



**Report of the Auditor-General
No. 11 of 2025-26**

Management of gifts, benefits and
hospitality in the General Government
Sector

15 June 2026



25 November 2026
marks 200 years of auditing
for a better Tasmania

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Foreword

Failure to appropriately manage gifts, benefits or hospitality (GB&H) may compromise personal integrity and undermines trust in public organisations. This is particularly significant at a time of declining community confidence in government institutions.

Members of the public may provide GB&H to health workers, teachers, police, emergency service personnel and volunteers to express appreciation for their work or support during difficult times. However, for most Tasmanian State Service (TSS) employees, GB&H from suppliers, potential supplier or other organisations are unlikely to be offered without an expectation of something in return now or in the future. In all such cases, there is a risk that the provider anticipates favourable treatment or reciprocal support that directly benefits them. In other words, it gives rise to an actual, perceived or potential conflict of interest.

Despite more than a decade of reviews and policy changes relating to the management of GB&H, the audited Tasmanian Government departments (agencies) were, overall, still not meeting expectations. There is a tendency for some employees – particularly those in senior management – to accept GB&H. While there may be legitimate business reasons for attending certain events, the frequency and high value of some GB&H accepted are inconsistent with the central principle of the 2016 whole-of-government *Gifts, Benefits and Hospitality Policy* (2016 Policy) whose underlying message is that, in most situations, ‘thanks’ is enough.

This audit reviews implementation by agencies of recommendations from the 2023 Integrity Commission report, and its predecessor, examining the management of GB&H in the TSS. It also assesses agencies’ responses to those reports and their management of GB&H during the 2024-25 financial year, before the Department of Premier and Cabinet released a revised whole of government Policy in January 2026.

The recommendations in this report are intended to strengthen agencies’ management of GB&H and support improved integrity across the TSS.

Yours sincerely



Martin Thompson
Auditor-General

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2026
PARLIAMENT OF TASMANIA

**Management of gifts, benefits and hospitality
in the General Government Sector**

15 June 2026

Presented to both Houses of Parliament pursuant to
Section 30(1) of the *Audit Act 2008*

Acknowledgement of country

In recognition of the deep history and culture of Tasmania, we acknowledge and pay respect to Tasmanian Aboriginal people, the past and present custodians of this island. We respect Tasmanian Aboriginal people, their culture, and their rights as the first peoples of this land. We recognise and value Aboriginal histories, knowledge and lived experiences and commit to being culturally inclusive and respectful in our working relationships.

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Executive summary

Our conclusion

The Department of Premier and Cabinet (DPAC) implemented the Integrity Commission's recommendations by updating the whole-of-government Gifts, Benefits and Hospitality policy in January 2026. However, due to the delayed consultation, agencies were left without whole-of-government guidance on gifts, benefits and hospitality (GB&H) that matched those expectations for more than 2 years.

Agencies, overall, did not effectively manage GB&H during 2024-25. This is because:

- most agencies had not routinely provided training on GB&H procedures to staff
- declaration forms were regularly incomplete, while still being approved by the manager or delegate
- declaration forms did not allow employees to critically assess their reasons for accepting a gift, including if there was a conflict of interest.

This means that agencies have not transparently mitigated the risk of actual, perceived or potential conflicts of interest through management of GB&H.

Our key findings

DPAC's implementation of the Integrity Commission's recommendations and good practice on gifts, benefits and hospitality

DPAC addressed the recommendations in the Integrity Commission's 2023 Project Vulcan report (the 2023 report) when it published the new whole-of-government *Gifts, Benefits and Hospitality Policy* (the 2026 Policy) in January 2026. The 2026 Policy:

- balances integrity safeguards with administrative practicality
- clearly communicates what is and what is not acceptable.

DPAC achieved this, in part, through effective consultation with agencies.

However, DPAC was slow to act. The consultation process did not start until 18 months after the Integrity Commission released the 2023 report. This left agencies without whole-of-government guidance on GB&H that matched expected integrity standards for more than 2 years.

A few agencies commenced a GB&H policy review in response to the 2023 report but paused this work when DPAC commenced a review of the 2016 Policy in 2025. Most agencies did not consider it an appropriate use of resources to make amendments to their agency-specific GB&H policies and procedures until they knew the updated whole-of-government approach.

Agencies' management of gifts, benefits and hospitality

We assessed the following agencies' management of GB&H in the 2024-25 financial year:

- Department for Education, Children and Young People (DECYP)
- Department of Health (DoH)
- Department of Justice (DoJ)
- Department of Natural Resources and Environment Tasmania (NRE Tas)
- Department of Police, Fire and Emergency Management (DPFEM)
- Department of Premier and Cabinet (DPAC)
- Department of State Growth (DSG)
- Department of Treasury and Finance (Treasury).

In 2024-25, overall, agencies did not effectively manage GB&H. Some agency employees accepted GB&H that they should not have accepted. This was inconsistent with the 2016 Policy's central principle that in most situations, 'thanks' is enough.

Most agencies provided transparent information in their external registers, indicating a transparent approach to disclosures. They also adequately assessed the risks associated with GB&H. However, agencies inconsistently established the link between GB&H and conflicts of interest in their processes. Declaration forms used by most agencies did not allow employees to critically assess their reasons for accepting GB&H and provide the approving delegate with sufficient information to consider potential conflicts of interest. A few employees did not appropriately handle GB&H that created a potential conflict of interest.

We found that:

- most agencies had not actively discouraged suppliers from offering GB&H
- most agencies had not routinely provided training on GB&H procedures to staff
- declaration forms for some agencies were not completed in full although were approved by the delegate.

Recommendations

We made 4 recommendations to agencies, and 1 recommendation to the Head of the State Service, which are noted in the table below.

We recommended that...	The recommendation was...	Expected completion is...
1. Agencies review the new 2026 whole-of-government policy, procedures and templates and add further detail as necessary with consideration of their own risk environment.	Accepted – Treasury, DoJ, DPAC, DSG, NRE Tas, DPFEM	Completed in January 2026 – DPAC 31 July 2026 – DoJ

We recommended that...	The recommendation was...	Expected completion is...
		1 November 2026 - DPFEM December 2026 – NRE Tas 31 December 2026 - DSG March 2027 – Treasury
2. Agencies implement refresher training on the management of gifts, benefits and hospitality to provide a clear link to the agency’s relevant policies and procedures, emphasising the relationship with conflicts of interest.	Accepted – Treasury, DoJ, DPAC, DSG, NRE Tas, DPFEM	December 2026 – DPAC 31 December 2026 – DoJ, DSG March 2027 – NRE Tas, Treasury 30 June 2027 - DPFEM
3. Agencies reinforce the message that suppliers are not to offer gifts, benefits or hospitality on their websites and in all procurements and grants.	Accepted – Treasury, DoJ, DPAC, DSG, NRE Tas Accepted, in principle – DPFEM	Completed in June 2026 - DPAC 31 December 2026 – DoJ, DSG 30 January 2027 - DPFEM March 2027 – NRE Tas, Treasury
4. Agencies review current and future sponsorship agreements to exclude, as a default position, gifts, benefits and hospitality for Tasmanian State Service employees.	Accepted – DPAC, DoJ, DSG, NRE Tas, DPFEM Accepted, in principle – Treasury	31 December 2026 – DoJ, DSG 30 January 2027 - DPFEM March 2027 – NRE Tas DPAC and Treasury advised that they currently do not have a sponsorship agreement.
5. The Head of the State Service reviews all declaration forms prepared by Heads of	Accepted, in part – DPAC	Ongoing

We recommended that...	The recommendation was...	Expected completion is...
Agency, unless they identify a conflict of interest. Then the form is provided to the Premier or delegate for review.		

