

TITLE: GIFTS, BENEFITS AND HOSPITALITY



Document Type:	Procedure	Approved by:	Finance Risk and Audit Committee
Department:	Executive and Board	Section:	Executive
Prepared by:	Gaye McCulloch	Position:	Director Capital and Procurement

OBJECTIVE / EXPECTED OUTCOME:

The general principle outlined in the Code of Conduct for Victorian Public Sector Bodies is that gifts or favours from anyone who would benefit from providing the gift or favour should be refused.

This procedure adopts the minimum accountabilities, as set out in the Victorian Public Sector Commission's *Gifts, Benefits and Hospitality Policy Guide*.

The purpose of this procedure is to inform employees of Colac Area Health as to what constitutes a gift, benefit or hospitality and to provide guidance on dealing with situations involving offers of gifts, benefits or hospitality. The objective is to reinforce the Victorian public sector values of impartiality and integrity.

Definitions

- Gifts** are free or discounted items offered to an individual staff member an item 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) and consumables (e.g. chocolates)
- Benefit** is something that is advantageous or good, an advantage.
- Hospitality** is the friendly reception and entertainment of guests and includes breakfast, lunch or dinner invitations, or tickets to local sporting events or entertainment to a nominal value.
- Legitimate business benefit** is a gift, benefit or hospitality that furthers the conduct of official Colac Area Health business or other legitimate goals of the public health sector in Victoria.
- Reportable gift** is defined as any gift with a monetary value above \$50.
- Gifts, benefits, and favours of insignificant monetary value** which would be viewed as socially acceptable norms of behaviour (i.e. a box of chocolates given by a patient to a member of staff out of gratitude for service rendered during the patient's stay in hospital) are not reportable gifts.
- Significant Gift** is defined as any gift with a monetary value above \$1,000.
- 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). Anything valued more than \$50 is not a token offer

SCOPE:

This policy applies to Colac Area Health Board Members, all staff and anyone acting on behalf of Colac Area Health.

PRINCIPLES:

- That no staff member or person associated with Colac Area Health are placed in a compromised position through enticement
- That the integrity of the organisation and staff is protected to the highest standard

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3. That Colac Area Health's commercial and service provision is free from vested interest persuasions
4. That Colac Area Health's commercial activities are not compromised by inappropriate conduct, persuasion or transactions

PROCESS:

Colac Area Health staff and Board members who are offered gifts, benefits and hospitality

Staff should not directly or indirectly solicit or accept an unsolicited gift of any kind from any third party transacting with Colac Area Health (including but not limited to patients and suppliers or potential future patients and suppliers) that could be reasonably perceived as influencing actions or decision making. For example, gifts or benefits from current or potential suppliers, contractors and consultants must not be accepted if they might reasonably compromise (or reasonably be seen to compromise) the integrity of the purchasing process.

Colac Area Health staff and board members must refuse all offers that:

- Are money, items used in a similar way to money, or items easily converted to money (for example gift vouchers)
- If accepted may give rise to an actual, potential or perceived conflict of interest
- May adversely affect their reputation as a Colac Area Health employee, or bring Colac Area Health or public health into disrepute, or
- Are non-token offers without a legitimate business benefit.

Staff offered a gift which they believe may be reportable (i.e. \$50 or greater in value) should report this to their manager who will advise whether or not it is appropriate to accept the gift (in line with this procedure). All gifts, whether accepted or declined must be entered on the [Gift Register](#). Reportable gifts must be authorised by the staff member's Manager before being accepted. When in doubt, the approval of the Chief Executive or Director responsible for Compliance should be sought.

It is important to note that multiple gifts/benefits from the same person/company over a period of time might be considered to be part of a single series of gifts or benefits which together might become reportable.

Where the Chief Executive is offered a gift that may be reportable this must be approved by the Board Chair or Finance, Risk & Audit Committee Chair before being accepted.

All reportable gifts that are accepted must be recorded in the Colac Area Health Gifts Register. The format of the Register is set out in Appendix 1. The Colac Area Health Gifts Register is maintained by the Director responsible for Compliance and is subject to regular scrutiny, including review by Internal and External Audit.

Significant gifts will be regarded as the property of Colac Area Health and are to be recorded on the Colac Area Health Assets Register.

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Staff should consider each time they are offered a gift or benefit by the same person or company.

Staff must immediately report to the Chief Executive Officer and/or Director responsible for Compliance any attempt to bribe them or their colleagues with money or any other gift.

Staff must immediately report to their Manager any colleague who tries to solicit a bribe.

