combined value of \$50 in the last 12 months (the reportable threshold); and the Responsible person to monitor the risks inherent in their team's work and functions.

4.5 Ownership of reportable offers

A Board member or worker who accepts a reportable offer does so on behalf of the South East Water. South East Water is the owner of the offered item.

4.6 Dealing with accepted gifts

Processes are in place for the receipt and use or disposition of reportable gifts by the South East Water. As part of these processes:

- Gifts of cultural, historic or other significance may be donated to an appropriate public institutions;
- Gifts may be donated, or the proceeds of their sale, to a non-profit organisation or public institution; or
- If in the public interest, approval may be given for a Board member or worker to use a gift 'as their own' at the directive of South East Water. (Note determined by the Board (for Board members and Managing Director) or Managing Director (for workers) in accordance with the following criteria:
 - Approval required to avoid person being in breach of the Policy through no fault of their own; or
 - Prior written approval have been granted, for sponsored hospitality to be accepted in relation to a conference or familiarisation tour i.e. approval that sets out clear reasons is specifically granted by the Managing Director (for workers) or the Responsible person (for Board members)

The approver, by approving of an acceptance of an offer, and the receiver by accepting an offer, confirms:

- No actual, potential or perceived conflict of interest for the individual or themselves; and
- Does not bring the individual (including the approver), the organisation or the public sector into disrepute; and
- Provides a clear business benefit to the organisation, the public sector or the State.

4.7 Attempts to bribe

A Board member or worker who receives an offer and believes is an attempted bribe must refuse the offer. They must:

- Immediately notify the Responsible person and record the offer in the Register, so that the refusal can be properly recorded; or
- Report the matter to the Independent Broad-based Anti-corruption Commission (IBAC) as a protected disclosure.

A Board member or worker who believes that another Board member or worker may have solicited or been offered a bribe which the other person has not reported must either notify the Responsible person or report the matter to IBAC as a protected disclosure.

The Managing Director will be notified when a Responsible person becomes aware of a bribery issue. The Managing Director will notify IBAC of any matter which they believe on reasonable grounds may be corrupt conduct or, if appropriate, notify the police of a suspected offence.

4.8 Reporting

A copy of the previous financial year and current Register, which complies with privacy obligations, will be published on the South East Water website every six months.

The Managing Director will provide a report at least annually to the Finance, Audit and Risk Management (FARM) Committee that includes the matters set out in relation to: risk analysis (patterns and anomalies, level of compliance); steps taken to improve compliance; and recommendations for improvement.

The FARM Committee will submit a report at least annually to the Board that takes into account the Managing Director's report and includes any other information or recommendations that the FARM Committee chooses to include.

4.9 Business processes

Business rules, processes, and record-keeping requirements in place for the practical implementation of this policy including but not limited to:

- Induction and refresher training for board members and workers;
- A position to provide Responsible persons, board members and workers with a central point for advice and guidance materials;
- Contracts for 'in house' contractors and consultants (including those engaged through employment agencies) explicitly stating their obligation to this Policy and the Code of Conduct for Victorian Public Sector Employees;
- External stakeholders (including prospective tenderers and suppliers) having ready access to information in this policy (including suitable guidance material);
- Patterns of frequent or prohibited gift offers are identified and, where appropriate, remedial action is taken; and
- Contracts of suppliers and external contractors be revoked (or renegotiated) if they offer a prohibited gift to a board member or worker.

4.10 Compliance and breaches

Accepting a prohibited gift offer may constitute misuse of a Board member's or worker's position, a breach of this policy (or related processes) and/or a breach of the Code of Conduct, and may result in disciplinary action. In addition, if the gift was offered with the

expectation of something in return, such as preferential treatment, accepting it may constitute a bribe or other form of corruption and lead to criminal prosecution.

A Board member or worker who may have breached this Policy must immediately notify the Responsible person and remedy any breach.

Action, including possible disciplinary action, will be taken against any Board member or worker who discriminates against or victimises a person who speaks up in good faith about a possible breach of this Policy.

5. Related Policies

BS 2362 Board Handbook / Charter
BS 1005 Code of Conduct
BS 2670 Conflict of Interest - Directors
BS 2671 Meetings & Decision Making - Board

6. Legislative Compliance

Financial Management Act 1994 (Vic)
Freedom of Information Act 1982 (Vic)
Privacy and Data Protection Act 2014 (Vic)
Protected Disclosures Act 2012 (Vic)
Public Administration Act 2004 (Vic)
Water Act 1989 (Vic)

7. Related Documents

[Code of conduct for Directors of Victorian public entities - Directors Code of Conduct](#)
[Code of Conduct for Victorian Public Sector Employees](#)
[Department of Environment, Land, Water & Planning resource suite](#)
[DELWP model policy on Gifts, benefits and hospitality - responding to gift offers.](#)
BS 2060 Conflict of Interest Declaration Procedure
BS 2570 Gift Benefit and Hospitality Procedure
Victorian Public Sector Commission [resource suite](#)
[Victorian Public Sector - gifts, benefits and hospitality framework](#)

8. Approval

Approved by: South East Water Board of Directors
Approved on: 27 February 2017
Sponsor: Managing Director
Implementation: Compliance and Quality Manager by 1 July 2017
Review date: 27 February 2018 (annually)

PRIVACY COLLECTION STATEMENT – GIFT OFFERS

Background

This privacy collection statement is published in accordance with the Information Privacy Principles in Schedule 1 of the Privacy and Data Protection Act 2014 (Vic).

South East Water is part of the public sector. As such, it complies with a range of laws and related obligations, including:

- the Public Administration Act 2004;
- the Minimum accountabilities for the management of gifts, benefits and hospitality issued by the Victorian Public Sector Commission; and
- the Privacy and Data Protection Act 2014.

Collection, retention and use of information

As part of South East Water's compliance with its obligations and with good public sector governance practice:

- If an individual or organisation offers a gift to a board member or employee of South East Water as a result of that person's role, information about the offer will be recorded, retained and used by South East Water.
- Details of the information that will be recorded, retained and used by the South East Water are set out in the Gifts, benefits and hospitality policy.
- South East Water's Gifts, benefits and hospitality policy is published on its [external website](#).
- South East Water publishes a 'de-identified' copy of its gifts, benefits and hospitality register on its [external website](#).
- The purpose of publishing the 'de-identified' copy of the register is to promote transparency in public sector decision making; and comply with the Minimum accountabilities for the management of gifts, benefits and hospitality.

Viewing information

If you have offered a gift to a board member or employee of South East Water as a result of that person's role with South East Water you can view the information that has been recorded by contacting:

Manager, Compliance and Quality

- Telephone: 03 9552 3950
- Email: chris.liatis@sew.com.au

Please note that, in accordance with South East Water's Gifts, benefits and hospitality policy, whilst information on both 'reportable' and 'token' gifts (as defined in the Policy) are recorded, retained and used by South East Water:

- only information on reportable gift, benefits and hospitality is recorded in the gifts, benefits and hospitality register; and
- steps have been taken to 'de-identify' personal information in the copy of the gifts, benefits and hospitality register that is published on the external website.