Submissions and comments received

The agencies' full responses to the report are at Appendix C. At the time of publication, DoH and DECYP had not provided a response to the report's recommendations.

1. Introduction

State Service employees – servants of the public, whose salaries derive from public funds – should never expect to get anything extra for doing what they are paid to do. Moreover, as public servants, they need to avoid the perception of getting anything extra for doing what they are paid to do.¹

Offers of gifts, benefits and hospitality create real, perceived or potential conflicts of interest

- 1.1 Conflicts of interests arise when people offer gifts, benefits or hospitality (GB&H) to State Service employees. Acceptance of the GB&H can:
 - undermine trust in decision-making
 - compromise personal and organisational integrity
 - create reputation, legal and ethical risks for both individuals and organisations.
- 1.2 Current and prospective suppliers, funding recipients or employees may give gifts for relationship building purposes. In the private sector, it is part of doing business. In the public sector, it is problematic because even small gifts can create a perception that decisions to use public funds were influenced by the conflict of interest created by the gift. A perception of bias, in this case, is just as important as an actual or potential bias.
- 1.3 To reduce these risks, agencies should have clear rules about GB&H and regularly train employees, so they understand and follow ethical standards.

The framework for managing gifts, benefits and hospitality in the Tasmanian State Service

- 1.4 The need for Tasmanian State Service (TSS) employees to declare GB&H received in relation to their employment to the relevant head of agency is set out in:
 - *State Service Act 2000* (the Act), which contains the TSS Code of Conduct
 - State Service Regulations 2011 (the Regulations).

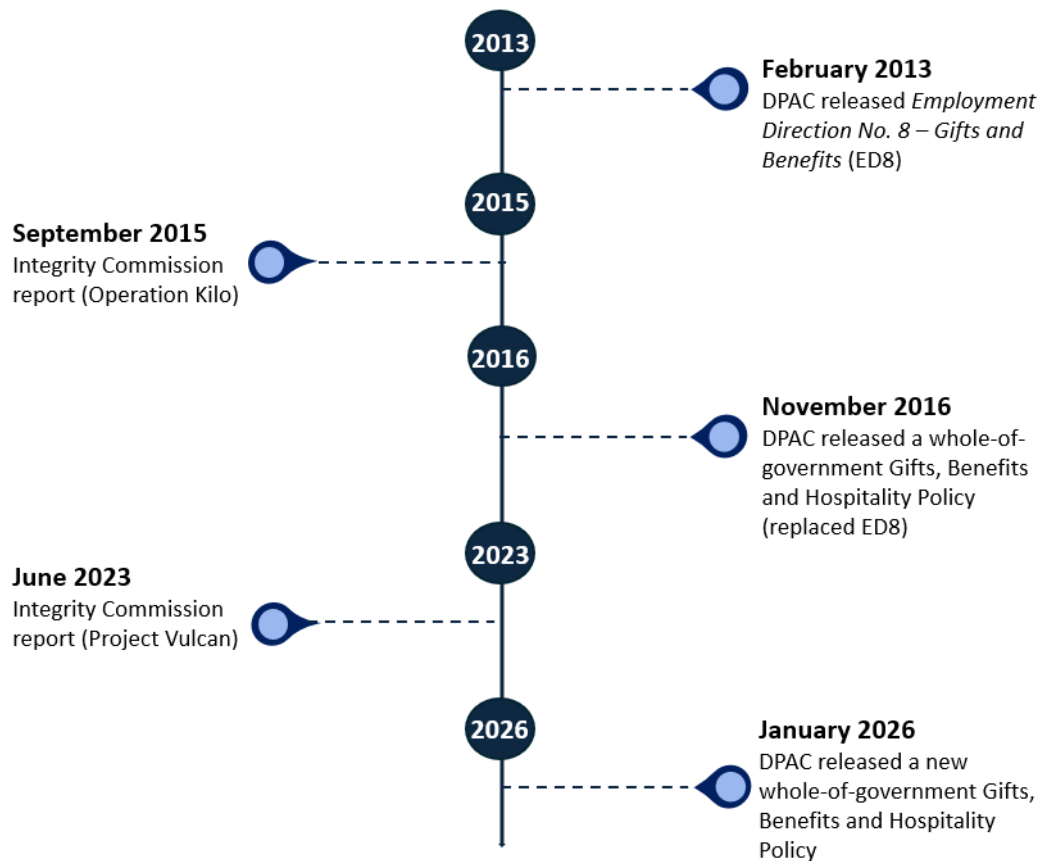
¹ Integrity Commission (2015) [An own motion investigation into policies, practices and procedures relating to receiving and declaring of gifts and benefits in the Tasmanian State Service](#), p.17, accessed 28 April 2026.

In ...	of the...	it states ...
Section 9(11)	Act	<p><i>an employee must not make improper use of –</i></p> <ul style="list-style-type: none"> <i>a) information gained in the course of his or her employment; or</i> <i>b) the employee’s duties, status, power or authority – in order to gain, or seek to gain, a gift, benefit or advantage for the employee or for any other person.</i>
Section 9(12)	Act	<p><i>an employee who receives a gift in the course of his or her employment or in relation to his or her employment must declare that gift as prescribed by the regulations.</i></p>
Regulation 12	Regulations	<p><i>for the purposes of section 9(12) of the Act, a gift must be declared to the relevant Head of Agency.</i></p>

Since 2015, the Integrity Commission has reviewed management of gifts, benefits and hospitality twice

1.5 The Integrity Commission investigated the TSS' management of GB&H in 2015 and 2023. Figure 1 shows that each investigation resulted in DPAC updating the whole-of-government policy.

Figure 1: Timeline for gifts, benefits and hospitality policy and audit



Source: Audit Tasmania referencing public reports and policies.

Operation Kilo in 2015

1.6 In 2015, the Integrity Commission's Operation Kilo report noted systemic failure across the TSS to adhere to gifts and benefits policies, practices and procedures that should be applied under the employment framework and relevant Treasurer's Instructions.²

² Integrity Commission (2015) [An own motion investigation into policies, practices and procedures relating to receiving and declaring of gifts and benefits in the Tasmanian State Service](#), p.9, accessed 28 April 2026.

Integrity Commission (Operation Kilo) conclusion in 2015

In the opinion of the Commission, Operation Kilo has revealed the following State Service wide issues:

- inadequate and confusing policies
- non-existent or insufficient guidance and training
- ineffectual and inadequate practices
- lack of understanding of conflicts of interest
- lack of knowledge about the special duties and responsibilities of public servants; and
- inadequate record keeping practices.

Issues such as these put the State Service at risk of developing a culture of entitlement in relation to receiving gifts and benefits.

Source: Integrity Commission.³

- 1.7 The report made 5 recommendations, including for revision of the whole-of-government policy, which was then set out in *Employment Direction No.8 – Gifts and Benefits*.

The State Service's response to Operation Kilo

- 1.8 In response to Operation Kilo, DPAC released a whole-of government Policy in November 2016 (the 2016 Policy). The 2016 Policy set out the broad principles for managing GB&H.

