

GIFTS, BENEFITS & HOSPITALITY POLICY & GUIDELINES

Finance



1. PURPOSE

The Melbourne Convention and Exhibition Trust (MCET) Gifts, Benefit & Hospitality Policy & Guidelines details the provision under which gifts, benefits and hospitality will be managed (whether received or given and accepted or declined), recorded and reported.

2. APPLICATION

This Policy applies to all MCET employees and Trustees¹ and it is the responsibility of each employee and Trustee to read and understand the Policy & Guidelines as it forms part of MCETs' Code of Conduct. All managers are required to make sure that their employees are informed of the Policy & Guidelines.

The provision for samples is excluded in the application of this policy.

3. POLICY PRINCIPLES

This Policy & Guidelines has been developed in accordance with requirements outlined in the *Minimum accountabilities for managing gifts, benefits and hospitality* issued by the Victorian Public Sector Commission (see section 4 below).

MCET is committed to and will uphold the following principles in applying this policy:

Public interest: individuals have a duty to place the public interest above their private interests when carrying out their official functions. They will not accept gifts, benefits or hospitality that could raise a perception of, or actual, bias or preferential treatment. Individuals do not accept offers from those about whom they are likely to make business decisions.

Accountability: individuals are accountable for:

- declaring all non-token offers of gifts, benefits and hospitality;
- declining non-token offers of gifts, benefits and hospitality, or where an exception applies under this policy, seeking approval to accept the offer; and
- the responsible provision of gifts, benefits and hospitality.

Individuals with direct reports are accountable for overseeing management of their direct reports' acceptance or refusal of non-token gifts, benefits and hospitality, modelling good practice and promoting awareness of gifts, benefits and hospitality policies and processes.

Risk-based approach: MCET, through its policies, processes and Finance and Audit Committee, will ensure gifts, benefits and hospitality risks are appropriately assessed and managed. Individuals with direct reports will ensure they are aware of the risks inherent in their team's work and functions and monitor the risks to which their direct reports are exposed.

¹ MCET Trustees are to register any gifts, benefits or hospitality received or given whether accepted or declined from any entity in which they serve on the MCET Gifts, Benefits & Hospitality Register.

GIFTS, BENEFITS & HOSPITALITY POLICY & GUIDELINES

Finance



4. MINIMUM ACCOUNTABILITIES

The Victorian Public Sector Commission has set binding minimum accountabilities for the appropriate management of gifts, benefit and hospitality. These can be found at Schedule A.

5. DEFINITIONS

Benefits	<p>include preferential treatment, privileged access, favours or other advantage offered to an individual. They may include invitations to sporting, cultural or social events, access to discounts and loyalty programs, and promises of a new job.</p> <p>The value of benefits may be difficult to define in dollars, but as they are valued by the individual, they may be used to influence the individual's behaviour.</p>
Business Associate	<p>an external individual or entity which the organisation has, or plans to establish, some form of business relationship, or who may seek commercial or other advantage by offering gifts, benefits or hospitality</p>
Conflict of Interest	
Actual Conflict of Interest	<p>there is a real conflict between an employee's public duties and private interests.</p>
Potential Conflict of Interest	<p>an employee has private interests that could conflict with their public duties. This refers to circumstances where it is foreseeable that a conflict may arise in future and steps should be taken now to mitigate that future risk.</p>
Perceived Conflict of Interest	<p>the public or a third party could form the view that an employee's private interests could improperly influence their decisions or actions, now or in the future.</p>
Gifts	<p>are free or discounted items and any item that would generally be seen by the public as a gift. These include items of high value (e.g. artwork, jewellery, or expensive pens), low value (e.g. small bunch of flowers) and consumables (e.g. chocolates).</p> <p>Fundraising by public sector organisations that is consistent with relevant legislation and any government policy is not prohibited under the minimum accountabilities.</p>
Hospitality	<p>is the friendly reception and entertainment of guests. Hospitality may range from light refreshments at a business meeting to expensive restaurant meals and sponsored travel and accommodation.</p>

