

Gifts, Benefits and Hospitality Policy



How SEC people respond to offers of gifts, benefits and hospitality is essential to maintaining our integrity and the trust of the public and our stakeholders.

1. What is the purpose of this policy?

- 1.1. This policy sets out the SEC position on gifts, benefits and hospitality, and provides guidance on:
 - responding to offers of gifts, benefits and hospitality
 - providing gifts, benefits and hospitality.
- 1.2. This policy supports SEC people to avoid perceptions of bias, manage conflicts of interest and maintain high levels of integrity and trust.
- 1.3. This policy is based on the Victorian public sector Gifts, Benefits and Hospitality Model Policy, and takes into account all the mandatory requirements of that policy.

2. Principles

- **Impartiality:** the public interest is placed above private interests.
- **Integrity:** the SEC strives to earn and maintain stakeholder trust and confidence.
- **Probity:** all procurement and expenditure is necessary, prudent, transparent and fair.

3. Scope

- 3.1. This policy applies to:
 - all SEC directors and employees;
 - contractors, consultants and labour hire employees required as part of their contract to comply with this policy.

It extends to gifts or offers made to friends and family as a result of an individual working at the SEC.

- 3.2. In this policy the following definitions apply:

- **Benefits and incentives:**

Benefits and incentives are gifts, services or actions that may encourage someone to do business with a particular organisation. This can include offering special treatment, favours or other advantages. Examples might be invitations, discounts, prizes, loyalty programs or the promise of a job.

The value of benefits can't always be defined in dollars, but if they are valued by an individual, they can be used to influence behaviour.

- **Ceremonial and cultural gifts**

Ceremonial gifts are official gifts provided as part of the culture and practices of communities, organisations, delegations, and dignitaries. Ceremonial gifts are most common when doing business with official delegates or representatives from another community or government.

Ceremonial gifts are the property of the SEC, regardless of value, and are accepted by individuals on behalf of the organisation.

- **Gifts**

Gifts are free or discounted items or services that would reasonably be seen by another person as a gift. These can include items of high value (e.g. electronic items, a food and wine hamper,

art), low value (e.g. a bunch of flowers), consumables (e.g. chocolates), gift vouchers, and services (e.g. painting and repairs, spa treatments).

- **Hospitality**

Hospitality is hosted dining and entertainment. Hospitality may include restaurant meals, attending a concert, performance or sports event, and sponsored travel or accommodation.

- **Token offer**

A token offer is a gift, benefit or hospitality that is of little value to both the person making the offer and the recipient (such as a basic courtesy). Token offers are those worth less than \$50.

- **Non-token offer**

A non-token offer is a gift, benefit or hospitality that is, or could be seen as, of value. All offers worth more than \$50 are non-token offers and must be recorded in the Gifts, Benefit and Hospitality Register regardless of whether they are able to be accepted.

- **Official business events**

Official business events are those that someone is required to go to as part of their role. It may include a seminar, conference, or working lunch. To qualify as an official business event, it must be directly related to the person's work and the organisation's business.

4. Responding to offers of gifts, benefits and hospitality

- 4.1. The default SEC position is to decline gifts and hospitality to avoid creating the perception of bias or preferential treatment.

Declining offers of gifts, benefits and hospitality

- 4.2. All offers of gifts, benefits and hospitality must be declined when they:
- may influence, or be perceived to influence, someone's duties.
 - create an actual, potential or perceived conflict of interest.
 - may influence, or be perceived to influence, a decision involving investments, grants, procurement, regulation, enforcement or licensing.
 - are money or similar, such as vouchers, shares or loyalty points, or anything can be easily converted into money.
 - are offered by lobbyists or lobby groups.
 - are for flights, accommodation or any similar benefit, except when they are given as compensation for presenting at a conference or seminar organiser.
 - could have other implications such as fringe benefits tax, insurance and/or public liability or health and safety risks
 - could bring a person's integrity, or that of the SEC, into question.
 - have no legitimate business reason.
- 4.3. Gifts must never be requested or solicited.