- 1.9 The 2016 Policy's central principle was:

*'Officers and employees should not expect to receive gifts, benefits or hospitality for doing a job they are paid by the public to do. In most situations, 'thanks' is enough.'*⁴

- 1.10 The 2016 Policy defined GB&H as:

*'...any gratuity, favour, discount, entertainment, loan, forbearance, or other benefit having monetary value gained by an officer or employee in the course of the officer's or employee's duties or in relation to the officer's or employee's duties from any person or entity other than the employer.'*⁵

³ Integrity Commission (2015) [An own motion investigation into policies, practices and procedures relating to receiving and declaring of gifts and benefits in the Tasmanian State Service](#), p.126, accessed 28 April 2026.

⁴ Department of Premier and Cabinet (November 2016), *Gifts, Benefits and Hospitality Policy*, p.5, accessed 28 April 2026.

⁵ Department of Premier and Cabinet (November 2016), *Gifts, Benefits and Hospitality Policy*, p.6, accessed 28 April 2026.

Figure 2: Examples of gifts, benefits and hospitality in the 2016 Policy

	A gift of <i>money or money equivalent</i>
	A gift of a physical object (excluding <i>token mementos</i>)
	The conferring of an honorary degree, title or award
	Provision of hospitality, including meals (excluding <i>modest refreshments</i>)
	Accommodation
	Travel (e.g. airfares, taxi fares, vehicle hire)
	Entertainment (e.g. tickets to arts/sporting/recreational events) for less than full value

Source: Audit Tasmania adapted from the 2016 Policy.⁶

Project Vulcan in 2023

1.11 In 2023, the Integrity Commission Project Vulcan report (the 2023 report) noted:

- instances of agencies not following 2016 Policy and procedures, including GB&H, accepted that were not consistent with the 2016 Policy's 'limited exceptions'
- that the 2016 Policy was unclear and contained conflicting statements
- compliance with the 2016 Policy was difficult to assess because public registers contained minimal detail

⁶ Department of Premier and Cabinet (November 2016), *Gifts, Benefits and Hospitality Policy*, p.6, accessed 28 April 2026.

- agencies had not clearly communicated the principles and procedures of the 2016 Policy to employees.⁷

1.12 The report made 4 recommendations and 4 good practice reminders. These aimed to address clarity and conflicts within the 2016 Policy and improve good practice.

1.13 In response to the report, the Secretary, DPAC stated they:

- would amend the 2016 Policy to encompass the 4 recommendations
- may incorporate the 4 good practice reminders addressed to agencies.⁸

1.14 This audit assessed whether DPAC updated the 2016 Policy to reflect the recommendations and good practice reminders identified in the 2023 report. The audit also examined agencies' management of GB&H during 2024-25.

⁷ Integrity Commission (2023) [Project Vulcan – gifts and benefits: An audit of State Service agencies' public registers](#), p.15, accessed 28 April 2026.

⁸ Integrity Commission (2023) [Project Vulcan – gifts and benefits: An audit of State Service agencies' public registers](#), p.5, accessed 28 April 2026.

2. DPAC's response to the 2023 report

In this chapter, we focus on how DPAC implemented the Integrity Commission's 2023 Project Vulcan report recommendations and good practice reminders.

We expected:

- DPAC to implement the 4 2023 report recommendations
- other agencies to revisit their internal policies, procedures and templates to align with the recommendations in anticipation of the revised whole-of-government policy.

Noting that our detailed review focused on the financial year 2024-25, before the implementation of the 2026 Policy. However, we did review the new policy on receipt and included our findings in this report.

Chapter summary

DPAC addressed the recommendations in the 2023 report when it published the new Policy in January 2026. The 2026 Policy:

- balances integrity safeguards with administrative practicality
- clearly communicates what is and what is not acceptable.

DPAC achieved this, in part, through effective consultation with agencies.

However, DPAC was slow to act. The consultation process did not start until 18 months after the Integrity Commission released the 2023 report. This left agencies without whole-of-government guidance on GB&H that matched expected integrity standards for more than 2 years.

One agency commenced a GB&H policy review in response to the 2023 report but paused this work when DPAC commenced a review of the Policy in 2025. Most agencies did not consider it an appropriate use of resources to make amendments to their agency-specific GB&H policies and procedures until they knew the updated whole-of-government approach.

The new whole-of-government Policy addresses the Integrity Commission's recommendations

Integrity Commission (2023 report) recommendations

Recommendation 1

That the Head of the State Service, as owner of the whole-of-government *Gifts, Benefits and Hospitality Policy*, review and revise the Policy⁹ to:

- a) clearly distinguish between policies and procedures
- b) ensure it is written in plain language
- c) resolve the existing conflicts within the Policy, and
- d) identify any conflicts with other whole-of-government policies.

For example, the Policy states that employees must never accept an object valued at \$100 or more. Despite this express injunction, an employee may accept such offers with the requisite approval. Moreover, by requiring that declarations of items valued at \$100 or higher be published, the Policy clearly signals that offers of valuable objects may be approved.

Recommendation 2

That the Head of the State Service insert a requirement in the whole-of-government *Gifts, Benefits and Hospitality Policy* that a declarant must explain how an offer represents a networking opportunity if the reason for acceptance is 'networking' or 'maintaining stakeholder relationships'. For example, if the offer involves a networking lunch, the declarant must explain who they will network with, how the relationship with the stakeholder will be maintained and how this will benefit the agency.

Recommendation 3

That the Head of the State Service consider approaches for addressing the issue of so-called altruistic donations within the *whole-of-government Gifts, Benefits and Hospitality Policy*.

Recommendation 4

That the Head of the State Service include an 'internal gift register template' in the whole-of-government *Gifts, Benefits and Hospitality Policy*. As a minimum, the public register must contain the information in the 'public gift register template'. All agencies must use these register templates.

Source: Integrity Commission.¹⁰

⁹ *Gifts, Benefits and Hospitality Policy*, DPAC, November 2016.

¹⁰ Integrity Commission (2023) [Project Vulcan – gifts and benefits: An audit of State Service agencies' public registers](#), p.5, accessed 28 April 2026.

The new 2026 Policy balances integrity safeguards with administrative practicality

- 2.1 The new 2026 Policy has reduced ambiguity and introduced risk-based controls that balance integrity safeguards with administrative practicality.
- 2.2 It addressed the 4 recommendations by:
- separating principles from procedures
 - removing confusion between what is allowed and not allowed
 - making sure the framework is fit-for-purpose for all agencies
 - consistently embedding conflict of interest management across all documents, which includes reminders to reflect on:
 - who public servants plan to network with
 - what benefit the agency receives
 - how to manage the conflict of interest when it arises
 - specifying requirements for altruistic gift controls, although the supporting Procedures and frequently asked questions do not provide further operational detail
 - introducing mandatory internal and public gift register templates, embedding them in whole-of-government procedures, and ensuring consistent use across agencies.
- 2.3 The new 2026 Policy applies to all TSS employees, Heads of Agency, volunteers, contractors, and sworn police. This contrasts with the 2016 Policy, which stated it was applicable only to TSS officers and employees.

Operation Kilo recommendations

- 2.4 The audit also examined if the new 2026 Policy addressed the recommendations from Operation Kilo, where they had not already been addressed in the 2016 Policy.
- 2.5 We found that 4 out of 5 recommendations from Operation Kilo have been largely addressed by the new 2026 Policy, and the Supplier Code of Conduct. However, the fifth recommendation on the approval process for Heads' of Agency declaration of GB&H, has not been addressed. We discuss these findings further in the next chapter.