GIFTS, BENEFITS & HOSPITALITY POLICY & GUIDELINES

Finance

Legitimate Business Benefit	gifts, benefits and hospitality accepted or provided for a business purpose, in that it furthers the conduct of official business or other legitimate goals of the organisation, public sector or State.
Public Official	has the same meaning as under section 4 of the <i>Public Administration Act 2004</i> . This includes: <ul style="list-style-type: none"> • public sector employees • statutory office holders; and • directors and public entities
Nominal Value	Less than \$50 including GST
Non-token Offer	is an offer of a gift, benefit or hospitality that is, or may be perceived to be by the recipient, the person making the offer or by the wider community, of more than inconsequential value. All offers worth more than \$50 are non-token offers and must be recorded on a gift, benefit and hospitality register.
Register	is a record, preferably electronic, of all declarable gifts, benefits and hospitality. It records the date an offer was made and by whom, the nature of the offer, its estimated value, the raising of any actual, potential or perceived conflicts of interest or reputational risks and how the offer was managed. For accepted offers, it details the business reason for acceptance and the officer approving the acceptance.
Solicit	is to seek, ask for or obtain by persuasion, entreaty or formal application.
Token Offer	is an offer of a gift, benefit or hospitality that is offered as a courtesy or is of inconsequential or trivial value to both the person making the offer and the individual. Whilst the primary determinant of a token offer is that it would not be reasonably perceived within or outside the organisation as influencing an individual or raising an actual, potential or perceived conflict of interest, it cannot be worth more than \$50 (including cumulative offers from the same source over a 12 month period.)
Value	the estimated or actual value of a gift in Australian dollars, including GST. It is also the cumulative value of gifts offered by the same individual or organisation within a 12 month period in a financial year. Significant gifts may warrant independent valuation.

GIFTS, BENEFITS & HOSPITALITY POLICY & GUIDELINES

Finance



6. MANAGEMENT OF GIFTS, BENEFITS & HOSPITALITY

This section sets out the process for the management of gifts, benefits and hospitality (whether received or given and accepted or declined).

6.1 RECORDING OF GIFTS, BENEFITS & HOSPITALITY

Any offer of gifts, benefits and hospitality accepted or declined must be reported to Department Heads to be recorded and approved on MCET's Gifts, Benefits and Hospitality Register.

Individuals should consider the following examples of acceptable and unacceptable levels of detail to be included in MCET's register when recording the business reason:

Unacceptable: "Networking"

"Maintaining stakeholder relationships"

Acceptable: "Individual is responsible for evaluating and reporting outcomes of MCET's sponsorship of Event A. Individual attended Event A in an official capacity and reported back to MCET on the event."

"Individual presented to a visiting international delegation. The delegation presented the Individual with a cultural item worth an estimated \$200. Declining the gift would have caused offence. The Gift was accepted, written approval was subsequently obtained for the gift, which became the MCET's property."

Gifts, benefits and hospitality that are located in Table 3 in **Section 6.4 Providing Gifts, Benefits & Hospitality** have been identified and are not required to be recorded into the register. MCET has identified and called out key areas in which gifts, benefits or hospitality are provided to enhance business relations that benefit MCET and the economic growth within the Victorian Tourism or State and / or further increase MCET employee value proposition. All other exceptions are required to be registered on the MCET Gifts, Benefits & Hospitality Register.

6.2 ACCEPTING GIFTS, BENEFITS & HOSPITALITY

There will be some circumstances where there is a legitimate business reason for accepting a non-token offer. All accepted non-token offers **must** be approved by the individual's manager or organisational delegate, recorded in the MCET's Gifts, Benefits & Hospitality Register and be consistent with the following requirements:

- it does not raise an actual, potential or perceived conflict of interest or have the potential to bring the individual, the MCET or the public sector into disrepute (the 'GIFT' test at **Table 1** is a good reminder of what to think about in making this assessment); **and**
- there is a legitimate business reason for acceptance. It is offered in the course of the individual's official duties, relates to the individual's responsibilities and has a benefit to MCET.

Individuals may be offered a gift or hospitality where there is no opportunity to seek approval from their manager prior to accepting. For example, they may be offered a wrapped gift that they later identify as being a non-token gift. In these cases, the individual must seek approval from their manager within five business days.

Gifts received are fundamentally the property of the organisation and must be reported and may be only kept by individuals if the value is under \$50. In limited circumstances, employees may be able

GIFTS, BENEFITS & HOSPITALITY POLICY & GUIDELINES

Finance

to keep a gift worth more than \$50, subject to the documented approval of the Director of People and Culture or Director of Corporate Services. Gifts worth \$500 or more must be surrendered to MCET under all circumstances.

