

Gifts, Benefits and Hospitality

Policy Statement:

Echuca Regional Health (ERH) employees shall not seek or accept favours or gifts for services performed in connection with their official duties, however ERH employees, particularly those who have regular contact with members of the public, benefactors, funders, contractors and suppliers, may be offered gifts in the course of their work and be uncertain of how to respond.

This policy addresses when it is appropriate to accept a gift or benefit and when it should be declined. This policy also describes and how to declare, record and handle gifts.

The Chief Executive Officer, Executive Directors and other members of the senior management group have an important role to play in modelling the behaviour they expect of their employees.

ERH is committed to and will uphold the following principles by 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.

Benefit - means something which is believed to be of value to the receiver. Some examples are: access to a corporate box at sporting venue, preferential treatment, access to confidential information, hospitality, etc.

Conflicts of interest

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

Potential conflict of interest: 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 conflict of interest: 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.

Employees - include volunteers, contractors and Board members.

Gift/Benefit Register - is a register outlining date gift or benefit was acquired, type of gift or benefit, value of gift or benefit, who gave the gift or benefit, who received the gift or benefit.

Gift - means a tangible item of value given to an employee by an existing or potential supplier/customer or any other counterparty with which Echuca Regional Health conducts business. Some examples include money, alcohol, clothes, products, tickets.



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 – 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 health service.

Nominal Value - is \$50 in the case of an individual gift/benefit or \$100 in the case of cumulative gifts/benefits in any 12 month period.

Personnel to which this policy applies:

All Staff

Procedure

Small inexpensive gifts or benefits, such as a box of chocolates, bottle of wine or flowers from a grateful patient or client may be accepted with thanks, but are subject to the requirement to record such gifts in the Gifts/Benefits Register that are valued above the \$50 nominal threshold. The Gifts/Benefits Register is maintained by Executive Assistant to CEO and Board.

No gift or benefit shall be accepted if intended to influence decisions about how work is undertaken, contracts let or goods purchased, or if it could reasonably be perceived as such. An offer of such a gift should be politely declined and any unsolicited gift promptly returned.

Under no circumstances shall a gift of cash of any amount be accepted. If a gift of cash is offered, it is to be suggested to the giver that they make a tax deductible donation to (ERH) instead. This can be done by the cashiers at front reception.

Accepting gifts

Tokens, mementos and small gifts of appreciation

Stationery such as pens or pads handed out to everyone attending a conference or made available by sales representatives and the like may generally be accepted where such items are inexpensive and not intended to gain any influence or favour.

Small gifts of appreciation such as a box of chocolates, bottle of wine or flowers

These gifts are generally acceptable if the appreciation is being shown for a service provided, and declining the gift could cause embarrassment or offence.

Modest hospitality

Light refreshments such as tea or coffee offered in the course of a business meeting may be accepted. These will have been offered as a courtesy and to make the guest feel welcome. Similarly, light refreshments such as finger food at an opening ceremony or sandwiches at a conference may be accepted. In all cases the hospitality should be proportionate to the occasion. Modest hospitality offered as part of official business is not a reportable gift.

Substantial hospitality

Substantial hospitality such as restaurant meals, sporting tickets/corporate boxes, conference raffle prizes, travel and accommodation invariably exceed the nominal threshold of \$50 and must always be recorded in the Gifts/Benefits Register.

In deciding whether or not to accept substantial hospitality, particular care must be taken to ensure that no actual or perceived conflict of interest exists. Consult with the Chief Executive Officer, Executive Directors and other members of the senior management group if you have any concerns.

Declining gifts

Employees involved in purchasing goods and services

Some employees perform roles that necessarily call for greater scrutiny. Employees involved in purchasing goods and services must not accept gifts from contractors/suppliers, particularly when a tender has been advertised.

Gifts and hospitality that do not have an organisational benefit

Employees are required to consider whether there is an organisational benefit in attending private functions in an official capacity. Where there is no clear organisational benefit, the invitation is to be declined. This is especially the case when attendance at the function could be perceived as an endorsement of the company or product.

Reporting Gifts/Benefits

Declaring and recording gifts

Reportable gifts include any gifts of more than the nominal value of \$50 (or \$100 in a 12 month period from a single giver) whether they are accepted or not. The details of the offer of such gifts are to be recorded by the employee on a Gifts and Benefits Declaration Form, including the decision taken to accept or decline the gift. The details are then transferred to the Gifts/Benefits Register. Significant gifts with a value in excess of \$1,000 are also recorded on the assets register.

The GIFT Test

The GIFT test is a good reminder of what to think about when deciding whether to accept or decline a gift, benefit or hospitality. Take the GIFT test and when in doubt ask your manager.

G	Giver	Who is providing the gift, benefit or hospitality and what is their relationship to me? Does my role require me to select contractors or suppliers? Could the person or organisation benefit from a decision I make?
I	Influence	Are they seeking to influence my decisions or actions? 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?
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 I feel if the gift, benefit or hospitality became public knowledge? What would my colleagues, family, friends or associates think?

Breaches

Disciplinary action consistent with the relevant industrial instrument and legislation, including dismissal, may be taken where an individual fails to adhere to this policy. This includes where an individual fails to avoid wherever possible or identify, declare and manage a conflict of interest

related to gifts, benefits and hospitality in accordance with ERH's Conflict of Interest Policy and Procedure.

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 conflict of interest (section 3.7), public trust (section 3.9) and gifts and benefits (section 4.2); and
- individuals making improper use of their position.

ERH 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.

Speak up

Individuals who consider that gifts, benefits and hospitality or conflict of interest within ERH may not have been declared or is not being appropriately managed should speak up and notify their manager or the Executive Director Finance and Corporate Services.

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

Contacts for 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 the acceptance of a gift, benefit or hospitality, or the application of this policy, should ask their manager or Executive Director for advice.

Appendices

Appendix 1 – Gifts and Benefits Declaration Form

References

- Minimum accountabilities for the management of gifts, benefits and hospitality (*see Instructions supporting the Standing Directions of the Minister for Finance*)
- ERH's Conflict of interest policy
- *Public Administration Act 2004*
- Code of conduct for Victorian public sector employees 2015
- Code of conduct for Directors of Victorian public entities 2016
- Victorian Public Sector Commission's *Gifts, benefits and hospitality policy framework*.

Accreditation Framework

National Safety and Quality Health Service Standards 1

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