

GIFTS, BENEFITS & HOSPITALITY POLICY

Version 6.3 – Approved 13.11.2024

1. Purpose

As public officials, those employed or commissioned by SMCT, including Trust members, have an obligation to maintain the highest standards of integrity and impartiality when performing their jobs. The way we respond to offers of gifts, benefits and hospitality is critical to earning and sustaining the trust of the Victorian community which we serve.

This Policy sets out the principles that must be followed to avoid conflicts of interest and to maintain high levels of integrity and public trust, and articulates how SMCT will meet the Victorian Public Sector Commissioner's minimum accountabilities for managing gifts, benefits and hospitality.

2. Scope

This Policy applies to all SMCT employees, Trust members, contractors, consultants and any individuals or groups undertaking activity for SMCT.

3. Policy Principles

Standards of Conduct

- Individuals have a duty to place the public interest above their private interests when carrying out their official functions for SMCT and uphold appropriate standard of public trust. They must not accept gifts, benefits or hospitality that could raise a reasonable perception of, or actual, bias, or preferential treatment.
- 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 reasonable 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 practices and processes.
- If an individual considers they have been offered a bribe or inducement, they should report this to the CEO.
- SMCT, through its oversight committees and management, will ensure gifts, benefits and hospitality risks are appropriately assessed and managed.
- Individuals must not accept gifts, benefits or hospitality except as provided for in this Policy.
- Individuals must not, for themselves or others, seek or solicit gifts, benefits or hospitality.

Acceptance and Refusal of Gifts, Benefits and Hospitality

- Individuals must not accept gifts, benefits or hospitality:
 - Which has no legitimate business benefit;

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- Which is likely to influence them, or be perceived to influence them, or raise an actual, potential or perceived conflict of interest;
- That extends to their relatives or friends;
- From those about whom they are likely to make business decisions.
- Made by a person or organisation about which they will likely make or influence a decision, particularly offers from current or prospective suppliers or made during a procurement or tender process. Also see Conflict of Interest Policy
- Made in secret
- Could bring them, or SMCT or the public sector into disrepute.

Token offers may be accepted in certain situations

- 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 recipient, and could not be perceived as creating a conflict of interest. It may include promotional items such as pens and note pads, a token gift to thank a conference speaker, or modest hospitality such as light refreshments offered during a meeting.
- Staff may accept token offers of gifts, benefits and hospitality without approval or declaring the offer on SMCT's gifts, benefits and hospitality register.

Non-token offers may be accepted in limited situations

- There may be some situations where there is a legitimate business reason for accepting a non-token offer. For example, attendance at stakeholder or relationship management events (e.g. Christmas function), or complimentary attendance at seminars or training events where there is an element of hospitality.
- Hospitality offered by Victorian public sector organisations do not need to be recorded where it is offered as part of official business and where the reason for attendance is consistent with the organisation's functions and objectives, and within the employee's role.
- In deciding ownership of the gift, consideration may be given to retention by the individual, transfer to SMCT, staff social club, disposal, donation to charity or other suitable alternatives.

Cumulative cap on repeated offers

- Acceptance of an offer will generally be considered contrary SMCT's best interests if it would mean, in any 12-month period:
 - more than \$250 accepted across SMCT from the offering organisation or person;
 - more than \$250 accepted by any employee in aggregate; or
 - more than two accepted offers by any employee.

Acceptance of such an offer made to an employee (other than to the CEO) requires CEO approval after careful consideration.

- Oversight of this policy will include an annual review by the Finance, Risk & Audit Committee of repeated offers as described above. Such review will look at the previous three-year period and form part of the reporting framework listed in section 4 below.

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Some non-token offers must always be declined

- Employees must refuse all offers of money or cash equivalents (such as gift cards with a monetary value). The offeror must be advised that the offer is refused as it does not conform with the SMCT policy.

Tips and “Red Envelopes”

- Red Envelopes: The rejection of Red Envelopes (being an envelope containing cash and/or a token gift traditionally given in some Asian cultures) is perceived to cause offence. Any Red Envelope received by frontline staff from a client or Funeral Director must be immediately provided to their direct Operational Manager who will pass the envelope to the Financial Controller to be banked and donated to the SMCT charitable restoration fund.
- Tips: Any tip or cash offered (of any amount) to frontline staff **must in all circumstances** be politely declined. Token tips received by the Hospitality Team (such as a table tip) must be immediately provided to their nominated representative and will be collected in the communal tip jar. Tips collected are donated to charity once a reasonable amount has been reached.

Further guidance

- Refer to the GIFT Test in **Appendix A** for further guidance.

Approval to retain non-token offers

Written approval to retain non-token offers should be sought from the relevant person below:

Individual type	Approver
Trust Chair	Notification at next Trust meeting
Trust members	Chair
Chief Executive Officer	Chair
ELT	Chief Executive Officer
Employee or contractor	ELT member

Reporting of non-token offers

All non-token gifts, benefits and hospitality offered to employees, whether accepted or declined, must be recorded in the Gifts, Benefits & Hospitality Register.

SMCT providing hospitality, gifts and benefits to others

As part of its normal operations SMCT may provide gifts, benefits & hospitality such as to welcome guests, facilitate the development of business relationships, to further business outcomes and to celebrate achievements. In such instances:

- the gift, benefit or hospitality must be provided for a legitimate business reason;
- costs must be proportionate to the benefits obtained by SMCT and be considered reasonable in terms of community expectations;

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- it must not raise an actual, potential or perceived conflict of interest;
- individuals provided hospitality must demonstrate professionalism in their conduct and uphold their obligation to extend a duty of care to other participants.

Refer to the HOST test in **Appendix A** for more guidance.