Token offers

A token offer is an offer of a gift, benefit or hospitality that is of inconsequential or trivial value to both the person making the offer and the individual. It may include promotional items such as pens and note pads, and modest hospitality which would be considered a basic courtesy, such as light refreshments offered during a meeting.

Whilst the primary determinant of a token offer is that it would not be reasonably perceived within or outside the organisation as influencing an individual raising an actual, potential or perceived conflict of interest, it cannot be worth more than \$50. If token offers are made often by the same person or organisation, the cumulative value of the offers, or the perception that they may influence the recipient, may result in the offers becoming non-token.

Individuals may accept token offers of gifts, benefits and hospitality without approval or declaring the offer on the MCET register.

Individuals are to refuse all offers (excluding token hospitality, such as sandwiches over a lunchtime meeting):

- made by a current or prospective supplier;
- made during a procurement or tender process by a person or organisation, involved in the process;
- of money, or used in a similar way to money, or something easily converted to money (example gift cards, lottery tickets, scratchies, and shares).

Table 1: GIFT Test

Giver	<p>Who is providing the gift, benefit or hospitality and what is their relationship to me?</p> <ul style="list-style-type: none"> • Does my role require me to select contractors? • Could the person or organisation benefit from a decision I make?
Influence	<p>Are they seeking to influence my decision or actions?</p> <ul style="list-style-type: none"> • Has the gift, benefit or hospitality been offered to me publicly or privately? • Is it a courtesy, a token of appreciation or highly valuable? • Does its timing coincide with a decision I am about to make?
Favour	<p>Are they seeking a favour in return for the gift, benefit or hospitality?</p> <ul style="list-style-type: none"> • 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?
Trust	<p>Would accepting the gift, benefit or hospitality diminish public trust?</p> <ul style="list-style-type: none"> • How would I feel if the gift, benefit or hospitality became public knowledge? • What would my colleagues, family friends or associates think?

GIFTS, BENEFITS & HOSPITALITY POLICY & GUIDELINES

Finance

6.3 DECLINING GIFTS, BENEFITS & HOSPITALITY

Individuals should consider the GIFT test at Table 1 and the requirements below to help respond to a non-token offer. Declined gifts benefits and hospitality are still required to be registered. MCET Employees must not solicit for gifts, benefits or hospitality.

Where a gratuity of any value is offer in cash or gift card by a customer to any employee(s), this situation should be immediately referred to the employee's manager. Where possible, offers of gratuities should be politely refused. However, where a customer would genuinely offended by a refusal, in the interests of the client relationship, gratuities can be accepted. In these cases, all cash and/or gifts cards must be handed to the Finance and will ultimately be redirected to a charity of MCET's choice. All accepted gratuities must be recorded on the MCET Gifts, Benefits & Hospitality Register.

Individuals are to refuse non-token offers:

- likely to influence them, or be perceived to influence them, in the course of their duties or raise an actual, potential or perceived conflict of interest;
- by a person or organisation about which they will likely make a decision (also applies to processes involving grants, sponsorship, regulation, enforcement or licensing);
- likely to be a bribe or inducement to make a decision or act in a particular way;
- that extend to their relatives or friends;
- with no legitimate business benefit;
- of money, or used in a similar way to money, or something easily converted to money (example gift cards, lottery tickets, scratchies, and shares);
- where, in relation to hospitality and events, the organisation will already be sufficiently represented to meet its business needs;
- where acceptance could be perceived as endorsement of a product or service, or acceptance would unfairly advantage the sponsor in future procurement decisions;
- made by a person or organisation with a primary purpose to lobby Ministers, Members of Parliament or public sector agencies; and
- made in secret.

If an individual considers they have been offered a bribe or inducement, the offer must be reported. The [Fraud and Corruption Awareness Notice](#) provides the provision for reporting.

6.4 PROVIDING GIFTS, BENEFITS & HOSPITALITY

Gifts, benefits and hospitality may be provided to welcome guests, facilitate the development of business relationships, further public sector business outcomes and to celebrate achievements.

