

Gifts Benefits and Hospitality Policy

Finance

Policy Details

Sponsor	Chief Financial Officer	ID	PO-FI-0170
Responsible officer	Governance and Compliance Manager	Version	1
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Purpose

This policy states the Melbourne Convention and Exhibition Trust (MCET) position on:

- responding to offers of gifts, benefits and hospitality; and
- providing gifts, benefits and hospitality.

This policy is intended to support individuals and the MCET to avoid conflicts of interest and maintain high levels of integrity and public trust.

Application

This policy applies to all executives, trustees¹, employees and contractors.

Definitions

Business Associate	An individual or body that the public sector organisation has, or plans to establish, some form of business relationship with, or who may seek commercial or other advantages by offering gifts, benefits or hospitality.
Benefits	Benefits 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. 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.
Ceremonial Gifts	Ceremonial gifts are official gifts provided as part of the culture and practices of communities and government, within Australia or internationally. Ceremonial gifts are usually provided when conducting business with official delegates or representatives from another organisation, community or foreign government. Ceremonial gifts are the property of MCET, irrespective of value, and should be accepted by individuals on behalf of MCET. The receipt of ceremonial gifts should be recorded on the register but does not need to be published online.
Conflict of Interests	Conflicts may be: <ul style="list-style-type: none">• Actual: There is a real conflict between an employee's public duties and private interests.• Potential: 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.• Perceived: The public or a third party could reasonably form the view that an employee's private interests could improperly influence their decisions or actions, now or in the future.

¹Trustees are to register gifts, benefits and hospitality received or given whether accepted or declined from any entity they serve.

Gifts	Gifts are free or discounted items or services and any item or service 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), consumables (e.g. chocolates) and services (e.g. painting and repairs). Fundraising by public sector organisations that is consistent with relevant legislation and any government policy is not prohibited under the minimum accountabilities.
Hospitality	Hospitality 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.
Legitimate Business Benefit	A gift, benefit or hospitality may have a legitimate business benefit if it furthers the conduct of official business or other legitimate goals of MCET.
Public Official	A public official has the same meaning as section 4 of the <i>Public Administration Act 2004</i> and includes, public sector employees, statutory office holders and directors of public entities.
Public Register	A public register is a record, preferably digital, of a subset of the information contained in a register, for publication as required by the minimum accountabilities.
Register	A register is a record, preferably digital, of all declarable gifts, benefits and hospitality.
Token Gifts	A token offer is a gift, benefit or hospitality that is of inconsequential or trivial value to both the person making the offer and the recipient (such as basic courtesy). The minimum accountabilities state that token offers cannot be worth more than \$50.
Non-token Gift	A non-token offer is 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.

Policy Principles

This policy has been developed in accordance with requirements outlined in the minimum accountabilities for the management of gifts, benefits and hospitality issued by the Victorian Public Sector Commission (see [Schedule A: Minimum Accountabilities](#)).

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

Impartiality: 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 reasonable 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 the 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.

Integrity: individuals strive to earn and sustain public trust through providing or responding to offers of gifts, benefits and hospitality in a manner that is consistent with community expectations. Individuals will refuse any offer that may lead to an actual, perceived or potential conflict of interest.

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.

Guidelines

Management of offers of gifts, benefits and hospitality

This section sets out the process for accepting, declining and recording offers of gifts, benefits and hospitality. Any exceptions to this process must have the prior written approval of the Chief Financial Officer.

Conflict of interest and reputational risks

When deciding whether to accept an offer, individuals should first consider if the offer could be perceived as influencing them in performing their duties, or lead to reputational damage. The more valuable the offer, the more likely that a conflict of interest or reputational risk exists.

Table 1: GIFT Test

Giver	Who is providing the gift, benefit or hospitality, and what is their relationship to me? Does my role require me to select suppliers, award grants, regulate industries or determine government policies? Could the person or organisation benefit from a decision I make?
Influencer	Are they seeking to gain an advantage or influence my decisions or actions? Has the gift, benefit or hospitality been offered to me publicly or privately? Is it a courtesy or a token of appreciation or a valuable non-token offer? Does its timing coincide with a decision I am about to make?
Favour	Are they seeking a favour in return for the gift, benefit or hospitality? Has the gift, benefit or hospitality been offered honestly? Has the person or organisation made several offers over the last 12 months? Would accepting it create an obligation to return a favour?
Trust	Would accepting the gift, benefit or hospitality diminish public trust? How would the public view acceptance of this gift, benefit or hospitality? What would my colleagues, family, friends or associates think?

