

## Gifts, Benefits and Hospitality Policy

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### 1. Purpose

This policy states Melbourne Polytechnic's position on

- Responding to offers of gifts, benefits and hospitality; and
- Providing gifts, benefits and hospitality.

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

### 2. Principles

This policy has been developed in accordance with:

- Expectations consistent with the *Code of Conduct for Victorian Public Sector Employees*
- Requirements outlined in the *Minimum accountabilities for managing gifts, benefits and hospitality* issued by the Victorian Public Sector Commission

Melbourne Polytechnic is committed to the following principles:

- Acting in the public interest and appropriately managing any potential conflicts of interest
- The appropriate management of gifts, benefits and hospitality

### 3. Scope

This policy applies across Melbourne Polytechnic (MP) and includes: Board directors, officers, all employees, contractors, consultants and any other individuals or groups undertaking work for or on behalf of Melbourne Polytechnic.

### 4. Minimum Requirements

All individuals are to abide by the binding minimum accountabilities set by the Victorian Public Sector Commission (see Appendix A).

### 5. Responding to offers of gifts, benefits and hospitality

This section does not apply to benefits received by employees, Board members, contractors and consultants from Melbourne Polytechnic in the normal conduct of their duties.

Individuals are not to seek or solicit gifts, benefits or hospitality (for themselves or others), and are to refuse all offers of gifts, benefits and hospitality that:

- Are money or items used in a similar way to money (including gift cards), or items easily converted to money (including shares);
- Give rise to a conflict of interest (actual, potential or perceived);
- May adversely affect their standing as a public sector employee/contractor or the reputation of Melbourne Polytechnic; or
- Are non-token offers without a legitimate business benefit to Melbourne Polytechnic

Appendix B provides an example of responding to an offer of a gift.

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### 5.1 Token offers

A token offer is an offer of a gift, benefit or hospitality that is trivial to the individuals making and receiving the offer. Examples include promotional items (e.g. pens and note pads), and modest hospitality that would be considered a basic courtesy (e.g. refreshments during a meeting).

Whilst the primary determinant of a token offer is that it would not be reasonably perceived within or outside Melbourne Polytechnic as influencing an individual or leading to an actual, potential or perceived conflict of interest, it cannot be worth \$50 or more. 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 Melbourne Polytechnic's register.

### 5.2 Non-token offers (valued at \$50 or more)

#### Declaration of all non-token offers

Any offer of a gift, benefit or hospitality valued at \$50 or more will be considered non-token. Non-token offers are to be declared using the Gifts, Benefits and Hospitality Declaration Form within 10 business days and submitted to the relevant Head of School or Director. The offer, whether accepted or declined, must be recorded on Melbourne Polytechnic's register.

#### Refusal of non-token offers

Individuals should consider the GIFT test at **Table 1** in responding to non-token offers.

Individuals are to refuse non-token offers:

- Of money, or items similar to money (e.g. gift cards) or easily converted to money (e.g. shares)
- Made during a procurement or tender process by a person or entity involved in the process
- Likely to be a bribe or inducement to make a decision or act in a particular way
- 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 entity about which they will likely make a decision
- That extend to their relatives or friends
- With no legitimate business benefit to Melbourne Polytechnic
- Where, in relation to hospitality and events, Melbourne Polytechnic will already be sufficiently represented
- Where acceptance could be perceived as endorsement of a product or service, or acceptance would unfairly advantage the offer or in future procurement decisions
- Made in secret

If an individual considers that they have been offered a bribe or inducement, the offer must be reported to the Chief Executive Officer, the Deputy Chief Executive Officer, the Chief Operating Officer and Board Secretary, the Director Corporate Governance and General Counsel, or the Executive Director People and Culture (who should report any criminal or corrupt conduct to Victoria Police or the Independent Broad-based Anti-corruption Commission).

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**Table 1. GIFT test**

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

### Approval and acceptance of non-token offers

There will be some exceptions where there is a legitimate business reason for accepting a non-token offer.