Breaches of the guideline will constitute a breach of the Colac Area Health Code of Conduct and result in disciplinary action.

At the end of each Fringe Benefits Tax (FBT) year the Finance Manager will review the Colac Area Health Gifts Register to assess the FBT implications of any reportable gifts.

A staff member who receives a bribe, receives a corrupting benefit or abuses a public office may be guilty of an offence under the *Criminal Code Act 1995* (Cth) or under the *Crimes Act 1958* (Vic). In addition involvement in suspect conduct exposes Directors and employees to scrutiny by the Independent Broadbased Anti-Corruption Commission (IBAC).

Examples of the application of the Procedure

A staff member receiving a small gift of appreciation such as a box of chocolates from a client for the work they have done. This type of gift is generally acceptable if the appreciation is being shown for a service provided (also, declining the gift could cause embarrassment).

A staff member receiving an offer of sponsored travel and/or accommodation to attend a conference or to participate in an industry familiarisation tour. Such offers should generally be declined because of the potential for a conflict of interest. However, if the offers are accepted, they must be approved by the staff member's Manager and recorded in the Gifts Register.

A staff member attending a function in an official capacity receives a gift. As the staff member is representing Colac Area Health any benefits accruing from the staff member's activities belong to Colac Area Health.

A delegation offering an employee a ceremonial gift on behalf of their company or country. This is similar to the situation immediately above in that the gift belongs to Colac Area Health.

Service-orientated gifts such as teaching aids provided by a supplier for use by a department could be considered acceptable although this procedure must be applied and each circumstance needs to be considered on a case-by-case basis.

See **Appendix 2** for a decision flow-chart when responding to offers of gifts, benefits and hospitality.

Colac Area Health providing gifts, benefits and hospitality

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All gifts, benefits and hospitality must be provided to further the legitimate organisational goals of Colac Area Health. Costs must be proportionate to the benefits obtained, and considered reasonable in terms of community expectations.

All gifts, benefits or hospitality provided that is over the value of \$50 must have prior approval and be recorded in the Colac Area Health register.

Reporting and Publication

The Finance, Risk & Audit Committee must receive an annual report on the administration and quality control of the gifts, benefits and hospitality procedure, processes and register. This report must include an analysis of the risks connected with Colac Area Health's gifts, benefits and hospitality.

The Finance, Risk & Audit Committee will review the Gifts Register annually, and publish the Register on the Colac Area Health website.

ASSOCIATED POLICY

- Conflict of Interest Policy
- Fraud, Theft and Loss Procedure
- Protected Disclosure Policy and Procedure

REFERENCES: *(include relevant Key Legislation, Acts & Standards)*

- Standing Directions issued under the *Financial Management Act 1994* – in particular Instruction 3.4.11
- The Gifts, Benefits and Hospitality Policy Guide – see <https://vpvc.vic.gov.au/resources/gifts-benefits-and-hospitality-resource-suite/>
- Code of Conduct for the Victorian public sector
- Criminal Code Act 1995* (Cth)
- Crimes Act 1958* (Vic)

DOCUMENT DEVELOPMENT/REVIEW PROCESS

Prepared and Reviewed by:

Name:	Position	Unit/Dept
Gaye McCulloch	Director – Capital and Compliance	Executive

Endorsement by:

Name	Manager/Chairperson	Date
F Brew	CEO	29 November 2021

Final Approval by Chief Executive – after presentation to the Board

Name	Date
Finance Risk and Audit Committee	29 November 2021

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Appendix 1 – Gifts Benefits and Hospitality Register

The Colac Area Health Gifts, Benefits and Hospitality Register has adopted the Victorian Public Sector Commission’s (VPSC) Model Register.

See:

[Colac Area Health Gifts, Benefits and Hospitality Register](#), and

[VPSC Model Gifts, Benefits and Hospitality Register](#)

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Appendix 2 – Gifts Benefits and Hospitality Decision Flow-Chart

See – <https://vpssc.vic.gov.au/wp-content/uploads/2018/06/Gifts-benefit-and-hospitality-flow-chart.pdf>

RESPONDING TO GIFTS, BENEFITS AND HOSPITALITY

Public officials do not seek offers of gifts, benefits and hospitality.



* Generic, bulk event invitations that are declined (e.g. spam email offers) do not need to be declared.
 ** Hospitality from Victorian public sector organisations does not need to be declared.
 # More than one token offer may be accepted. However, care should be taken to ensure that multiple offers are not used as a device to avoid offers being recorded on the register.