DPAC were slow to respond to the 2023 report

- 2.6 The time it took DPAC to respond to the 2023 report meant that agencies had been left without whole-of-government guidance on GB&H that matched expected integrity standards.
- 2.7 It took:
- 18 months to start consultation with agencies on the new Policy

- another 4 months to consult with agencies on multiple drafts of revised policies, procedures, and frequently asked questions
 - another 2 months for the new Policy to be approved by the Secretaries Board.
- 2.8 DPAC advised that it faced competing priorities during this period, which affected its response to the 2023 report. It also noted that developing a whole-of-government policy takes time, as it required structured and iterative engagement with multiple stakeholders, and consideration of their feedback.
- 2.9 The Secretaries Board approved the new Policy on 28 November 2025 which was subsequently published in January 2026.

Most agencies waited for the new 2026 Policy to update internal records

Agencies' response to recommendations

- 2.10 This audit assessed agencies' management of GB&H during 2024-25. This period was sufficiently after the release of the 2023 report and the preceding Operation Kilo to expect that significant improvements in practice could have been made.
- 2.11 Due to the time it took DPAC to respond to the 2023 report, we assessed whether agencies had updated their agency-specific GB&H policies and procedures.
- 2.12 Most agencies did not update their internal records to reflect the recommendations. A few agencies advised that it delayed or did not consider it an appropriate use of resources to update their agency-specific GB&H policy, because it was DPAC's responsibility to address the recommendations, and they wanted to adopt a whole of government approach.
- 2.13 One agency commenced a review of its agency-specific GB&H policy and procedures, but it paused this work when DPAC commenced a review of the 2016 Policy in 2025.

Agencies' response to 'good practice reminders'

- 2.14 Prior to the release of the 2023 report, a few agencies already implemented agency-specific good practice requirements by developing supporting procedures and fact sheets. One agency also included 'Special Agency Requirements' as an appendix to its agency-specific GB&H policy on randomly drawn prizes, and guidance for managing hospitality invitations that include an additional guest or partner.
- 2.15 The 2023 report contained 'good practice reminders' (2023 reminders) which aimed to improve agencies' communication of GB&H policies, timely publication of GB&H registers, and management of sponsored travel.

Integrity Commission good practice reminders

1. Each agency should ensure its public gift register is published in compliance with the time frame provided in the Policy.¹¹

¹¹ *Gifts, Benefits and Hospitality Policy*, DPAC, November 2016.

2. Agencies should ensure they clearly communicate the principles and procedures of the Policy to employees. As part of this process, agency-appropriate fact sheets should be developed to guide and educate both employees and approvers.
3. If a head of agency approves sponsored travel or professional development, they should explain in writing why the agency cannot cover the cost.
4. If a head of agency approves sponsored travel or professional development, they should ensure the employee shares the learning gained, in writing, with relevant colleagues in the agency. Compliance with this condition should be recorded in the register against the entry approving the travel or training.

Source: Integrity Commission.¹²

2.16 DPAC has largely addressed the 2023 reminders in the new 2026 Policy. Heads of Agencies and delegates are responsible for:

- reviewing and publishing a quarterly register of all GB&H (2023 reminder 1)
- providing advice and guidance to employees and officers on the Policy, although the requirement for agency-specific facts sheets is not clearly specified (2023 reminder 2).¹³

2.17 The new 2026 Policy also includes guidance on managing offers of sponsored travel as noted in 2023 reminders 3 and 4. The Head of Agency must explain in writing why the agency is not covering the cost of sponsored travel. If approved, the employee must share what they have learned with their colleagues.¹⁴

2.18 We assessed if agencies addressed the 2023 reminders in their agency-specific GB&H policies and procedures. We found most agencies did not update their internal records to reflect the 2023 reminders as they were expecting these to be addressed by the new 2026 Policy. However, all agencies published their registers within 4 months of the end of the 2024-25 financial year as required under the 2016 Policy. This complied with the first 2023 reminder.

¹² Integrity Commission (2023) [Project Vulcan – gifts and benefits: An audit of State Service agencies' public registers](#), p.4, accessed 4 May 2026.

¹³ Department of Premier and Cabinet (November 2025), [Whole-of-Government Gifts, Benefits and Hospitality Policy](#), p.8, accessed 28 April 2026.

¹⁴ Department of Premier and Cabinet (November 2025), [Whole-of-Government Gifts, Benefits and Hospitality Policy](#), p.18, accessed 28 April 2026.

3. Agencies' management of gifts, benefits and hospitality

In this chapter, we assess the following agencies' management of GB&H in the 2024-25 financial year:

- Department for Education, Children and Young People
- Department of Health
- Department of Justice
- Department of Natural Resources and Environment
- Department of Police, Fire and Emergency Management
- Department of Premier and Cabinet
- Department of State Growth
- Department of Treasury and Finance (Treasury).

We expected agencies to effectively manage GB&H by:

- clearly and routinely communicating policies and procedures to all staff
- ensuring all GB&H were identified, declared and managed in a transparent, accurate and timely manner
- adequately assessing and managing conflicts of interest.

We assessed agencies' performance against their agency-specific GB&H policy that was in place at the time the declarations were made. We found that agencies largely adapted their internal GB&H policy from the 2016 Policy. We reported the results of this assessment to each agency so that it is clear what findings in this Section of the report apply to them.

We have not identified the agencies in this report. It would put the focus on how each agency compared with each other. In some cases, it would also enable the individuals that accepted GB&H to be identified. This would take the focus away from the significant systemic issues raised in this report.

Chapter summary

In 2024-25, overall, agencies did not effectively manage GB&H. Some agency employees accepted GB&H that they should not have accepted. This was inconsistent with the 2016 Policy's central principle that in most situations, 'thanks' is enough.

Most agencies provided transparent information in their external registers, indicating a transparent approach to disclosures. They also adequately assessed the risks associated with GB&H. However, agencies inconsistently established the link between GB&H and conflicts of interest in their processes. Declaration forms used by most agencies did not allow employees to critically assess their reasons for accepting a gift, and for providing the approving delegate with sufficient information to consider potential conflicts of interest. A

few employees did not appropriately handle GB&H that created a potential conflict of interest.

We also found that:

- most agencies had not actively discouraged suppliers from offering GB&H
- most agencies had not routinely provided training on GB&H procedures to staff
- declaration forms for some agencies were not completed in full although were approved by the delegate.

Agencies did not actively discourage suppliers from offering gifts, benefits or hospitality

3.1 In 2015, the Integrity Commission recommended that agencies should tell their suppliers that they are not to offer GB&H (other than token gifts or modest refreshments) to TSS employees, particularly Government buyers.¹⁵

Government buyers

Refers to any officer or employee who purchases goods or services for a Tasmanian Government agency, including responsibility for a purchasing decision, or exercising a financial or legal delegation in relation to purchasing decisions or a member of a purchasing committee. This also refers to officers who are regularly involved in running a purchasing process or assessing proposed tenderers to provide advice to a decision maker but are not the final decision maker.¹⁶

3.2 In 2024-25, guidance to potential suppliers on offering GB&H was minimal, used inconsistent language, and did not explicitly advise suppliers not to offer GB&H:

- 1 agency told suppliers that a card, letter or email is preferred to GB&H as it represents a threat to the agency's ethics and integrity
- most agencies did not have documented processes to actively discourage suppliers from offering GB&H.

