

# Gifts, Benefits and Hospitality Policy

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public service

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# 1. Policy

## 1.1. Purpose

This Policy provides guidance to Public Service Commission (“PSC”) staff on how to deal with gifts and benefits (including hospitality) in the event that they are offered or received in connection with or in the course of their work with the PSC.

This Policy also provides guidance to PSC staff on applicable requirements where PSC wishes to provide gifts or hospitality to others.

## 1.2. Scope

This Policy applies to all PSC staff. “**PSC staff**” refers to all PSC employees and any individual working with or on behalf of the PSC including any contractor, consultant or volunteer.

The Policy applies to any gift or benefit (including hospitality) offered to a PSC staff member in the course of or in connection with their work, apart from normal employee entitlements.

“**Gift or benefit**” means any item, service, prize, hospitality or travel provided by a customer, client, applicant, supplier, potential supplier or external organisation, which has an intrinsic value and/or a value to the recipient, a member of their family, relation, friend or associate.

This Policy also applies to the provision of gifts or benefits (including hospitality) by PSC to others.

This Policy should be read in conjunction with the Code of Ethics and Conduct, Fraud and Corruption Control Policy and Guidelines, Instruments of Delegation and Procurement Policy.

## 1.3. Policy approach

The PSC is committed to promoting and maintaining ethical values and professional standards of behaviour that protect the integrity and reputation of the Public Service Commissioner and PSC.

Inappropriately accepting or providing gifts or benefits carries a high risk of damage to the reputation of the PSC and the professional reputation of PSC staff.

The Policy provides the principles and standards for PSC staff to apply when considering whether it is appropriate to accept or provide a gift or benefit in the course of their work or activities for the PSC. This Policy also provides arrangements for the mandatory reporting and recording of gifts and benefits offered and received and sets out responsibilities of PSC staff.

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# 2. Gifts and benefits offered to staff

## 2.1. Key considerations

All PSC staff must ensure that any gifts or benefits offered to or received by them in the course of their work are managed in an open and transparent manner, in accordance with this Policy.

You should always decline and register a gift or benefit that is intended to, or likely to, cause you to act in a partial manner in the course of your duties, or where a conflict exists.

When deciding whether there is a conflict of interest, consider whether there is an actual, potential or reasonably perceived conflict between a staff member's private interests and the impartial performance of their official duties.

### Dos and Don'ts

#### DON'T:

- solicit (request or try to obtain) a gift or benefit
- accept a gift or benefit as an inducement to act in a certain way
- accept a gift or benefit where there could be a perception that it has been offered as an inducement or an incentive to act in a certain way
- accept cash, cheques, money orders, gift vouchers, scholarships or awards
- accept a gift or benefit where it is to be provided to a family member, relation, friend or associate
- accept a gift or benefit where you currently, or may in the future, exercise discretion in the making of a decision affecting the gift giver
- accept gifts or benefits if you are unsure whether you should.

#### DO:

- read, understand and comply with this Policy
- politely decline a gift or benefit which is not allowed
- seek management approval to accept a gift or benefit which is allowed
- promptly report gifts and benefits for recording in the Gifts and Benefits Register
- advise your Senior Leader or another Senior Leader immediately if you suspect you are being offered a bribe (see below reporting requirements regarding bribes)
- always consider any conflicts of interest, the intent of the gift or benefit being offered and the public perception

- consult your Senior Leader or the Associate Director, People and Engagement for guidance if you are unsure of what to do about a gift or benefit offered or received.

## Higher risk areas

A key risk area is the offer of gifts or benefits by current or potential external suppliers, for example the offer of free tickets to conferences, workshops or networking meals. PSC regularly calls for tenders and manages highly competitive procurement processes. PSC is required to carry out its procurement of goods and services in a fair, ethical and transparent way that achieves value for money in the expenditure of public funds.

All staff involved in procurement processes affecting a giver need to be particularly cautious if offered gifts or benefits from any current or potential external supplier. This includes, for example, staff involved in recommending or approving a decision to procure goods or services, evaluating tenders, quotes or proposals, or negotiating or managing a contract involving the giver.

Staff involved in any recruitment decisions, or in complaints management (for example assessment of complaints or public interest disclosures to the PSC, whether concerning the actions of the PSC or another agency) or regulatory/compliance work should also be especially alert to the potential risks of gifts or benefits.

