Councillor Gift Policy

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1. Purpose

The purpose of this Policy is to establish East Gippsland Shire Council's (Council) framework for the acceptance, management, or disclosure of gifts, benefits, and hospitality by Councillors. This Policy sets clear rules for responding to and registering offers of gifts and donations, as well as for providing gifts, so Councillors avoid conflicts of interest and maintain public trust.

2. Scope

This Policy applies to the Mayor, Deputy Mayor and Councillors of Council and to offers made to their family members[1] that could create a conflict or reputational risk.

The Policy does not apply to Council staff who are subject to a separate organisational policy on gifts, benefits, and hospitality.

If Council establishes a Delegated Committee, the provisions of this Policy apply to any non-Councillor members, as if they were Councillors.

3. Context

Sections 137 and 138 of the *Local Government Act 2020* (the Act) set out the statutory obligations relating to gifts received by Councillors.

Section 137 – Anonymous gifts prohibits a Councillor from accepting, directly or indirectly, a gift for the benefit of the Councillor where the amount or value is equal to or exceeds the gift disclosure threshold ($500) unless the Councillor knows, or is given and reasonably believes they know, the true name and address of the person making the gift.

Where a gift meeting the disclosure threshold is received and the identity of the giver is unknown, a Councillor may avoid a breach of the Act and this Policy by transferring the gift to Council within 30 days of receipt. Breaches of this section attract penalties and require repayment of the value of the gift to Council.

Section 138 – Councillor Gift Policy requires a Council to adopt and maintain a Councillor Gift Policy. The policy must include procedures for the maintenance of a gift register and address any other matters prescribed by regulation.

[1] As defined by section 126(1) of the *Local Government Act 2020* – Refer section 7 of this Policy

4. Statement

Councillors are expected to manage offers of gifts, benefits and hospitality in a manner that upholds the highest standards of integrity, impartiality and public accountability. Councillors must not seek or accept gifts, benefits or hospitality that could compromise, or be reasonably perceived to compromise, their independence, decision-making or public duty.

This Policy establishes the requirements for the acceptance, refusal, declaration and recording of gifts, benefits and hospitality, and provides a consistent framework for managing associated risks. Councillors are required to comply with this Policy at all times, in addition to their obligations under the Act.

4.1 Principles

Council is committed to ensuring that the acceptance, management and declaration of gifts, benefits and hospitality by Councillors is handled responsibly, transparently and in line with community expectations. The principles below guide Councillors in managing offers of gifts, benefits and hospitality in a manner that upholds integrity, impartiality and public trust.

Principle	Statement
Integrity	Councillors act with integrity and exercise caution when offered gifts, benefits or hospitality. Where there is any real or perceived risk to integrity, independence or reputation, the preferred response is to decline the offer with professional courtesy.
Impartiality	Councillors must be, and be seen to be, impartial in the performance of their public duties. Gifts, benefits or hospitality must not be accepted where they could reasonably be perceived to influence, or seek to influence, a Councillor's decision-making.
Transparency	Councillors are accountable for their conduct and decision-making. All offers of gifts, benefits and hospitality, whether accepted or declined, are to be declared and recorded in accordance with this Policy to support openness and public trust.
Proportionality	Councillors apply sound judgement and moderation when considering offers of gifts, benefits or hospitality. Any acceptance must be proportionate to the nature, value and context of the offer and must not give rise to integrity or reputational risk.
Independence, Separation and Control	Council decisions are made independently and in the public interest. Gifts, donations or bequests must not create any actual or perceived obligation, influence or preferential treatment, and appropriate separation must be maintained between donors and decision-makers.

5. Governance

This section sets out the Governance Framework, rules, thresholds, approvals and controls that apply to offers of gifts, benefits and hospitality to Councillors.

5.1 Key Rules and Thresholds

Councillors must manage offers of gifts, benefits and hospitality lawfully, transparently and in accordance with this Policy. Where any integrity, conflict of interest or reputational risk exists, the preferred response is to decline the offer.

5.2 Prohibited Offers

Council will not permit the acceptance of the following types of offers, as they present an unacceptable risk to integrity, independence or public confidence:

- Cash or cash equivalents, including gift cards or vouchers.
- Paid travel, accommodation or hospitality funded by parties who may benefit from Council decisions.
- Any offer from a party with active matters before Council, including procurement, planning, regulatory or enforcement matters.
- Offers made in secret, or that are intended to gain influence or preferential treatment.
- Anonymous gifts valued at $500 or more[2].

5.3 Gift Thresholds, Approvals and Controls

Risk Category	Value Threshold	Approval Authority	Requirements and Controls
Token	≤ $50	Manager Governance and Regulatory Services	May be accepted where no conflict of interest or reputational risk exists. Must be declared and recorded on the Gift Register.
Low Risk	> $50 to $500	General Manager Business Excellence	Must be declared and approved before acceptance, or as soon as practicable where prior approval was not possible. CEO review is required where the donor is a supplier, applicant, developer or lobbyist.
Medium Risk	> $500 to $5,000	CEO	Requires a documented risk assessment and conflict declaration. Legal or probity advice is required where the donor has a commercial or regulatory link with Council.
High Risk	> $5,000 or any value with complex conditions	CEO and, where required, Council	Requires a comprehensive assessment and independent legal or probity advice. Council approval is required where the matter is strategic or of high public interest. Donor conditions must not compromise Council's independence or decision-making.