Non-token offers may only be accepted if approved in writing by the relevant Head of School or Director. For Heads of School and Directors, approval must be obtained from their direct manager. For the Chief Executive Officer and Board directors, approval must be obtained from the Board Chair.

Non-token offers that are accepted must be consistent with the following:

- The offers do not raise an actual, potential or perceived conflict of interest or have the potential to bring the individual, Melbourne Polytechnic or the public sector into disrepute (the 'GIFT' test at **Table 1** provides guidance in making this assessment); and
- There is a legitimate business reason for acceptance, i.e. the offers are made as part of the individual's official duties, relate to the individual's responsibilities and have a benefit to Melbourne Polytechnic.

Individuals may be offered a gift or hospitality where there is no opportunity to seek written 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 declare the gift and seek approval from the relevant Head of School or Director.

### Ownership of non-token gifts offered to individuals

Non-token gifts accepted by an individual for their work or contribution may be retained by the individual where the relevant Head of School or Director has provided written approval. Employees must transfer to Melbourne Polytechnic official gifts and any gift of cultural significance.

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### Gifts, Benefits and Hospitality Register

All non-token offers, whether accepted or declined, must be recorded in Melbourne Polytechnic's Gifts, Benefits and Hospitality Register. The business reason for accepting any non-token offer must be recorded in the register and provide sufficient detail to link the acceptance to the individual's work functions and benefits to Melbourne Polytechnic.

Melbourne Polytechnic's register will be published online in accordance with the Victorian Public Sector Commission's Gifts, Benefits and Hospitality framework. Melbourne Polytechnic will take into consideration its requirements under relevant privacy legislation when publishing its register online; for example, it may be appropriate to remove individuals' names and use only their position title.

### Monitoring of gifts, benefits and hospitality risks

Melbourne Polytechnic's Audit and Risk Committee will receive a report at least annually on the administration and quality control of the gifts, benefits and hospitality policy, processes and register. The report will include analysis of Melbourne Polytechnic's gifts, benefits and hospitality risks (including multiple offers from the same source and offers from business associates), risk mitigation measures and any proposed improvements.

## 6. Provision of gifts, benefits and hospitality

### 6.1 Requirements for providing gifts, benefits and hospitality

Melbourne Polytechnic conducts business internationally and recognises the need for cultural sensitivity in places where gifts and hospitality are part of established business customs. When deciding whether to provide gifts, benefits or hospitality or the type of gift, benefit or hospitality to provide, individuals must ensure that:

- Any gift, benefit or hospitality is provided for Melbourne Polytechnic business purposes;
- No gifts of money (or items similar to money or easily converted to money, such as gift cards and shares) are provided<sup>1</sup>;
- Any costs are proportionate to the benefits obtained for Melbourne Polytechnic, and would be considered reasonable in terms of community expectations (refer to **Table 2**);
- They demonstrate professionalism in their conduct, and uphold their obligation to extend a duty of care to other participants;
- It does not raise an actual, potential or perceived conflict of interest; and
- It complies with Melbourne Polytechnic's Delegation of Authority and Procurement policies.

Appendix B provides examples relating to the provision of gifts, benefits or hospitality.

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<sup>1</sup> With the exception of gift cards or similar items provided by Melbourne Polytechnic on occasion to its employees, Board members, contractors or consultants as part of staff wellbeing and recognition programs

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**Table 2. HOST test**

<b>H</b>	Hospitality	<b>To whom is the gift or hospitality being provided?</b> Will recipients be external business partners, or individuals of Melbourne Polytechnic?
<b>O</b>	Objectives	<b>For what purpose will hospitality be provided?</b> Is the hospitality being provided to further the conduct of MP's business? Will it contribute to staff wellbeing and workplace satisfaction?
<b>S</b>	Spend	<b>Will public funds be spent?</b> Will the costs incurred be proportionate to the benefits obtained? What type of hospitality will be provided? Will it be modest or expensive, and will alcohol be provided as a courtesy or an indulgence?
<b>T</b>	Trust	<b>Will public trust be enhanced or diminished?</b> 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 MP's procedures?