## Bribes

If you are offered or suspect you are being offered a **bribe** (anything given for the purpose of persuading you to make a decision to the advantage of an individual or organisation, or to otherwise act improperly), you must refuse it and immediately report the matter to your Senior Leader or a member of the Management Board.

Any attempt to bribe PSC staff or the acceptance of a bribe is corrupt conduct and must be reported in accordance with the Fraud and Corruption Control Policy.

## 2.2. Managing offers of gifts or benefits

### Reporting a gift or benefit

Staff must report all offers of gifts and benefits valued over \$50 using the Gifts and Benefits Declaration Form on the intranet.

The Associate Director, People and Engagement ensures that details of reported gifts and benefits offered, accepted or declined are recorded and maintained in the PSC's Gifts and Benefits Register ("Register").

## Value thresholds

Staff MUST NOT accept any gift or benefit other than as permitted in accordance with the value thresholds below.

Value of gift or benefit (including hospitality) (ex GST)	Responsibility of PSC staff
<b>Up to \$50</b>	<p>Staff may accept the gift or benefit without approval PROVIDED there is no conflict of interest or other risk factors in <a href="#">section 2.1 of this Policy</a>.</p> <p>There is no requirement to record the offer in the PSC's Gifts and Benefits Register, PROVIDED there is no conflict of interest or other risk factors in section 2.1 of this Policy.</p>
<b>Over \$50 and up to \$100</b>	<p>Staff must:</p> <ol style="list-style-type: none"><li>1. Request approval from your Manager in writing should you wish to accept the gift or benefit; and</li><li>2. Report all offers of gifts or benefits to People &amp; Engagement using the <a href="#">Gifts and Benefits Register Declaration Form</a>.</li></ol> <p>Your Manager MAY APPROVE acceptance of the gift PROVIDED there is no conflict of interest or other risk factors listed in section 2.1.</p> <p>Decision options include:</p> <ul style="list-style-type: none"><li>• accept and staff member retain the gift or benefit;</li><li>• accept but retain on behalf of the PSC as the property of the PSC or dispose of the gift or benefit appropriately; or</li><li>• refuse the gift or benefit.</li></ul>

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Higher risk gifts or benefits should be referred to a Senior Leader or member of the Management Board for approval.

**Over \$100**

Staff **MUST DECLINE** the gift or benefit and:

1. Notify your Manager and Senior Leader;
2. Report all offers of gifts or benefits valued above \$100 to People & Engagement using the [Gifts and Benefits Register Declaration Form](#).

If such a gift or benefit has been delivered to PSC or already accepted, it should be provided to People & Engagement who, having regard to the risk factors in section 2.1, may retain as the property of the PSC, return, donate to charity or dispose of appropriately.

**EXCEPTION:**

Staff **MAY ACCEPT** an invitation valued above \$100 to a seminar, conference, function or event which will provide relevant professional development or networking opportunities that align with the Commissioner's functions or the work of the PSC **PROVIDED:**

- there is no conflict of interest or other risk factors listed in section 2.1; and
- acceptance has been approved by the Commissioner or another member of the Management Board;
- a record of such acceptance is kept and reported to People & Engagement for inclusion in the Register.

For the purposes of this table, the **value** of a gift or benefit is the highest of:

- the cost to the giver
- the retail or replacement cost of the gift or benefit
- the value of the gift or benefit to the recipient.



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Staff should be mindful of the cumulative value of gifts or benefits offered on more than one occasion.

## 2.3. Common gifts and benefits

### Token gifts and prizes

Examples of token gifts and prizes which may be accepted provided appropriately reported and approved in compliance with section 2.1 and 2.2 include:

- small token gifts where offered to all attendees or participants at a seminar or official business function, for example a pen and writing pad during a training session
- a prize “won” at an external business function when conducting official duties
- gifts of appreciation for hosting a business function, presenting on behalf of the PSC at a conference, seminar or other business function.

### Hospitality

One common type of benefit offered to PSC staff is hospitality. If you are offered hospitality greater than \$50 and up to \$100 in value, you have several options. These include to:

- refuse the offer
- pay your own way (e.g. at a restaurant)
- seek less expensive hospitality, or
- if none of the above options are feasible and attendance is in the interests of the PSC, notify your Manager of the circumstances and report the hospitality to People & Engagement for inclusion in the Register.