¹⁵ Integrity Commission (2015) [An own motion investigation into policies, practices and procedures relating to receiving and declaring of gifts and benefits in the Tasmanian State Service](#), p.129-130, accessed 28 April 2026.

¹⁶ Department of Premier and Cabinet (November 2025), [Whole-of-Government Gifts, Benefits and Hospitality Policy](#), p.4, accessed 28 April 2026.

3.3 Since 2024-25, Treasury has reduced this risk by providing the following instructions on Government websites and in purchasing templates:

- The 'Winning Government Business' website instructs Government buyers to observe ethical procurement standards, such as complying with relevant public sector policies including those relating to gifts and confidentiality.
- The Tendering Handbook states that Government buyers cannot accept gifts or any other benefits from suppliers
- The RFT template includes a clause which discourages prospective suppliers from offering gifts in relation to the procurement process.

3.4 The audit identified email correspondence between agency employees on how they should manage GB&H offered by a supplier. The following case study highlights the need for agencies to have documented processes to actively discourage suppliers from offering GB&H.

Case Study: Management of GB&H offered by a supplier

An agency project team received an invitation to dinner with a supplier with whom they had a substantial contractual relationship. The supplier offered to pay for their meal and drinks.

The project team manager considered it was appropriate to accept the hospitality but suggested they pay for their drinks to 'offset any perceived benefit'. Another staff member suggested they pay for their own meals unless rejecting the offer may 'cause offence'.

The offer raised an actual conflict of interest. Regardless of whether it was later accepted, its discussion demonstrates a misunderstanding of the 2016 Policy's central principle that in most situations, 'thanks' is enough and what behaviour can constitute a conflict of interest.

3.5 The Tasmanian Government released a Supplier Code of Conduct which came into effect on 16 April 2026. It includes an expectation that suppliers do not attempt to influence Government representatives through the provision of payments, favours, gifts, entertainment or other special treatment.¹⁷

¹⁷ Tasmanian Government, [Supplier Code of Conduct](#), p.2, accessed 28 April 2026.

Agencies have not identified, declared or authorised all gifts, benefits and hospitality appropriately

Identification of gifts, benefits and hospitality

Methodology for identifying undeclared GB&H

To assess whether agencies identified, declared and authorised GB&H appropriately we conducted an analysis of email accounts across all audited agencies to identify any potential GB&H received, offered, or discussed by sampled individuals selected from each agency.

Email is commonly used by suppliers to distribute invitations, offers of hospitality, or potential gifts. Therefore, it provided a comprehensive basis to assess whether any GB&H related activity occurred during the audit period (2024-25).

The audit team selected a set of search terms when searching Outlook email entries of sampled individuals such as 'gift', 'cricket', 'breakfast', dinner', and 'voucher' across all available email folders, including sent, received, archived, and deleted items.

The search terms were developed using a data informed approach. This involved the analysis of publicly available GB&H registers from 3 financial years (2022-23, 2023-24, 2024-25).

Identified instances of GB&H in the Outlook email entries were traced back to internal and external GB&H registers to assess compliance, such as declarations and approvals processes.

We assessed a total of 17,733 emails which contained one or more of the set search terms during the 2024-25 audit period.

3.6 We identified GB&H:

- that were accepted but there was no corresponding declaration form
- were declared internally but not recorded on the agency's GB&H register.

3.7 Agencies advised that GB&H which were not declared or recorded on the register were:

- minor offers of hospitality and did not need to be declared
- GB&H that did not meet the threshold for reporting under their agency-specific policy
- events they considered part of that individual's work responsibilities.

3.8 One agency completed a retrospective GB&H declaration form for an offer of hospitality that was not declared at the time.

- 3.9 One agency published declined GB&H offered to the Head of Agency on its external register. While the completion of a declaration form was not required for declined GB&H, publication was an additional disclosure and supported transparency.
- 3.10 Under section 10(2)(d) of the *Audit Act 2008*, the Auditor-General is not subject to direction from anyone in relation to what is to be included in a particular report. When an issue is noted during the conduct of an audit, not specifically related to what is being reviewed, it is at their discretion to include in the report. During the email analysis, we identified a potential misuse of corporate email by a few sampled individuals. While not within the scope of the audit, we have included it in the report. This matter is outlined in the following case study.

Case Study: Potential misuse of corporate email

The email analysis identified 3 individuals who used their work email address to subscribe to marketing communications and conduct regular personal online shopping.

This practice may not be compliant with the agency's acceptable use of email policy, and if not addressed, could result in:

- increased cyber security risks
- accidental disclosure of sensitive information
- unnecessary storage and security costs for the agency.

This case study highlights a potential misunderstanding, or lack of awareness of, internal agency policies on appropriate email use. It also demonstrates a need for agencies to regularly remind staff of policies and procedures to ensure compliance.

Declaration of gifts, benefits and hospitality

- 3.11 Under the 2016 Policy, any employee or officer who receives an offer of GB&H (that complies with the Policy Statement) and wishes to accept it, must complete a declaration. This employee or officer must provide the declaration form to the relevant Head of Agency or delegate as soon as practicable.¹⁸
- 3.12 We found variation in the information agencies captured in declaration forms. This is because not all agencies used the same declaration form template. One agency had 24 information fields in its declaration form template, while others had only 11 information fields.
- 3.13 We found that declaration forms were regularly incomplete, including for over half those submitted in 2 agencies. This indicates that managers or delegates are regularly accepting and approving incomplete forms. In these forms, incomplete fields ranged from:
- date received

¹⁸ Department of Premier and Cabinet (November 2016), *Gifts, Benefits and Hospitality Policy*, p.8. accessed 28 April 2026.

- employee intent (accept or decline)
 - reason for acceptance
 - whether the recipient was a government buyer
 - assessment of whether acceptance will influence the employee
 - assessment of whether acceptance is in the public interest
 - date signed by employee, manager, or delegate.
- 3.14 Fields such as whether acceptance will influence the employee, or if the recipient is a Government buyer, are useful in identifying potential conflicts of interest. Therefore, not completing these fields limits the delegate from making an informed decision on whether accepting GB&H is appropriate and will not unduly influence government decision-making.
- 3.15 The 2016 Policy did not specify a consistent approach for declaration forms, meaning some agencies only captured the minimum information required to accept or decline the GB&H.

Capturing gifts, benefits and hospitality in internal and external registers

- 3.16 Under the 2016 Policy, agencies must publish GB&H valued at \$100 or more on the agency's external GB&H register. GB&H also must be published if they are regularly occurring. For example, if a single supplier offers multiple GB&H, which in total are valued at \$100 or higher in a 12-month period, it must be published.¹⁹
- 3.17 Most agencies used an internal register and an external register to record offers of GB&H. The internal register typically contained more identifiable information, such as:
- name of the individual and organisation offering GB&H
 - name, position, and business unit of the employee that accepted the GB&H
 - delegate decision (if different from employee)
 - GB&H valued below \$100.
- 3.18 We expected all internal and external registers to be completed in full.
- 3.19 We found internal and external registers were mostly complete, although there was significant variation in the information fields captured in the internal registers across agencies and between internal and external registers. This variation is because agencies use different declaration forms.
- 3.20 For 1 agency in 2024-25, we found:
- its internal register recorded 37 accepted GB&H valued at \$100 or more

¹⁹ Department of Premier and Cabinet (November 2016), *Gifts, Benefits and Hospitality Policy*, p.7,9, accessed 28 April 2026.

