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## 1. INTRODUCTION

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In accordance with the Council's adopted *Gifts and Benefits Policy*,<sup>1</sup> under no circumstance should a Councillor or employee ask for any benefit in return for undertaking, or having undertaken, their official duties, whether during working hours or not. Such behaviour will lead to disciplinary action and notification to the Crime and Corruption Commission.

Councillors and employees should, wherever possible, avoid accepting, directly or indirectly, from any person or body an immediate gift, future gift or award or benefit, other than of a token kind or moderate act of hospitality. This includes such a benefit for any other person or body as well as themselves and relates to the performance of any duty or work which touches or concerns Council.

While at times it may be difficult or rude to refuse to accept a gift, always be aware that acceptance may create a conflict of interest, i.e. a clash between your official duty and your own personal interests. If such a conflict arises, you may be tempted to put your personal interests ahead of the public interest. Conflicts of interest can be the catalyst for serious misconduct and corruption.

Councillors and employees should, therefore, keep in mind that at all times, all actions and decisions must be carried out impartially to serve and protect the interests of the whole community.

The following provides guidance to Councillors and employees in dealing with gifts and benefits.

### Value of gifts and benefits and reporting requirements

The fair market value of a gift or benefit is determined by its reasonable retail value. This value determines whether the gift or benefit should be reported or registered and whether it is kept by Council or the Councillor/employee.

All gifts of cultural or historical value (e.g. an artefact, even a small one, or an invitation to witness a history-making event) must remain the property of Council, regardless of their value.

- Gifts or benefits with fair market values of less than \$100 may remain the property of the employee, however, if the value is \$100 or higher, the gift or benefit must be recorded in the Council's gifts and benefits register. Anything with a value less than \$100 does not need to be recorded.

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<sup>1</sup> See also *Kuranda Visitor Information Centre Gifts and Benefits Procedure*.

## Accepting Gifts and Benefits

- Gifts or benefits with fair market values of more than \$100 must be recorded in Council's gifts and benefits register:
  - If the gift or benefit has a fair market value of between \$100 and \$350, it must be reported and registered to the Mayor or Chief Executive Officer who will decide whether the Councillor or employee may retain the gift or benefit.
  - If the gift or benefit has a fair market value of more than \$350, it will remain the property of Council and be used for public benefit and in an appropriate manner. Council may permit a Councillor or employee to retain the gift or benefit in exceptional circumstances only.
- If in any financial year, the cumulative value of a number of gifts and benefits received from the donor, the same class of donor, or from donors in a similar relationship with the recipient exceeds \$100, then each individual gift or benefit must be recorded in the gifts and benefits register.
- All offers of cash, or items easily converted to cash (e.g. a lotto ticket or shares) must be refused whatever the circumstances.

**NB:** Whether a gift or benefit is accepted or not, it must be reported where required.

### Examples of types of gifts and benefits

Set out below are examples of the types of gifts and benefits you could be offered and the actions you should take.

FAIR MARKET VALUE	More than \$350	Between \$100 and \$350	Between \$30 and \$100	Less than \$30
<b>EXAMPLES OF GIFTS OR BENEFITS</b>	<ul style="list-style-type: none"> <li>➤ Laptop computer</li> <li>➤ Corporate guest package as part of a major event</li> <li>➤ Use of facilities - e.g. gyms, holiday units</li> <li>➤ Travel - free or discounted</li> <li>➤ Scholarship or training</li> <li>➤ Promise of a new job or promotion</li> <li>➤ Preferential treatment</li> </ul>	<ul style="list-style-type: none"> <li>➤ Discounts on products for personal use</li> <li>➤ Personal organiser</li> <li>➤ Tickets to the theatre or a sporting event</li> <li>➤ Hamper of gourmet food</li> <li>➤ Alcohol*</li> </ul>	<ul style="list-style-type: none"> <li>➤ Tickets to the theatre or a sporting event</li> <li>➤ Book on a relevant topic</li> <li>➤ Bunch of flowers</li> <li>➤ Alcohol*</li> </ul>	<ul style="list-style-type: none"> <li>➤ Book on a relevant topic</li> <li>➤ Pen, diary, mouse pad</li> <li>➤ Mug, coaster</li> <li>➤ Promotional cap</li> <li>➤ Conference satchel</li> <li>➤ Bunch of flowers</li> <li>➤ Box of chocolates</li> <li>➤ Alcohol*</li> </ul>
<b>ACTIONS REQUIRED/NOTES</b>	<p><b>Must be registered</b></p> <p>The gift or benefit becomes an asset of the Council, and the Mayor or CEO determines how it will be used or if circumstances exist to allow the Councillor or employee to retain it</p>	<p><b>Must be registered</b></p> <p>The Mayor or CEO decide if the Councillor or officer may retain the gift or benefit</p>	<p><b>Does not have to be registered but must be reported to Manager</b></p> <p><b>Unless the gift is a random conference lucky door or draw prize</b></p>	<p><b>Does not have to be registered or reported to Manager unless gift is alcohol.</b></p>