[2] Acceptance of anonymous gifts is an offence under section 137 of the *Local Government Act 2020*

Where Councillors receive multiple or repeated offers of gifts, benefits or hospitality from the same donor, the cumulative effect and associated risks must be considered. Such offers must be refused where they create, or could reasonably be perceived to create, a conflict of interest or reputational risk, and any pattern of repeat offers must be reported to the CEO and recorded in the Gift Register. Councillors should be aware that one or more gifts received from the same donor with a cumulative value of $500 or more within a five-year period may give rise to a material conflict of interest under the Act and may prevent participation in matters involving that donor.

5.4 Special Situations Requiring Caution

Additional controls apply in the following circumstances, where the nature of the relationship, context, or timing of an offer presents elevated integrity or reputational risk.

Procurement / planning / regulation / enforcement: Prohibition on accepting gifts or hospitality from parties with active matters.

Lobbyists, third-party intermediaries, suppliers, and applicants: Apply strict caution; treat as higher-risk; escalation rules apply.

Conferences / travel: Any paid travel, accommodation or hospitality is non-token and must be declared and assessed; if the source has active interests with Council, the offer is prohibited.

Family offers: Offers to family members that could create a conflict are treated as offers to the Councillor and must be declared.

Inadvertent acceptance: If a non-token gift is accepted without prior approval (e.g., mailed gift), seek CEO approval within five business days; do not use the item before approval.

Acceptance on behalf of Council: Where refusal may cause offence or embarrassment (e.g. speaking gift, door or event prize), a Councillor may accept a gift on behalf of Council and transfer it to Council for appropriate management in accordance with this Policy.

Official attendance: Reasonable hospitality received while attending events or functions in an official capacity (e.g. civic functions, community events, sponsorship events or official openings) is generally not considered a disclosable gift for the purposes of the Act. Councillors should ensure any hospitality received is modest, proportionate to the event, and consistent with community expectations.

5.5 Decision Aids

Councillors must apply the GIFT Test when assessing offers received and the HOST Test when providing gifts or hospitality. The tests are provided in **Appendices 1** and **2**.

5.6 Declaration and Gift Register

All offers of gifts, benefits and hospitality made to Councillors, whether accepted or declined, and whether received directly or indirectly, must be declared in accordance with this Policy. Declarations must be submitted within **five business days** of the offer being made or received, unless otherwise specified in this Policy.

Declaring a gift, benefit or hospitality under this Policy does not remove a Councillor's obligation to disclose relevant gifts in their Personal Interests Return in accordance with the Act and the *Local Government (Governance and Integrity) Regulations 2020*. Councillors must disclose any gift (including goods or services, or multiple gifts that together equal or exceed that amount) valued at $500 or more received since their previous Personal Interests Return, including details of the gift, its value, and the identity of the giver.

Council must maintain a Gift Register to record all declared offers made to Councillors, whether accepted or declined.

The Gift Register must contain sufficient information to ensure transparency and accountability, including details of the donor, recipient, description of the offer, estimated value, and the decision taken in relation to the offer.

A Gift Register Summary will be published on Council's website on a quarterly basis, in accordance with this Policy.

Operational procedures for maintaining and publishing the Register are established administratively.

5.7 Donations and Bequests to Council

Donations and bequests offered to Council present heightened governance, integrity and reputational risks and must be managed through a structured and transparent assessment pathway.

Councillors must not solicit or negotiate donations or bequests on behalf of Council outside approved governance processes.

All proposed donations and bequests must follow a documented assessment process, including completion of the Gift and Donation Declaration Form and Gift and Donation Risk Assessment Checklist, which must record, at a minimum:

- donor identity and background;
- description, estimated value and proposed use;
- any conditions, restrictions or expectations attached to the offer;
- whole-of-life costs, risks and ongoing obligations;
- potential conflicts of interest or perceived influence; and
- recommended approvals and disclosure arrangements.

Donations and bequests may only be accepted where Council retains full control and the donation does not create any actual or perceived influence or preferential treatment. All terms must be documented and transparent.

The CEO may approve donations and bequests consistent with Council's Procurement Policy. Council approval is required for donations or bequests that are strategic, high-value or of high public interest. Independent legal or probity advice must be obtained where the donor has commercial, procurement or regulatory links with Council.

All accepted donations and bequests must be recorded in the Gift Register and disclosed in accordance with this Policy.

5.8 Recusal

Where accepting a gift, benefit or hospitality could reasonably affect, or be perceived to affect, a Councillor's impartiality, the Councillor must consider whether they are required to disclose and manage a conflict of interest under the Act and Council's Governance Rules.

5.9 Disposal and Refusal

Where offers are declined or gifts disposed of, the rationale and outcome must be recorded. Disposal options include return to the donor, donation to charity, or transfer to Council property, with outcomes recorded and published in the Gift Register Summary.