Ultimately, the main question to be answered is:

*“Would a reasonable person think that the hospitality was intended to influence the recipient to act in a certain way (for example in the interests of the giver), either now or in the future”.*

**Low risk hospitality** includes where the hospitality is incidental to a meeting, conference, networking event or official business-related function and may involve light refreshments or a modest meal. For example:

- functions where you attend in an official capacity as the Commissioner’s or PSC’s representative

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- hospitality provided as part of a conference package, where the PSC has paid a fee for you to attend
  - catered briefings, roundtables, launches, etc. where invitees from a range of external organisations are present
  - occasional working lunches, where the hospitality is incidental and of low value (for example sandwiches and tea or coffee)
  - invitations for networking events that align with the Commissioner's functions or the work of the PSC.

**Higher risk hospitality** includes:

- restaurant meals (except where they fall within the low risk descriptions above)
- invitations to corporate boxes or marquees
- invitations to lunches, dinners or other events to 'seal the deal', or to 'celebrate' finalisation of a procurement process or the signing of a contract
- invitations to functions held in private homes
- invitations which extend to family members, relations, friends and associates
- invitations from a current or potential supplier of goods or services to the PSC.

As a general rule, where there is doubt about whether to accept hospitality, PSC staff and their Managers should err on the side of caution and decline. Acceptance of higher risk hospitality should always be referred to a member of the Management Board.

If hospitality is accepted in good faith, but a third party attempts to use the occasion to raise a materially significant matter relating to their business and/or work of the PSC, you should politely decline to discuss the matter and, if appropriate, propose that a formal meeting be organised for a later date.

## **Travel and accommodation**

From time to time, you may be offered travel or accommodation upgrades during official travel within Australia or overseas. You should never seek or solicit an upgrade from a travel or accommodation provider in relation to official travel.

Where a travel or accommodation provider seeks to upgrade you for operational reasons at no charge to you or the PSC (for example, where an airline upgrades you to business class because it has overbooked its economy class for that flight), you may accept the upgrade but should report receipt of the upgrade so it can be recorded in the Register.

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## Competitive scholarships and awards

As a government sector employee, you may be eligible to apply for competitive scholarships or awards in recognition of your achievements or potential in your field of expertise. For example, the NSW Premier's Awards, the Institute of Public Administration Australia Awards, and the Commonwealth Bank Foundation Teaching Awards.

You may accept, with the approval of your Manager, professional scholarships and awards won as a result of an open and competitive application process, even where the value of the award exceeds the PSC's threshold for gifts and benefits. You should report all relevant details of the award, including details of your Manager's approval, so that it can be recorded in the Register.

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# 3. Gifts and benefits provided by the PSC

## 3.1. Gifts provided by the PSC

From time to time, the PSC may host an event where it is appropriate to give guest speakers or participants a token gift.

Staff wishing to provide a gift should ensure:

- it is provided for a business purpose;
- any costs are reasonable and proportionate to the benefits obtained for PSC and would be considered reasonable in terms of public expectations; and
- the gift is purchased through a transparent and equitable process.

Staff should obtain approval from their Senior Leader prior to purchasing official gifts.

## 3.2. Hospitality provided by the PSC

From time to time it may be appropriate for the PSC to offer hospitality or provide entertainment to guests at an official PSC function or event.

Staff must ensure that any expenditure by staff on official hospitality and/or entertainment complies with the following principles:

- It must be provided for an official business purpose. It should assist the conduct of official business or other legitimate organisational goals or promote and support Government policy objectives and priorities
- The expense must be properly documented. All receipts must be kept and put into Expense 8. A merchant copy of a credit card transaction is NOT a receipt. A proper receipt must be valid tax invoice requested from the merchant, which documents the ABN, the items purchased, amount, GST and date
- The expense must generate direct benefits. The hospitality and/or entertainment must result in, or be reasonably expected to contribute to, achieving PSC's objectives and should not be used merely for social occasions
- The expense must be reasonable for the circumstances, and publicly defensible. For example, it is appropriate to provide modest refreshments like sandwiches during an all-day training session, but more lavish arrangements like a three course meal would not be appropriate
- Expenditure should NOT provide a personal benefit to staff or their family or friends (e.g. Christmas functions, birthday celebrations, staff farewells or work socials). In exceptional circumstances and only with prior approval of the Commissioner, families of staff may be asked to attend official functions as their presence is clearly necessary for the success of the function or where the party

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to be entertained is to be accompanied by a family member (e.g. functions on weekends, where guests/dignitaries are being entertained and families/partners are attending, significant corporate events sponsored or organised by the PSC where guests accompanied by their families/partners will be attending as guests of the PSC)

- In general, hospitality and/or entertainment should not be extended to consultants or other providers of goods and services (e.g. staff of audit or legal firms, computer service suppliers, advertising agencies, printers), unless authorised by the Commissioner prior to the event. You must also follow the Financial and Administrative Delegations
- When hospitality is provided, staff involved must demonstrate professionalism in their conduct, and uphold their obligation to extend a duty of care to other participants
- Appropriate copyright clearances and licences must be obtained in advance for any entertainment, in consultation with General Counsel.