When deciding whether to provide gifts, benefits or hospitality or the type of gift, benefit or hospitality to provide, individuals must ensure:

- any gift, benefit or hospitality is provided for a business reason in that it furthers the conduct of official business or other legitimate organisational goals, or promotes and supports government policy objectives and priorities;

GIFTS, BENEFITS & HOSPITALITY POLICY & GUIDELINES

Finance

- that any costs are proportionate to the benefits obtained for MCET, and would be considered reasonable in terms of community expectations (the 'HOST' test at **Table 2** is a good reminder of what to think about in making this assessment); **and**
- it does not raise an actual, potential or perceived conflict of interest.

Table 2: HOST Test

Hospitality	<p>To whom is the gift, benefit or hospitality being provided?</p> <ul style="list-style-type: none"> • Will recipients be external business partners, or employees of MCET?
Objectives	<p>For what purpose will hospitality be provide?</p> <ul style="list-style-type: none"> • 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?
Spend	<p>Will public funds be spent?</p> <ul style="list-style-type: none"> • 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?
Trust	<p>Will public trust be enhanced or diminished?</p> <ul style="list-style-type: none"> • 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 public sector? • Have records in relation to the gift or hospitality been kept in accordance with reporting and recording procedure?

MCET provides gifts, benefits and hospitality for legitimate business benefits in the following areas. If Gifts, Benefits or Hospitality fits within the below categories, they do not been to be registered.

Table 3: Provisions of Gifts, Benefits and Hospitality

MCET Functions and Events	<p>When official functions are being held, the number of MCET employees attending the function should be structured to those who are able to provide input to the event. In general:</p> <ul style="list-style-type: none"> • for larger functions (greater than #50 participants) then the proportion of invited external guests should be greater than the number of MCET representatives. • for smaller functions (#50 participants or less), the number of MCET employees should be at least in balance with external invitees. <p>These Functions and Events help with external stakeholder engagement and enhance business relations that benefit MCET and the economic growth within the Victorian Tourism or State.</p>
MCET Employee Gifts, Benefits and Hospitality	<p>For a range of reasons, gifts, benefits and hospitality may be occasionally provided for employees. These may include but not limited;</p> <ul style="list-style-type: none"> • staff related event, for example a training course, workshop, planning day seminar, conference or quarterly staff update.

GIFTS, BENEFITS & HOSPITALITY POLICY & GUIDELINES

Finance

	<ul style="list-style-type: none"> to recognise an organisational or individual staff achievement (for example the successful completion of a project or the retirement of a long-standing member of staff, recognition of outstanding achievement or employee service awards) gifts and benefits to MCET employees to further increase MCET employee value proposition (for example, complimentary tickets, gifts for employee recognition and service awards). <p>The appropriate senior authorising officer must determine if any gifts benefits and hospitality would be considered reasonable.</p>
Club Melbourne Gifts, Benefits and Hospitality	<p>Club Melbourne provide gifts, benefits and hospitality on a number of occasions:</p> <ul style="list-style-type: none"> Annual events for recognition, achievements and inducting Club Melbourne Ambassadors Club Melbourne Inaugural and other events Gifts for end of year and appreciation <p>These are provided to enhance business relations that benefit MCET and the economic growth for Victorian Tourism or the State.</p>
Gift, Benefits and Hospitality provided to external guests	<p>MCET may consider providing gifts, benefits or hospitality for the purpose of:</p> <ul style="list-style-type: none"> receiving guests, for example a visiting delegation from another jurisdiction, or hosting a meeting held over lunch time or hosting of community sector organisations. celebrating the opening of an event, exhibition, or launching an initiative. <p>When considering whether to provide a gift or hospitality, the authorising officer should seek to uphold, and where possible, enhance the reputation of the public sector.</p>

6.5 ALCAHOL

The supply or consumption of alcohol will be in line with RSA requirements. MCET employees are to follow the unity Code of Conduct and the Employee Handbook regarding alcohol.

7. COMMUNICATION & TRAINING

The key terms of this Policy & Guidelines should be clearly communicated to all employees by the following means:

- Initial Mandatory Information sessions for all employees and trustees
- Incorporated into the Fraud and Corruption Awareness on-line training
- Employee Handbook
- The Hive (intranet)
- Periodic reminder via staff meetings

It is important for all employees and Trustees to understand what to do when considering whether to accept or provide gifts, benefits and hospitality. Training will be provided by MCET to ensure the key principles outlined in this Policy are understood by employees.