## Accepting Gifts and Benefits

Regardless of the value as outlined above, any gift or benefit with a cultural or historical value becomes the property of Council.

Officers in sensitive roles (e.g. internal audit) should consider reporting all gifts and benefits offered, regardless of their value.

Where the gift or benefit is difficult to place a value on ie: an invitation to watch a sporting event from a corporate box, then the benefit must be recorded. The offer must be recorded irrespective of whether approval was granted to accept the benefit.

Food and drink supplied at a work-related meeting, conference or function does not need to be registered or reported.

\* All gifts of alcohol must be reported to Manager for CEO to decide if it becomes the property of Council to be used at the CEO's discretion.

### Making a quick decision

So how can you make an informed, on-the-spot decision when you are offered a gift or benefit?

The following **PROVE IT** model should help.

<b>Purpose</b>	What is the purpose of the gift?
<b>Rules</b>	What are the Council's rules (policy) on gifts?
<b>Openness</b>	How open is the giving?
<b>Value</b>	What is the value of the gift?
<b>Ethics</b>	What are Council's ethics about accepting gifts?
<b>Identity</b>	What is the identity of the giver?
<b>Timing</b>	What is the timing of the gift-giving?

**How can the PROVE IT model be used? Consider this scenario:**

Judy is an information technology manager who is giving a presentation at a conference. The conference organisers give her a bottle of wine (valued at \$19) as a token of thanks. They have given all speakers a bottle of wine. While at the conference, Judy meets up with Joe, a representative of one of the firms on her preferred supplier list. Judy mentions that the preferred supplier list will be reviewed in the near future and expressions of interest sought.

A week later, Judy opens a package addressed to her as Information Technology Manager. Inside is a smartphone/personal digital assistant (valued at \$700) with a note attached that reads: *Judy, good to catch up with you last week. Hope this makes your busy life easier. Looking forward to working with you in the future. Regards, Joe.*

## Accepting Gifts and Benefits

### Now apply the PROVE IT model

Prove	Bottle of Wine	Accept	Smartphone PDA	Accept
Purpose	The gift is a token of appreciation for giving a presentation	✓	The purpose of the gift would appear to be to gain favour with Judy when she considers expressions of interest for preferred supplier	✗
Rules	The gift does not need to be recorded but should be reported	✓	Judy should report the gift and follow the CEO's guidance on its retention	?
Openness	The gift was openly given in front of conference delegates	✓	The gift was personally addressed to Judy for her use	✗
Value	The value of the gift is small (\$19)	✓	The value of the gift is over \$350, and it is therefore reportable	✗
Ethics	A gift of this nature would not appear to breach any principles of public sector ethics	✓	If accepting the gift is against Council's policy, then doing so would breach the ethics principle of respect for the law and system of government. It may also compromise, or appear to compromise, the integrity of the supplier-selection process	✗
Identity	The giver is a conference organiser	✓	The giver is a current supplier to the agency and potential tenderer for future contracts	✗
Timing	Judy has received the gift for giving a presentation, with no other business being transacted	✓	Judy is about to assess expressions of interest for the role of preferred supplier	✗
DECISION	The PROVE IT checklist suggests it would be <b>appropriate</b> to accept the bottle of wine	✓	The PROVE IT checklist suggests it would be <b>inappropriate</b> to accept the smartphone PDA	✗

Judy may be free to accept the bottle of wine, but she should refuse the smartphone PDA and report the offer. If for some reason Judy was unable to refuse the smartphone PDA, she would have to report the gift, and have it entered in the Council's gift register because of:

- The value of the gift
- The sensitive nature of her position
- The timing of the gift offer.

The CEO would then decide how to use or dispose of the item for the public benefit.