Refer also to Providing hospitality decision tree (Appendix A) and HOST Guide (Appendix B).

### 3.3. Delegations to approve expenditure

Authority to approve expenditure on official gifts or benefits such as hospitality and/or entertainment must be consistent with the PSC's Financial Delegations and the Administrative Delegations.

Approval for any official gifts or benefits such as hospitality and/or entertainment expenditure should be obtained prior to the cost being incurred.

In exceptional cases, it may be necessary to seek approval as soon as possible after the expenditure has occurred, if prior approval was not possible. Managers and staff are jointly responsible for ensuring this is not a regular occurrence.

### 3.4. Fringe Benefits Tax

Fringe Benefits Tax ("FBT") may apply to the employee component of gifts or benefits, including hospitality and/or entertainment expenditure. Staff must obtain advice from the PSC Finance team.

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## 3.5. Making Donations

As an independent government agency, the PSC is not in a position to make monetary donations to charities, organisations or causes. The principles and risks associated with the making of donations are as follows:

- The Commissioner must maintain his/her position of impartiality, and not be perceived as favouring particular organisations, charities or causes, especially where those charities, organisations or causes have a special connection with another part of the sector
- The donation of funds appropriated by the PSC, from the Consolidated Fund, is outside the purpose for which those funds are appropriated
- The making of a donation may raise particular concerns from the general public about the expenditure of public funds.

This Policy does not prevent individual staff from making donations in their personal capacity. Staff must ensure that donations made in their personal capacity are not attributed to the PSC.

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# 4. Responsibilities

## 4.1. Roles and responsibilities

**All PSC staff members** are responsible for:

- reading, understanding and complying with this Policy
- assessing any actual, potential or reasonably perceived conflicts of interest.
- reporting gifts and benefits valued over \$50 to their Manager and to People & Engagement
- refusing any offer of a gift or benefit unless permitted or approved in accordance with this Policy
- considering the cumulative value of gifts and benefits when assessing whether to accept or decline an offer
- reporting suspected bribes in accordance with the Fraud and Corruption Control Policy and Guidelines
- reporting any breaches of the Policy to their Manager, Senior Leader or a member of the PSC Management Board.

**PSC Senior Leaders and Managers** are responsible for:

- ensuring all staff are aware of this Policy and their responsibilities;
- ensuring all staff complete relevant training in relation to this Policy; and
- assessing offers of gifts or benefits and determining whether they should be accepted or declined in accordance with this Policy.

The **Manager** of a PSC staff member refers to the PSC Manager who has general oversight of them.

**The Management Board** is responsible for approving the PSC Gifts, Benefits and Hospitality Policy. Individual members may:

- assess and, if appropriate, approve gifts or benefits valued over \$50 and up to \$100 in accordance with this Policy where they are higher risk;
- assess and, if appropriate, approve any gifts or benefits valued over \$100 in accordance with this Policy; and
- receive, manage and action reports of breach of the Policy, where appropriate.

**The Commissioner** is responsible for the general conduct and management of the functions and activities of the PSC in accordance with the government sector core values under Part 2 of the *Government Sector Employment Act 2013*.

**The General Counsel** is responsible for:

- legal review of this Policy

- management of legal issues in relation to gifts and benefits and PSC staff compliance with this Policy, including providing legal advice to PSC staff who wish to gift government property.

**The Associate Director, People and Engagement** is Policy Owner and responsible for:

- ensuring necessary processes are in place to support compliance with the PSC's Gifts, Benefits and Hospitality Policy
- maintaining and reviewing the PSC's Gifts and Benefits Register
- providing reporting and assurance on implementation of this Policy
- reviewing the Gifts, Benefits and Hospitality Policy and procedures at least every two to three years or sooner where required
- raising staff awareness of this Policy and the risks of accepting gifts or benefits within induction and training programs.