### 6.2 Containing costs

Melbourne Polytechnic will contain costs involved in the provision of gifts, benefits and hospitality wherever possible. The following questions should be considered:

- Is an external venue necessary or does Melbourne Polytechnic have facilities to host the event?
- Is the proposed catering or hospitality proportionate to the number of attendees?
- Does the size of the event and number of attendees align with intended outcomes?
- Will providing the gift, benefit or hospitality be viewed by the public as excessive?

### 6.3 Providing alcohol

The reasonable provision of alcohol may be permitted at Melbourne Polytechnic events depending on the circumstances. Alcohol is to be served responsibly consistent with obligations under the *Occupational Health and Safety Act 2004*, the *Liquor Control Reform Act 1998*, and the relevant Codes of Conduct. In deciding whether to provide alcohol, Melbourne Polytechnic will also consider the following parameters:

- Each employee has a responsibility to ensure that their conduct at work is appropriate and not adversely affected by alcohol, and that they extend a duty of care to other participants;
- The provision of alcohol should be associated with a meal and non-alcoholic beverages; and
- The provision of alcohol should be ancillary to the overall level of hospitality provided.

## 7. Breaches

Disciplinary action may be taken where an individual is in breach of this policy. Breaches include failure to avoid (wherever possible) or identify, declare and manage a conflict of interest related to gifts, benefits and hospitality in accordance with Melbourne Polytechnic's Conflict of Interest policy.

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Actions inconsistent with this policy may constitute misconduct under the *Public Administration Act 2004*, which includes:

- Breaches of the binding Code of Conduct for Victorian Public Sector Employees, such as sections of the Code covering conflicts of interest, public trust and gifts and benefits; and
- Individuals making improper use of their position.

For further information on managing breaches of this policy, please contact the Director of Corporate Governance and General Counsel.

Melbourne Polytechnic will communicate its policy on gifts, benefits and hospitality to contractors, consultants and other business associates. Those identified as acting inconsistently with this policy may be subject to contract re-negotiation, including termination.

### 8. Speak up

Individuals who consider that gifts, benefits and hospitality or conflict/s of interest within Melbourne Polytechnic may not have been declared or are not being appropriately managed should speak up and notify their manager, the Chief Executive Officer, the Deputy Chief Executive Officer, the Chief Operating Officer and Board Secretary, the Director Corporate Governance and General Counsel, or the Executive Director People and Culture.

Melbourne Polytechnic will take action, including possible disciplinary action, against individuals who discriminate against or victimise those who speak up in good faith.

### 9. Contacts for further information

Conflicts of interest resulting from the acceptance of gifts, benefits or hospitality are not always clear to those who have them. Individuals who are unsure about the acceptance of a gift, benefit or hospitality, or the application of this policy, should ask their manager or one of: The Chief Executive Officer, the Deputy Chief Executive Officer, the Chief Operating Officer and Board Secretary, the Director Corporate Governance and General Counsel, or the Executive Director People and Culture for advice.

### 10. Definitions

**Business associate:** 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.

**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, or 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.

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### Conflicts of interest:

Actual: There is a real conflict between an employee's public duties and private interests.

Potential: An individual 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 form the view that an employee's private interests could improperly influence their decisions or actions, now or in the future.

Gifts: Free or discounted items and any item that would generally be seen by the public as a gift, offered to an employee, contractor, consultant or Board member of Melbourne Polytechnic. These include items of high value (e.g. artwork, jewellery, expensive pens), low value (e.g. small bunch of flowers) and consumables (e.g. chocolates). Fundraising by public sector organisations that is consistent with relevant legislation and any government policy is not prohibited under the minimum accountabilities.

Hospitality: 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: 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 Melbourne Polytechnic, public sector or State.

Non-token offer: An offer of a gift, benefit or hospitality that is, or may be perceived (by the recipient, the person making the offer or by the wider community) to be of more than inconsequential value. All offers worth \$50 or more are non-token offers and must be recorded on the gift, benefit and hospitality register.