- its external register contained 21 corresponding entries
- 16 accepted GB&H which meet the threshold for reporting were not published in the external register—4 of these GB&H were donated to volunteer-run organisations
- the agency has since updated its register to reflect the other missing disclosures.

Provision of gifts, benefits and hospitality

- 3.21 The 2016 Policy includes instructions for staff in the provision of GB&H. While staff are unlikely to provide GB&H in the course of their duties, approval should be sought from the Head of Agency prior to providing the GB&H. Furthermore, any GB&H provided valued at \$100 or more must be published on the agency’s GB&H register. Reporting nil provision of GB&H under the 2016 Policy is discretionary.
- 3.22 We found there was no recorded provisions of GB&H during the 2024-25 audit period. However, only 4 agencies explicitly recorded nil provision of GB&H on its external register.
- 3.23 Where agencies have not clearly disclosed the provision of GB&H, even if the agency did not provide any, transparency is reduced.

Training and communication of gifts, benefits and hospitality procedures

- 3.24 According to the Integrity Commission, if staff are not aware of a policy’s existence or purpose, then there is little point in having one at all.²⁰
- 3.25 Most agencies provided staff with information on its agency-specific GB&H policy at induction. However, only a few agencies developed dedicated training modules to support staff understanding of their policies and procedures. For example, 1 agency developed an e-learning module which included a link to the agency-specific GB&H policy, and scenarios on how to handle GB&H to test and confirm knowledge.
- 3.26 We found:
- one agency repeated formal training on GB&H following induction. This agency required all staff to complete a refresher training every 2 years.
 - 4 agencies shared their agency-specific GB&H policy with its staff by email, staff newsletter or its intranet.
- 3.27 The absence of routine and regular training on GB&H beyond induction was subject to resourcing and other priorities. It is also dependent on the agency’s operating environment and risk tolerance for GB&H.
- 3.28 Regular and routine training is important in embedding the right culture and practice within an agency. The absence of clear, practical guidance and communication on how

²⁰ Integrity Commission (2015) [An own motion investigation into policies, practices and procedures relating to receiving and declaring of gifts and benefits in the Tasmanian State Service](#), p.116, accessed 28 April 2026.

to manage GB&H, may result in employees being unduly influenced by the offer of GB&H.

Agencies had assessed, but not addressed, the risks associated with gifts, benefits and hospitality

Agencies' management of conflicts of interest relating to gifts, benefits and hospitality

3.29 All agencies had conflict of interest (COI) policies and procedures. However, for some agencies, these provided limited information on how to manage COIs related to GB&H, particularly for staff involved in procurement.

3.30 While most agency-specific GB&H policies state that offers of GB&H create COIs, this messaging is inconsistent and often removed from the forms employees use. For example, we found the declaration forms used by most agencies during 2024-25 do not:

- allow employees to critically assess their reasons for accepting GB&H
- provide the approving delegate with enough information to consider potential COIs.

3.31 Only 2 agencies included COI fields in its declaration forms for all staff. For example, the recipient of the GB&H must declare if:

- they are a Government buyer, makes decisions or gives advice regarding the gift giver
- acceptance may result in a potential or perceived COI.

3.32 The delegate in their assessment considers whether acceptance:

- will influence the recipient
- is in the public interest.

3.33 In 1 of these agencies, we identified instances where consideration of COI worked well. For example, there were 6 instances where the employee declared their intent to accept GB&H, only to be advised by the approving delegate to decline it due to a COI.

3.34 In comparison, in 3 agencies, the declaration form did not contain adequate information on COIs. While we did not identify any GB&H offered that may result in a COI, we noted that in 2024-25:

- one agency recorded one GB&H on its register, which was a perishable item that could not be returned
- one agency received 3 offers of GB&H from other government entities, with the value of 2 of these GB&H under the \$100 reporting threshold
- one agency received many GB&H that were cash donations. These were declined in accordance with its GB&H policy or used for charitable purposes if

it could not be returned. This agency also recorded multiple GB&H that were token mementos (of low value).

- 3.35 We found that 1 agency's declaration form filled out by the Secretary has a second page that asks whether accepting the offer creates an actual, potential or perceived COI (yes/no). If 'Yes', then the offer must be declined. This requirement is consistent with its agency-specific GB&H policy. However, this second page is absent from the declaration form for all other staff.
- 3.36 When COIs are not referred to in declaration forms, the recipient and approving delegate may not adequately assess the actual, perceived or potential COI of accepting GB&H.
- 3.37 While we identified some instances of better practice, and staff members wanting to do the 'right thing', we found that other staff members still tend to accept GB&H even if there is a COI. For example, we identified 2 offers of GB&H to an employee where the delegate advised that the declaration form needed to be provided prior to accepting. However, these forms were submitted too slowly for this advice to be passed back to the employee before they accepted the second GB&H. These GB&H were offered by a supplier, and due to the nature of the Gift, created a potential COI for that employee.
- 3.38 The new 2026 Policy includes steps on accepting low-risk or high-risk gifts, and the procedures contain a 'Risk assessment tool: GB&H test' to identify the risk of creating a COI in accepting a gift. This risk assessment tool is designed to strengthen agencies' assessment of GB&H and risk exposure.

Approval process for Head of Agency declaration forms

- 3.39 Under the 2016 Policy, if a Head of Agency receives GB&H, the declaration form must be provided to the Secretary, DPAC. If the Secretary, DPAC receives GB&H, the declaration is to be provided to the Secretary, Treasury.
- 3.40 In 2015, the Integrity Commission found that this process was '*not sufficient for such a declaration to be made to or permission sought from a person who is essentially a colleague*'.²¹ This process continues under agency-specific GB&H policies in place during 2024-25 and remains in the new 2026 Policy.
- 3.41 We found offers of GB&H from one Head of Agency were approved by the delegate who also accepted invitations to attend similar events. If there is a tendency for the approving delegate to accept GB&H, then they will continue to approve declarations despite the fact it may create a COI.
- 3.42 We found 2 agencies where Heads of Agency accepted multiple high-value invitations to industry-networking events and sporting events. One of the main reasons provided for acceptance on the declaration form was 'networking' or 'maintaining stakeholder

²¹ Integrity Commission (2015) [An own motion investigation into policies, practices and procedures relating to receiving and declaring of gifts and benefits in the Tasmanian State Service](#), p.130, accessed 4 May 2026.

relationships'. In a few of the declaration forms, the justification for acceptance was an 'expectation' that the Government will attend events to demonstrate 'awareness' of that sector, and to network with stakeholders.

- 3.43 A lack of clarity on why GB&H are accepted sets a standard for public servants that, if a gift falls under a set of broad criteria, it can be accepted. In fact, almost every gift could reasonably fall under the category of 'networking' or 'maintaining stakeholder relationships' as they are given for the purpose of relationship building.
- 3.44 There are also instances where GB&H are written into agreements. The agreement then becomes the reason why the gift is accepted. This practice is ignorant of the fact that, as soon as it is written into a contract and the contract is executed by a Tasmanian Government Department on behalf of the Crown, a COI is created and all decisions related to that party are perceived to be biased. An example of this practice is provided in the following case study.

Case Study: Sponsorship agreements

In 2021, the State Government entered into a sponsorship agreement with a professional sports team.

The sponsorship agreement provided for the State Government to receive:

- 20 General admission tickets to Home Games
- corporate hospitality package for up to 10 guests.