## 4.2. Breach of this Policy

A breach of this Policy will be considered a breach of the PSC's Code of Ethics and Conduct.

**If you are found to have breached this Policy**, and consequently the Code of Ethics and Conduct, you will be counselled by your Manager, Senior Leader or relevant Management Board member. Serious breaches of the Code may constitute unsatisfactory performance or misconduct and be dealt with under section 68 or 69 of the *Government Sector Employment Act 2013* respectively.

**If you see someone breach this Policy**, you should in the first instance discuss that person's behaviour with your immediate manager, or report your concerns to any member of the PSC Management Board. Refer to the Fraud and Corruption Control Policy for actions to take in cases of corrupt conduct.

## 4.3. Contact point

If PSC staff have any questions about this Policy, they should contact People and Engagement via [psc\\_hr@psc.nsw.gov.au](mailto:psc_hr@psc.nsw.gov.au).

## 4.4. Dissemination

All PSC staff are to be informed of the expectation that they comply with this Policy.



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Where possible, the terms of engagement with a contractor, consultant or volunteer are to require them to comply.

## 4.5. Legislative context

The Gifts, Benefits and Hospitality Policy has been developed in line with:

- The PSC Code of Ethics and Conduct
- The PSC Risk Management Policy and Procedures
- The PSC Fraud and Corruption Control Policy and Guidelines
- The PSC Public Interest Disclosure Policy
- *Government Sector Employment Act 2013 (NSW)*: Part 2 (Ethical framework) and section 30 (General responsibility of heads of agencies (other than Departments))
- *Government Sector Finance Act 2018 (NSW)* relating to gifts of government property
- *Independent Commission Against Corruption Act 1998 (NSW)* which concerns managing corrupt conduct
- *Crimes Act 1990 (NSW)* which applies when staff are offered cash or a financial benefit that would constitute a bribe.