Requirements for refusing offers

Individuals should consider the “GIFT Test” in Table 1 and the requirements below to help decide whether to refuse an offer. Individuals are to refuse offers:

- likely to influence them, or be perceived to influence them, in the course of their duties or that raise an actual, potential or perceived conflict of interest;
- could bring them, MCET into disrepute;
- made by a person or organisation about which they will likely make or influence a decision (this also applies to processes involving sponsorship, regulation, enforcement or licensing), particularly offers:
 - made by a current or prospective supplier;
 - made during a procurement or tender process by a person or organisation involved in the process; or
- likely to be a bribe or inducement to make a decision or act in a particular way;
- that extend to their relatives or friends;
- of money, or used in a similar way to money, or something easily converted to money;
- where, in relation to hospitality and events, the organisation will already be sufficiently represented to meet its business needs; or
- where acceptance could be perceived as an endorsement of a product or service or acceptance would unfairly advantage the sponsor in future procurement decisions.

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.

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 that would be considered a basic courtesy, such as light refreshments during a meeting.

The minimum accountabilities state that token offers cannot be worth more than \$50. Individuals may generally accept token offers without approval or declaring the offer on the Gift register, as long as the offer does not create a conflict of interest or lead to reputational damage.

Non-token offers

Individuals can only accept non-token offers if they have a legitimate business benefit. All accepted non-token offers must be approved by the individual’s manager, recorded in the gifts 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 or MCET into disrepute; 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 the 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 identified as being a non-token gift. In these cases, the individual must seek approval from their manager as soon as possible.

Where the gift would likely bring you or the organisation into disrepute, the organisation should return the gift. If it represents a conflict of interest for you, MCET should either return the gift or transfer ownership to the organisation to mitigate this risk.

Recording non-token offers of gifts, benefits and hospitality

All non-token offers, whether accepted or declined, must be recorded in the Gifts register. The business benefit for accepting non-token offers must be recorded in the register with **sufficient detail to link the acceptance to the individual’s work functions and benefit to MCET**. Individuals should consider the following examples of acceptable and unacceptable levels of detail to be included in the Gifts register when recording the business benefits:

Table 2: Business Benefits Examples

Unacceptable	Acceptable
“Networking”	“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.”
“Maintaining stakeholder relationships”	“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.”

Offers of Gifts, benefits and hospitality that relate to items in Table 4 “Provision of gifts, benefits or 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 Gifts register.

Ownership of gifts offered to individuals

Non-token gifts with a legitimate business benefit that have been accepted by an individual for their work or contribution may be retained by the individual where the gift is not likely to bring them or MCET into disrepute, and where their manager or organisational delegate has approved. Employees must transfer to MCET official gifts or any gift of cultural significance or significant value.

Repeat offers

Receiving multiple offers (token or non-token) from the same person or organisation can generate a stronger perception that the person or organisation could influence MCET employees. Individuals should refuse repeat offers from the same source if they create a conflict of interest or may lead to reputational damage.

Management of the provision of gifts, benefits and hospitality

This section sets out the requirements for providing gifts, benefits and hospitality.

Table 3: HOST Test

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

Requirements for providing gifts, benefits and hospitality

MCET may provide gifts, benefits and hospitality as part of its function. If providing gifts, benefits or hospitality fall within the below categories, it does not need to be registered within the Gift register.

Table 4: Provision of gifts, benefits or hospitality

Function and Events	<p>When official functions are being held, the number of MCET employees attending the function should be structured to those who can 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>
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MCET Employees	<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. • 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, notable contribution in MCET’s events (such as Unconventional Ideas to including participation in MCET owned events) 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	<p>Club Melbourne provide gifts, benefits and hospitality on several 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>
External Guests	<p>MCET may consider providing gifts, benefits or hospitality for:</p> <ul style="list-style-type: none"> • receiving guests, for example, a visiting delegation from another jurisdiction, or hosting a meeting held over lunchtime 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>

Gifts, benefits and hospitality may be provided when welcoming guests, to 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 that furthers the conduct of official business or other legitimate organisational goals, or promotes and supports government policy objectives and priorities;
- that any costs are proportionate to the benefits obtained for the State and would be considered reasonable in terms of community expectations (the ‘HOST’ test In Table 3 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.

Alcohol

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.

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 this 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.

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 reports on the administration and quality control of the policy 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.

References

External

Victorian Public Sector Commission – Gifts, benefits and hospitality minimum accountabilities

Internal

Gifts Benefits and Hospitality Business Activity Framework

MCET Disciplinary Procedure Policy

MCET Fraud and Corruption Awareness Notice

MCET unity Code of Conduct

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:
 - a. are money, items used in a similar way to money, or items easily converted to money;
 - b. give rise to an actual, potential or perceived conflict of interest;
 - c. may adversely affect their standing as a public official or which may bring their public sector employer or the public sector into disrepute; or
 - d. 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.
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