The State Government may also order merchandise with an aggregate value of up to \$5,000 (including GST) at no cost.

The 2026 Policy is silent on sponsorship agreements, however benefits provided under a sponsorship agreement create a conflict of interest for decision makers in relation to the sponsorship or sponsored party.

Appendix A – Independent assurance report

This independent assurance report is addressed to the President of the Legislative Council and the Speaker of the House of Assembly. It relates to my audit of whether Tasmanian Government Departments (agencies) transparently mitigated the risk of actual, perceived or potential conflicts of interest through effective management of gifts, benefits and hospitality (GB&H).

Audit objective

The objective of the audit was to assess whether agencies transparently mitigated the risk of actual, perceived or potential conflicts of interest through effective management of GB&H.

Audit scope

The audit examined the management of GB&H by the following agencies:

- Department for Education, Children and Young People
- Department of Health (including Ambulance Tasmania, Department of Health and Tasmanian Health Service)²²
- Department of Justice
- Department of Natural Resources and Environment Tasmania
- Department of Police, Fire and Emergency Management
- Department of Premier and Cabinet
- Department of State Growth
- Department of Treasury and Finance

We assessed:

- agency-specific GB&H policies, procedures and templates
- internal and external GB&H registers for 2024-25
- all declared, accepted, declined, approved, and not approved GB&H for 2024-25
- all unpublished gifts identified through a search of Outlook mailbox and calendar items based on defined gifts and registers search terms, from a selected sample of individuals from each agency based on risk exposure
- The audit did not examine GB&H registers prior to 30 June 2024, or subsidiaries or associated entities not captured within agency registers.

²² Department of Health and Tasmanian Health Service gifts and benefits register combined.

Audit approach

The audit was conducted in accordance with the Australian Standard Assurance Engagements ASAE 3500 *Performance Engagements* issued by the Australian Auditing and Assurance Standards Board, for the purpose of expressing a reasonable assurance opinion for Criteria 1 and limited assurance opinion for Criteria 2.

The audit evaluated the following criteria:

1. Have agencies effectively implemented Integrity Commission's recommendations and good practice on gifts, benefits and hospitality?
 - 1.1. Did DPAC plan and update the whole-of-government Policy in accordance with the Integrity Commission recommendations?
 - 1.2. Have agencies assessed and implemented good practice requirements in policies and procedures?
2. Have agencies effectively managed gifts, benefits and hospitality?
 - 2.1. Were procedures clearly and routinely communicated to all staff?
 - 2.2. Were gifts, benefits and hospitality identified, declared, and dealt with in a transparent, accurate and timely manner?
 - 2.3. Were conflicts of interest adequately assessed and effectively managed for gifts, benefits and hospitality?

Responsibility of management

The management of GB&H is governed by the *State Service Act 2000*, specifically the Tasmanian State Service Code of Conduct, which imposes specific obligations on agency employees in managing GB&H during their employment. Heads of agency are also responsible for ensuring they monitor compliance, and provide appropriate training for staff on, its GB&H policies and procedures.

Responsibility of the Auditor-General

My responsibility was to express a reasonable assurance conclusion on agencies' implementation of the Integrity Commission's recommendations and good practice on GB&H and a limited assurance conclusion on agencies' management of GB&H during 2024-25.

Independence and quality control

I have complied with the independence and relevant ethical requirements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

Audit Tasmania applies Australian Standard ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements* which requires Audit Tasmania to design,

implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

A handwritten signature in black ink, appearing to read 'Martin Thompson', with a stylized flourish at the end.

Martin Thompson
Auditor-General

15 June 2026

Appendix B – Transmittal letter



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15 June 2026

President, Legislative Council
Speaker, House of Assembly
Parliament House
HOBART TAS 7000

Dear President, Speaker

Report of the Auditor-General No. 11 of 2025-26 – Management of gifts, and benefits and hospitality in the General Government Sector

This report has been prepared consequent to examinations conducted under section 23 of the *Audit Act 2008*. The objective of the audit was to assess whether agencies transparently mitigated the risk of actual, perceived or potential conflicts of interest through effective management of gifts, benefits and hospitality.

Yours sincerely

A handwritten signature in black ink, appearing to read "Martin Thompson".

Martin Thompson
Auditor-General

Appendix C – Submissions and comments received

In accordance with section 30(2) of the *Audit Act 2008*, this report was provided to the relevant Minister, Entity Heads of the audited entities with a request for submissions or comments.

Submissions and comments that we receive are not subject to the audit nor the evidentiary standards required in reaching an audit conclusion. Responsibility for the accuracy, fairness and balance of these comments rests solely with those who provided the response.

unique challenges at this time. To provide an accurate and fair assessment, these detailed contextual factors are important.

Response from the Secretary, Department of Premier and Cabinet and Head of the State Service

Thank you for your letter of 3 June 2026 on the Tasmanian Audit Office’s proposed report *Management of gifts, benefits and hospitality in the General Government Sector*.

The Department of Premier and Cabinet (DPAC) supports strengthened governance, reporting and management of conflict of interests through robust policy and procedures for managing gifts, benefits and hospitality. I am pleased to see that your report acknowledges DPAC’s 2026 whole-of-government policy development. In particular, that the new policy balances integrity safeguards with administrative practicality and clearly communicates what is and what is not acceptable.

However, I consider that a number of comments presented in the report require clarification and correction.

Timeliness of policy review

I note that your report acknowledges that DPAC addressed the recommendations of the Integrity Commission’s 2023 Project Vulcan report in updating the previous Gifts, Benefits and Hospitality Policy. I note that your report further comments that DPAC was slow to act. Whilst you acknowledge the reason for this as “competing priorities”, in my view this comment does not adequately capture the reasoning for the length of time taken to update the policy.

The context was a uniquely significant period of time for the State Service which included two State elections, two caretaker periods, multiple machinery of government changes, a Commission of Inquiry into Child Sexual Abuse in Institutional Settings and the establishment of the Keeping Children Safe whole of government Reform program. In addition, effective whole-of-government policy development hinges on deliberate and genuine stakeholder engagement that reconciles agency views into a coherent, and implementable policy position. This process takes time to research, analyse, consult, draft and seek approvals.

I provide this context to illustrate the circumstances impacting DPAC during this period and the thoroughness in which the review and consultation process was undertaken despite the unique challenges at this time. To provide an accurate and fair assessment, these detailed contextual factors are important.

Lack of whole-of-government policy

The report asserts the delays attributed to DPAC resulted in agencies not having access to a suitable whole-of-government policy, whilst the policy was being updated.

Whilst I acknowledge the 2016 whole-of-government policy required contemporing following the Integrity Commission's 2023 Project Vulcan report, the primary policy principles underlying the treatment of gifts, benefits and hospitality remained the same and applied to all agencies.

Your statement that agencies were unable to obtain whole-of-government policy advice throughout this period is incorrect as there was a whole of government policy position in place at all times.

Use of government email

Whilst not within the scope and purpose of the audit under consideration, in your audit report you note potential misuse of official emails to subscribe to marketing communications and for personal online shopping which may pose a breach of departmental policy. This statement is potentially incorrect, and I would respectfully suggest relevant agency policies are reviewed prior to canvassing a breach of policy.

Many agencies, including DPAC, have 'acceptable use of information technology' policies which allow for use of official email accounts for reasonable personal, educational and recreational purposes in line with legal and code of conduct obligations. Reasonable use supports employees to balance their working and home lives – keeping connected with schools or other family requirements, as well as further learning and education.