Public official: Includes individuals employed by Melbourne Polytechnic and members of the Melbourne Polytechnic Board.

Register: A record 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.

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**Token offer:** 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 receiving the offer.

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 \$50 or more (including cumulative offers from the same source over a 12-month period).

### 11. Responsibility and Accountability

Task	Responsibility	Notes
Review, sign and submit declarations of gifts, benefits and hospitality for recording on the register	Relevant Head of School or Director	Use the Gifts, Benefits and Hospitality Declaration Form
Ensure that the Gifts, Benefits and Hospitality register is maintained and updated for publication twice annually  Ensure that Melbourne Polytechnic's Gifts, Benefits and Hospitality policy is published	Director Corporate Governance and General Counsel	In accordance with the minimum accountabilities of the VPSC Gifts, benefits and hospitality framework (Appendix A)
Report to the Audit and Risk Committee on the administration and quality control of gifts, benefits and hospitality risks (including repeat offers and offers from business associates)	Director Corporate Governance and General Counsel	At least annually
Approval for gifts, benefits and hospitality expenditures	As per the Delegation of Authority	

### 12. Supporting Documents and Templates

Supporting documents:

- [Gifts, Benefits and Hospitality Declaration Form](#)
- Gifts, Benefits and Hospitality Register (maintained by the Governance team)

Relevant Melbourne Polytechnic documents:

- [Conflict of Interest Policy](#)
- [Delegation of Authority](#)
- [Melbourne Polytechnic Code of Conduct Policy](#)
- [Procurement Policy](#)

Relevant regulatory requirements

- [Code of Conduct for Victorian Public Sector Employees](#)
- [Code of Conduct for Directors of Victorian Public Entities](#)
- [Victorian Public Sector Commission Gifts, benefits and hospitality policy framework](#)
- [Public Administration Act 2004](#)

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### Appendix A

#### Victorian Public Sector Commission *Gifts, benefits and hospitality framework*

##### 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.
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.

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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 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.

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### Appendix B

#### **Example 1: Responding to an offer of a gift**

James is a Melbourne Polytechnic employee and is invited to speak at an event organised by an industry partner. A representative of the industry partner presents him with an envelope onstage as a thank you. James accepts the envelope with courtesy. When he opens the envelope after the event, James finds a thank you card and a gift voucher for \$40.

#### **What should James do?**

Accepting the envelope onstage is appropriate. James can keep the thank you card as it is a token gift. Even though the gift voucher is below \$50, he cannot keep it as it is an item similar to money. It should be returned to the industry partner with a note of thanks explaining Melbourne Polytechnic's obligations/policy position in relation to gifts.

#### **Example 2: Providing hospitality**

Melbourne Polytechnic is hosting an event to further business relationships with its existing and potential industry partners. Employees and external guests will be in attendance.

#### **What should be considered?**

The event could be hosted onsite in order to promote Melbourne Polytechnic facilities and contain costs. The provision of food and drinks would be considered reasonable for this type of event. If alcohol is provided, responsible service of alcohol obligations should be considered. For example:

- Only one or two standard drinks per person should be provided
- Plenty of drinking water should be provided
- The event could be scheduled to start in the late afternoon to minimise the risk of employees returning to work affected by alcohol
- Food should be provided
- The cost of providing alcohol should be a smaller proportion of the total cost of the event

#### **Example 3: Providing gifts**

A Melbourne Polytechnic employee is travelling to meet with overseas partners. Gift-giving is customary in business relationships in this particular country.

#### **What should be considered?**

Gifts can be given to foster Melbourne Polytechnic business. The gifts should be symbolic, rather than financial, in their value. Possible examples include chocolates or items representative of Melbourne Polytechnic, but should not include money or items similar to money, such as gift cards.

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### 13. Policy Control

<b>Approving authority</b>	<i>Melbourne Polytechnic Board</i>
<b>Date approved</b>	<i>27 February 2017</i>
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