4. Policy implementation

Reporting

- SMCT will maintain a Register to record non-token gifts, benefits and hospitality offered and received by employees. The Register will record sufficient information to enable effective monitoring, assessment and reporting of gifts, benefits and hospitality.
- SMCT will publish a de-identified version of the Register on its website as required by the VPSC.
- Reporting will be provided to the Finance, Risk & Audit Committee and the Executive Leadership Team on at least an annual basis on the administration and quality control of this Policy and associated procedures, the Register, analysis of any identified trends and gifts, benefits, and hospitality risks
- The CEO will report any criminal or corrupt conduct to Victoria Police or the Independent Broad-based Anti-Corruption Commission.

Compliance

- SMCT will comply with the Victorian Public Sector Commissioner's minimum accountabilities for managing gifts, benefits, and hospitality.
- A breach of the Gifts, Benefits and Hospitality Policy or Procedures may constitute a breach of the Code of Conduct and may constitute criminal or corrupt conduct; this may result in disciplinary action or prosecution.

Risk management

- Risks relating to the giving and receipt of gifts, benefits will be appropriately assessed and managed.

Training and Communications

- SMCT will communicate its policy on the offering and provision of 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.
- Training on gifts, benefits and hospitality will form part of SMCT'S employee induction program and ongoing communication and training will be provided to employees.

5. Responsibilities

The table below provides a high-level summary of key responsibilities.

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Responsible party	Description
Trust	The Trust shall ensure that appropriate policies, controls, systems and procedures are in place to ensure compliance with legislative and Government requirements.
Finance, Risk & Audit Committee (FRAC)	The FRAC's responsibilities include assisting the Trust to fulfil its obligations regarding compliance with applicable laws, regulations, standards and industry practice.
Chief Executive Officer (CEO)	The CEO is accountable for ensuring a robust framework and processes are in place to manage the giving and receipt of gifts, benefits and hospitality by employees and for setting an appropriate standard and culture within the organisation.
Chief People and Governance Officer (CGO)	The Chief People and Governance Officer is responsible for: <ul style="list-style-type: none"> the development, oversight and maintenance of this Policy providing support to the organisation in the implementation of this Policy providing the FRAC with sufficient reporting and insights to ensure they are adequately informed on the state of compliance with this Policy.
All staff	Individuals who consider that gifts, benefits and hospitality or conflict of interest within SMCT may not have been declared or is not being appropriately managed should speak up and notify their manager or the Chief People and Governance Officer.

6. Definitions

A **benefit** could include preferential treatment, privileged access, favours and other advantage offered to an individual. The value of the benefit may be difficult to determine but will be of value to the individual and can therefore lead to a conflict interest.

A **conflict of interest** may be actual, potential or perceived. Further information about conflicts of interest is in the SMCT conflict of interest policy.

A **gift** is a free or discounted item or service and/or any item that would be viewed by the public as a gift. Gift items may be of low or high value.

Hospitality is the friendly reception and entertainment of guests including meals, travel and accommodation.

A **legitimate business benefit** is where a gift, benefit or hospitality is accepted or provided for a business purpose, in that it furthers the conduct of official business of SMCT.

A **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).

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A **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. These may include gifts of hampers or alcohol, event tickets etc. All offers worth more than \$50 are non-token offers.

7. References

- [Victorian Public Sector Commission \(VPSC\) Minimum Accountabilities for Managing Gifts, Benefits and Hospitality](#)
- [VPSC Gifts, Benefits & Hospitality Guide](#)
- Code of Conduct
- Conflict of Interest Policy
- Delegation of Authority Policy
- Gifts, Benefits & Hospitality Procedure
- Public Interest Disclosures Policy

8. Policy version history and review

Version	Change	Date approved by Trust	Comments
6.3	Capping cumulative amounts per annum applicable to offeror and offeree	N/A – FRAC action	Addresses concerns of repeat offers by an external party, or to the same employee Approved by ELT 13/11/2024
6.2	Amending ERAC to FRAC, reflecting new committee structure. Related non-substantive wording correction.	N/A	Committees approved by Trust 20.8.24
6.1	Minor correction to ELT Member and Definition of Non-Token Offer	N/A	ELT Approved minor typo correction 22/11/23
6.0	Major review to reflect recent updates to Public Sector Gifts, Benefits and Hospitality Framework	7/12/22	
5.2	Change of wording regarding tips		Approved by ELT 13/8/19
5.1	Inclusion of analysis of any identified trends in reporting requirements		Approved by ELT 10/12/2018
5.0	Redraft to incorporate changes to the VPSC Gifts & Hospitality Framework	22/2/17	
4.1	Reference added regarding treatment of tips, amendment to Responsibilities Section & change of Executive Policy Owner		Approved by ELT 11 July 2016
4.0	Policy refresh to align with minimum requirements of the Victorian Public Sector Commission Gifts, Benefits & Hospitality Framework.	16/12/15	
3.0	Policy Review		17/04/15 reviewed by Executive

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2.0	Policy Review	26/09/12	Reviewed by Management following 'Gifts, benefits and hospitality policy framework' update published by the State Services Authority April 2012.
	Policy Review		Reviewed by Management 15/3/2012
1.1	Modified to relate specifically to SMCT	16/02/11	

Scheduled date for next review: December 2025

9. Further information

A conflict of interest resulting from the acceptance of a gift, benefit or hospitality is not always clear to those who have them. Individuals who are unsure about accepting a gift, benefit or hospitality, or the application of this policy, should ask their manager or the Chief People and Governance Officer for advice.

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Appendix A: GIFT and HOST tests

Table 1. GIFT test

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

Table 2. HOST test

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