GIFTS, BENEFITS & HOSPITALITY POLICY & GUIDELINES

Finance



8. BREACHES

It is important to note that there must be no actual, potential or perceived conflict of interest associated with receiving or provision of gifts, benefits and hospitality. Any breach of MCET's Gift, Benefits & Hospitality Policy may result in disciplinary action up to and including termination of employment. Disciplinary procedures actioned by managers will be in line with the MCET Disciplinary Procedure Policy.

9. REPORTING

The Fraud and Control Group will receive a report regarding Gifts, Benefits and Hospitality given and received. The report will also consider any repeats offers and / or accumulated offers.

The Fraud and Control Group will provide a report of any repeat or cumulative offers to the Finance and Audit Committee.

MCET's Finance and Audit Committee will receive a report annually on the administration and quality control of the Gifts, Benefits & Hospitality Policy & Guidelines, Business Activity Framework and Register. The report will include analysis of MCET's gifts, benefits and hospitality risks (including multiple offers from the same source, cumulative offers and offers from business associates), risk mitigation measures and any proposed improvements.

10. REFERENCES

10.1 INTERNAL

Gifts, Benefits & Hospitality Business Activity Framework
MCET Disciplinary Procedure Policy
MCET Fraud and Corruption Awareness Notice
MCET Purchasing Ethics Policy
MCET Reward and Recognition Policy
MCET Reward and Recognition BAF
MCET unity Code of Conduct

10.2 EXTERNAL

[Victorian Public Sector Commission - Gifts, benefits and hospitality minimum accountabilities](#)

GIFTS, BENEFITS & HOSPITALITY POLICY & GUIDELINES

Finance



SCHEDULES

SCHEDULE A: MINIMUM ACCOUNTABILITIES

Public officials offered gifts, benefits and hospitality:

1. Do not, for themselves or others, seek or solicit gifts, benefits and hospitality.
2. Refuse all offers of gifts, benefits and hospitality that:
 - are money, items used in a similar way to money, or items easily converted to money;
 - give rise to an actual, potential or perceived conflict of interest;
 - may adversely affect their standing as a public official or which may bring their public sector employer or the public sector into disrepute; or
 - are non-token offers without a legitimate business benefit.
3. Declare all non-token offers (valued at \$50 or more) of gifts, benefits and hospitality (whether accepted or declined) on their organisation's register, and seek written approval from their manager or organisational delegate to accept any non-token offer.
4. Refuse bribes or inducements and report inducements and bribery attempts to the head of the public sector organisation or their delegate (who should report any criminal or corrupt conduct to Victoria Police or the Independent Broad-based Anti-corruption Commission).

Public officials providing gifts, benefits and hospitality:

5. Ensure that any gift, benefit and hospitality is provided for a business purpose in that it furthers the conduct of official business or other legitimate organisational goals, or promotes and supports government policy objectives and priorities.
6. Ensure that any costs are proportionate to the benefits obtained for the State, and would be considered reasonable in terms of community expectations.
7. Ensure that when hospitality is provided, individuals demonstrate professionalism in their conduct, and uphold their obligation to extend a duty of care to other participants.

Heads of public sector organisations:

8. Establish, implement and review organisational policies and processes for the effective management of gifts, benefits and hospitality that comprehensively address these minimum accountabilities.

GIFTS, BENEFITS & HOSPITALITY POLICY & GUIDELINES



Finance

9. Establish and maintain a register for gifts, benefits and hospitality offered to public officials that, at a minimum, records sufficient information to effectively monitor, assess and report on these minimum accountabilities.
10. Communicate and make clear within the organisation that a breach of the gifts, benefits and hospitality policies or processes may constitute a breach of binding codes of conduct and may constitute criminal or corrupt conduct, and may result in disciplinary action.
11. Establish and communicate a clear policy position to business associates on the offering of gifts, benefits and hospitality to employees, including possible consequences for a business associate acting contrary to the organisation's policy position. This must take into consideration any whole of Victorian Government supplier codes of conduct.
12. Report at least annually to the organisation's Finance and Audit Committee on the administration and quality control of its gifts, benefits and hospitality policy, processes and register. This report must include analysis of the organisation's gifts, benefits and hospitality risks (including repeat offers from the same source and offers from business associates), risk mitigation measures and any proposed improvements.
13. Publish the organisation's gifts, benefits and hospitality policy and register on the organisation's public website (applies only to organisations with an established website).
The published register should cover the current and the previous financial year