These are important provisions which support flexible working arrangements, and employee wellbeing and do not, in my view, pose a breach to DPAC's acceptable use of information technology policy or similar policies in other agencies.

DPAC Recommendations

DPAC acknowledges the five recommendations to be implemented by the Department of Premier and Cabinet and is pleased to note that only two remain outstanding. Further details of my response are included in the attached action plan to address recommendations from *Management of gifts, benefits and hospitality in the General Government Sector*.

Kathrine Morgan-Wicks PSM
Secretary and Head of the State Service

Rejoinder from the Auditor-General

The report found delays at DPAC *left agencies without whole-of-government guidance on GB&H that matched expected integrity standards for more than 2 years*. The assertion that this statement is incorrect is flawed as the whole-of-government policy position in place at that time predated and therefore was unable to address the recommendations detailed in the Integrity Commission's report.

The audit observation relating to private use of official emails in 3 agencies is raised to highlight the potential cyber and other risks that this could cause, and this risk needs to be assessed and potentially addressed.

Martin Thompson
Auditor-General

Response from the Secretary, Department of Justice

Thank you for your letter of 3 June 2026 on the Tasmanian Audit Office's proposed report, *Management of gifts, benefits and hospitality in the General Government Sector*.

I would like to thank Audit Tasmania for the opportunity to respond to the proposed report. The Department supports the findings and recommendations in the proposed report, and notes that they provide a basis for improvements in agency practices and administration relating to offers of gifts, benefits and hospitality.

Our action plan to address the recommendations directed at the Department of Justice is attached to this letter.

Kristy Bourne
Secretary

Response from the Secretary, Department of Natural Resources and Environment Tasmania

Thank you for your letter of 3 June 2026 regarding the performance audit report on 'Management of gifts, benefits and hospitality in the General Government Sector'.

The Department of Natural Resources and Environment Tasmania appreciates the opportunity to respond to the report.

The Department notes the report's recommendations.

Jason Jacobi
Secretary

Response from the Secretary, Department of Treasury and Finance

Thank you for your letter of 3 June 2026 on the Tasmanian Audit Office's proposed report on the management of gifts, benefits and hospitality in the General Government.

Our action plan to address the four recommendations directed at agencies is attached to this letter.

Gary Swain
Secretary

Response from the Acting Secretary, Department of State Growth

Thank you for your letter dated 3 June 2026 providing Audit Tasmania's proposed report, *Management of Gifts, Benefits and Hospitality in the General Government Sector*.

As outlined in the report, several reviews have previously been undertaken in relation to this topic. It is encouraging to note your offices' assessment of the 2026 updated whole-of-government policy and its role in addressing issues identified in earlier reviews.

I acknowledge receipt of the report and the opportunities identified to further strengthen the Department's governance arrangements. I accept the recommendations as they relate to this Department, with the action plan outlining activities to address each recommendation attached to this letter.

Please note that the Department of State Growth is transitioning to Building Tasmania on 2 July 2026; the responses in the attached table have been provided in this context.

Thank you for the opportunity to provide comment on the report.

Shane Gregory
Acting Secretary

Response from the Secretary, Department of Police, Fire and Emergency Management

Thank you for your letter of 3 June 2026 on the Tasmanian Audit Office's proposed report - *Management of Gifts and Benefits*.

DPFEM acknowledges the findings of the Auditor General, particularly in relation to training, declaration practices and linkage to conflicts of interest.

We support the recommendations and are committed to strengthening governance, transparency and the management of conflicts of interest.

Our action plan to address the recommendations directed at the Department of Police, Fire and Emergency Management is attached to this letter.

Donna Adams PSM APM
Secretary

Appendix D – Our role, audit mandate and standards applied

Our role

The Auditor-General and Tasmanian Audit Office (Audit Tasmania) are established under the *Audit Act 2008* and *State Service Act 2000*, respectively. Our role is to provide assurance to Parliament and the Tasmanian community about the performance of public sector entities. We achieve this by auditing financial statements of public sector entities and by conducting audits, examinations and investigations on:

- how effective, efficient, and economical public sector entity activities, programs and services are
- how public sector entities manage resources
- how public sector entities can improve their management practices and systems
- whether public sector entities comply with legislation and other requirements.

Through our audit work, we make recommendations that promote accountability and transparency in government and improve public sector entity performance.

We publish our audit findings in reports, which are tabled in Parliament and made publicly available online. To view our past audit reports, visit our [reports](#) page on our website.

Mandate

Section 23 of the *Audit Act 2008* states that:

- (1) The Auditor-General may at any time carry out an examination or investigation for 1 or more of the following purposes:
 - (a) examining the accounting and financial management information systems of the Treasurer, a State entity or a subsidiary of a State entity to determine their effectiveness in achieving or monitoring program results;
 - (b) investigating any matter relating to the accounts of the Treasurer, a State entity or a subsidiary of a State entity;
 - (c) investigating any matter relating to public money or other money, or to public property or other property;
 - (d) examining the compliance of a State entity or a subsidiary of a State entity with written laws or its own internal policies;
 - (e) examining the efficiency, effectiveness and economy of a State entity, a number of State entities, a part of a State entity or a subsidiary of a State entity;

- (f) examining the efficiency, effectiveness and economy with which a related entity of a State entity performs functions –
 - (i) on behalf of the State entity; or
 - (ii) in partnership or jointly with the State entity; or
 - (iii) as the delegate or agent of the State entity;
 - (g) examining the performance and exercise of the Employer’s functions and powers under the *State Service Act 2000*.
- (2) Any examination or investigation carried out by the Auditor-General under subsection (1) is to be carried out in accordance with the powers of this Act.

Standards applied

Section 31 specifies that:

‘The Auditor-General is to perform the audits required by this or any other Act in such a manner as the Auditor-General thinks fit having regard to –

- (a) the character and effectiveness of the internal control and internal audit of the relevant State entity or audited subsidiary of a State entity; and
- (b) the Australian Auditing and Assurance Standards.’

The auditing standards referred to are Australian Auditing Standards as issued by the Australian Auditing and Assurance Standards Board.

Acronyms and abbreviations

2023 report	<i>Report of the Integrity Commission No. 3 of 2023 – 16 November 2023: Project Vulcan – gifts and benefits: An audit of State Service agencies' public registers</i>
AASB	Australian Accounting Standards Board
Audit Act	<i>Audit Act 2008</i>
COI	Conflict of interest
DECYP	Department for Education, Children and Young People
DoJ	Department of Justice
DoH	Department of Health
DPAC	Department of Premier and Cabinet
DPFEM	Department of Police, Fire and Emergency Management
DSG	Department of State Growth
GB&H	Gifts, benefits and hospitality
NRE Tas	Department of Natural Resources and Environment Tasmania
Operation Kilo	<i>Report of the Integrity Commission No. 1 of 2015: An own motion investigation into policies, practices and procedures relating to receiving and declaring of gifts and benefits in the Tasmanian State Service</i>
TSS	Tasmanian State Service
Treasury	Department of Treasury and Finance
The Act	<i>State Service Act 2000</i>
The Regulations	<i>State Service Regulations 2011</i>
Policy	Whole-of-government <i>Gifts, Benefits and Hospitality Policy</i>

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Front cover image: Gift basket

Photography: Kin Li on Unsplash

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