5.10 Breaches, Speak-Up, And Enforcement

Suspected breaches must be reported to the Manager Governance and Regulatory Services or the CEO and managed under Council's misconduct and integrity frameworks, with referral to external integrity bodies, including the Independent Broad-based Anti-corruption Commission (IBAC) or Victoria Police, where required.

5.11 Training, Communication, Monitoring, And Review

Council will provide mandatory annual training for Councillors, conduct annual compliance reporting to the Audit and Risk Committee, undertake periodic audits of the Gift Register, and review this Policy at least every three years or earlier where required due to legislative change.

6. Roles and Responsibilities

The following teams or positions have direct and/or supporting responsibilities associated with this Policy:

Position	Roles and Responsibilities
Councillors	Comply with this policy and manage conflicts of interest in accordance with the Act and Council's Governance Rules.
Chief Executive Officer	Approve gifts in accordance with this Policy, determine exceptions where permitted, and refer suspected misconduct or corruption to relevant authorities as required.
General Manager Business Excellence	Approve non-token gift acceptance. Escalate suspected misconduct as required.
Manager Governance and Regulatory Services	Oversee policy compliance, declarations, reporting and publication requirements, and provide assurance reporting to the Audit and Risk Committee.
Governance and Risk Coordinator	Maintain the Gifts Register. Undertake periodic compliance checks and monitoring activities. Coordinate publication of the Gift Register Summary on Council’s website in accordance with this Policy.

7. Definitions

Term	Meaning
Community	People who live in East Gippsland.
Council	East Gippsland Shire Council.
Councillor	A person who has been elected to the office of “Councillor” of East Gippsland Shire Council.
Family member	The *Local Government Act 2020* defines a family member as: (a) a spouse or domestic partner of the relevant person; or (b) a parent, grandparent, sibling, child, grandchild, step-parent, step-sibling or step-child of the relevant person or of their spouse or domestic partner; or (c) any other relative that regularly resides with the relevant person;
Gift	Anything of value with little or no payment in return (includes money, goods, services, hospitality, travel, discounts, favours, benefits).
Hospitality	Food, drink, entertainment, travel, or accommodation.
Donation or bequest	Voluntary transfer of money/assets/in-kind support to Council (including via estates).

8. Human Rights

Council is committed to upholding the Human Rights principles as outlined in the *Charter of Human Rights and Responsibilities Act* 2006 (the Charter). This Policy has been assessed as compliant with the obligations and objectives of the Charter.

9. Gender Equality

This Policy has considered the *Gender Equality Act 2020* in its preparation and has been assessed as not requiring an Equity Impact Assessment (EIA).

10. Risk Reference

This Policy is implemented as a control to mitigate risks in the following categories:

Risk Category	✓	Risk Category	✓
Community	✓	Governance and Reputation	✓
Financial		Environment	
People and Property		Service Delivery and Projects	

11. References and Supporting Documents

11.1 Applicable Legislation:

Charter of Human Rights and Responsibilities Act 2006
Local Government Act 2020
Independent Broad-based Anti-corruption Commission Act 2011
Public Interest Disclosures Act 2012

11.2 Applicable Policy and Procedure:

Governance Rules
Model Councillor Code of Conduct

11.3 Supporting Documents:

Gift and Donation Declaration Form
Gift Value Estimation Guide
Gift and Donation Risk Assessment Checklist

12. Review and Revision History

Version Number	Date Approved	Approved By	Review Summary
1	13 April 2021	Council	New policy – required under section 138 of Local Government Act 2020
2	17 September 2026	Council	Full rewrite of Policy

12.1 Administrative Updates

Minor amendments to this document may be required from time to time. Where amendments do not materially alter the intent of a document, they will be made administratively and approved by the Document Owner.

12.2 Document Control Disclaimer

Printed copies of this document are considered uncontrolled. Please refer to the Corporate Document Register on Council's intranet to access the most current version of this document.

13. Appendix 1: GIFT Test

G	**Giver** Who is offering 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 government 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 or a token of appreciation or valuable Non-token offer? Does its timing coincide with a decision I am about to make or my endorsement of a product or service?
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 the public view acceptance of this gift, benefit or hospitality? What would my colleagues, family, friends or associates think?

14. Appendix 2: HOST Test

H	**Hospitality** To whom is the gift or hospitality being provided? Will recipients be external business partners, or individuals of the host organisation?
O	**Objectives** For what purpose will hospitality be provided? Is the hospitality being provided to further the conduct of official business? Will it promote and support government policy objectives and priorities? Will it contribute to staff wellbeing and workplace satisfaction?
S	**Spend** Will public funds be spent? What type of hospitality will be provided? Will it be modest or expensive, and will alcohol be provided as a courtesy or an indulgence? Will the costs incurred be proportionate to the benefits obtained?
T	**Trust** Will public trust be enhanced or diminished? Could you publicly explain the rationale for providing the gift or hospitality? Will the event be conducted in a manner which upholds the reputation of the Council? Have records in relation to the gift or hospitality been kept in accordance with reporting and recording procedures?