Accepting offers of gifts, benefits and hospitality

- 4.4. There are a small number of occasions where it is appropriate to accept a gift. Offers that can be considered for acceptance include:
- gifts offered as part of culture and practice of communities such as from an overseas delegation, including where refusal could cause cultural offence or embarrassment to the person offering the gift.
 - token gift offers which do not raise a conflict of interest (anything valued at \$50 or less may in some circumstances count as a token offer).

- where the gift or hospitality is provided in return for an otherwise unpaid service by an SEC employee, e.g. a token gift, conference tickets or lunch in return for a formal speaking engagement at a conference or seminar.
 - when there are legitimate business reasons, for example it would further the business of the SEC or there is a public benefit in accepting the offer.
 - internally offered awards and discounts that promote approved SEC-initiated programs related to health and wellbeing or that are given in recognition of service or exceptional work.
 - invitations to official events – such as awards events, seminars or training - that have a direct business purpose.
- 4.5. Reasonable care should be taken to determine the value of an offer if it is not clear. When uncertain about whether it is appropriate to accept a gift, the default position is to either decline or discuss with a manager.
- 4.6. When deciding whether to accept an offer, individuals should first consider if the offer could be perceived as influencing them in carrying out their duties or lead to reputational damage. The more valuable the offer, the more likely that a conflict of interest or reputational risk exists or could be perceived to exist.
- 4.7. When deciding whether to accept an offer, consider:
- **Who is offering the gift, benefit or hospitality and what is their relationship to me?** Does my role require me to select contractors, award grants, regulate industries or determine government policies? Could the person or organisation benefit from a decision I make?
 - **Are they trying 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 my endorsement of a product or service?
 - **Are they seeking a favour in return for the gift, benefit or hospitality?** Has the gift, benefit or hospitality been offered openly? Has the person or organisation made several offers over the last 12 months? Would accepting it create an obligation to return a favour? Does the person believe I have the ability to influence others making a decision?

5. Recording gifts, benefits and hospitality

- 5.1. All offers of gifts, benefits or hospitality valued at \$50 or more must be declared using the SEC [Gifts, Benefits and Hospitality Declaration form](#), **even if they are declined**.
- 5.2. The declaration must be made within 14 days of the offer being made.
- 5.3. 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 the SEC into disrepute, and where their manager or organisational delegate has provided written approval.
- 5.4. Any non-token gifts accepted, including official gifts or any gift of cultural significance or significant value, belong to the SEC. Token gifts should be shared with team members where possible, or may be kept by the individual if sharing is not possible.
- 5.5. The register will be reviewed quarterly by the CEO.

6. Providing gifts, benefits and hospitality

- 6.1. Gifts, benefits and hospitality may be provided when welcoming guests, to facilitate the development of business relationships, and to celebrate achievements.
- 6.2. 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 supports official business or other legitimate organisational goals.

- that any costs are proportionate to the benefits obtained, and would be considered reasonable in terms of community expectations.
 - it does not raise an actual, potential or perceived conflict of interest.
- 6.3. Gifts offered for rewards and recognition of excellent work by SEC people should be of a reasonable value for the situation. Items offered for this purpose must be appropriate to the workplace context and preferably not involve alcohol. The purchase of such rewards must be approved by the appropriate financial delegate for the accrued value if multiple gifts are purchased.

7. Breach of this policy

- 7.1. Any breach of this policy may be considered misconduct and could lead to disciplinary action.

8. Key related policy, legislation and other documents

8.1. *Policies and procedures*

- Conflicts of Interest Policy (primary policy)
- VPS Supplier Code of Conduct
- Procurement Policy

8.2. *Legislation*

- Public Administration Act 2004 (Vic) Section 81 (g)
- Financial Management Act 1994

9. Approval and review

Policy name	Gifts, Benefits and Hospitality Policy
Approved by	SEC Board
Policy owner	Legal and Governance
Contact	Assistant Company Secretary and Governance Lead
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