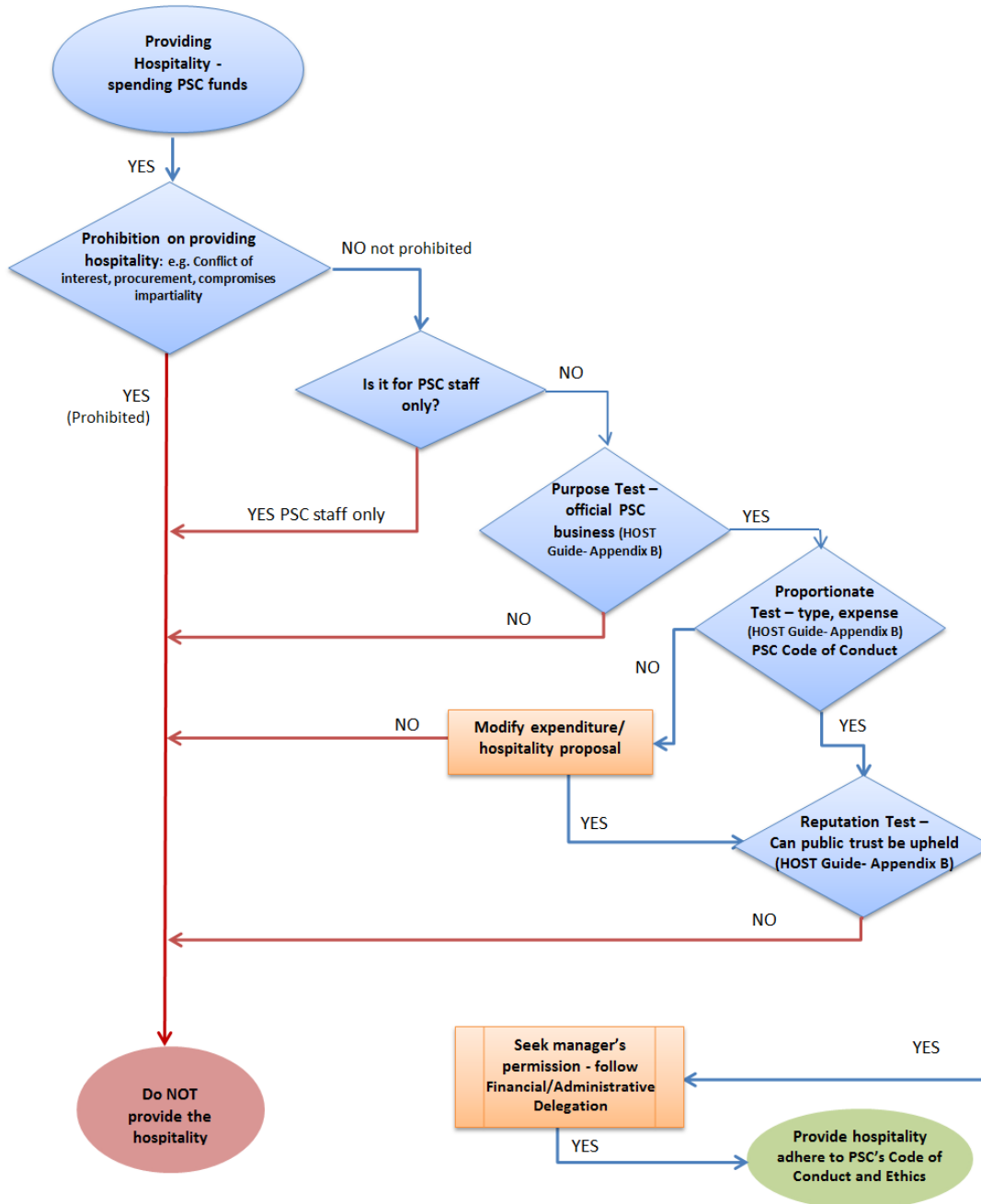
# 5. Review

This Policy will be reviewed at least every two years in the absence of any significant changes or more frequently where required taking into account legislative or organisational changes, risk factors and consistency with other supporting policies.

<b>Policy owner</b>	<b>Associate Director, People and Engagement</b>
<b>This version endorsed by</b>	PSC Management Board
<b>Date endorsed</b>	8/02/2023
<b>Date effective</b>	8/02/2023
<b>Due for review</b>	8/02/2025

<b>Version no.</b>	<b>Endorsed date</b>	<b>Description of change</b>
1.0	February 2014	Document created
2.0	March 2015	Revised definitions, examples and thresholds based on Public Service Commissioner's Direction No. 1 of 2014
3.0	20 April 2017	Document reviewed and updated
4.0	17 August 2018	Added new sections 1.4.5, 1.4.6 and Appendix A & B
5.0	8 February 2023	Document reviewed and revised, document updated to new PSC policy template.

# Appendix A: Providing hospitality decision tree



# Appendix B: HOST Guide

You should complete the following if you are **providing hospitality** on behalf of and paid for by the PSC. Discuss the outcomes with your manager.

**NOTE:** this is a guide only and must be based on your assessment of the individual circumstances.

## H

## O

## S

## T

**Hosting**

**Objective**

**Spend**

**Trust**

Consider	Why Are You Giving A Gift Or Offering Hospitality	Employee Assessment
<b>H</b> osting	<p>To whom is the gift or hospitality being provided:</p> <ul style="list-style-type: none"> <li>Do the recipients include external business partners?</li> </ul> <p>(Note: PSC funds should NOT be used for hospitality if the catering is for PSC employees only)</p>	Yes/No/ Maybe
<b>O</b> bjective	<p>For what <b>purposes</b> will hospitality be provided:</p> <p>Is the hospitality being provided to further the conduct of official business and does it relate to the portfolio?</p>	Yes/No/Maybe
<b>S</b> pend	<p>Will public funds be spent?</p> <ul style="list-style-type: none"> <li>What type of hospitality will be provided?</li> <li>Will it be modest or expensive?</li> <li>Will alcohol* be provided with or without food?</li> </ul> <p>Will the costs incurred be <b>proportionate to</b>, and less than, the benefits obtained?</p>	Yes/No
<b>T</b> rust	<p>Will public trust be enhanced?</p> <ul style="list-style-type: none"> <li>Could you publicly explain the rationale for providing the gift or hospitality?</li> <li>Will the event be conducted in a manner which upholds the <b>reputation</b> of the public sector?</li> </ul>	Yes/No/Maybe

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Based on this assessment, consider whether your objective for providing the hospitality is warranted and being effectively met through the hospitality proposed. Also consider if the costs are proportionate to the benefit produced. If further guidance is still required, then contact Director Governance & Risk/CFO.

If you answered 'no' or 'maybe' for any of these questions, then providing hospitality is:

- A high risk to the PSC's reputation,
- Not in keeping with PSC's values, and
- May compromise your legal obligations to act ethically under Part 2 Government Sector Employment Act 2013.

You should not provide the hospitality. You may wish to discuss this with your manager first.