

PURPOSE:

To ensure that Board Directors and employees of Rochester and Elmore District Health Service (REDHS) do not seek or accept gifts, benefits or hospitality for services performed in connection with their official duties.

EXPECTED OUTCOME and KPIs:

- High standards of integrity, conduct and governance will be maintained in the organisation

SCOPE:

All REDHS Board members and employees

POLICY STATEMENT:

- **REDHS Board Directors and employees shall not seek or accept gifts, benefits or hospitality for services performed in connection with their official duties.**
- **It is a requirement that offers that:**
 - **Are money,**
 - **Are items used in a similar way to money, e.g. gift cards/vouchers,**
 - **Give rise to an actual, potential or perceived conflict of interest**
 - **Are non-token offers (see below) without a legitimate business benefit,**
 - **Are bribes or inducements**

must be refused and, in the case of bribes or inducements, reported to the CEO who will report to the head of the public sector organization or their delegate

- **The Chief Executive Officer, Executive and members of the Leadership Group have an important role to play in modeling the behaviour they expect of their employees.**
- **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 must be recorded in the Gifts/ Benefits Register if such gifts are valued above the \$50 nominal threshold.**
- **No gift, benefit or hospitality shall be accepted if intended to influence a decision(s) 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, benefit or hospitality should be politely declined and any unsolicited gift promptly returned.**
- **In relation to public officials, such as representatives of the Department of Health (DHS): REDHS shall not:**
 - **offer DHS staff gifts or benefits, either directly or indirectly, and offers of hospitality will be limited to token offers of basic courtesy (such as tea and coffee during a meeting), or**
 - **take any action in order to entice or obtain any unfair or improper advantage.**

Nor should any public official provide any REDHS Board Director or employee with any non-token gift, benefit or hospitality.

- **Breaches in the Gifts, Benefits and Hospitality Policy may result in disciplinary action for a Board Director, REDHS employee and/or public official as well as potential legal consequences for any business associate acting contrary to this policy**
- **REDHS will comply with the requirement for annual reporting to the Corporate Governance Committee on the administration and control of its Gifts, Benefits and Hospitality Policy, Processes and Register.**

DEFINITIONS

Gifts – are free or heavily discounted items, intangible benefits or hospitality exceeding common courtesies that are offered to employees in association with their work.

Token Offer – is an offer of a gift, benefit or hospitality that is of trivial value and does not create an actual or potential conflict of interest. A token offer cannot be worth more than an estimated \$50.

Benefits - 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.

Hospitality – is the friendly reception and treatment of guests, ranging from offers of light refreshments at a business meeting to restaurant meals and sponsored travel and accommodation.

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.

Nominal Value - is \$50 in the case of an individual gift/benefit or \$150 in the case of cumulative gifts/benefits in any 12-month period.

PROCEDURE:

Context:

REDHS Board Directors and employees, particularly those who have regular contact with members of the public, benefactors, funders, contractors and suppliers, may be offered gifts, benefits or hospitality in the course of their work and be uncertain of how to respond.

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

Accepting Gifts:

Tokens, mementoes 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 or while delivering home based services 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, 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.

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.

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, award grants, regulate industries or determine government policies? 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 valuable non-token offer? 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 the public view acceptance of this gift, benefit or hospitality? What would my colleagues, family, friends or associates think?

The HOST Test

The HOST test is a good reminder of what to think about when deciding whether to provide hospitality or a gift to employees or stakeholders. Take the HOST test and when in doubt ask your manager.

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 purposes will the hospitality be provided? Is the hospitality being provided to further the conduct of official business? Will it promote and support government policy objectives and priorities? Will it contribute to staff well-being and workplace satisfaction?
S	Spend	Will REDHS 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?

Reporting Gifts/ Benefits:

Declaring and recording gifts - reportable gifts include any gifts of more than the nominal value of \$50 (or \$150 cumulative gifts/benefits 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 [and Benefits Declaration Form](#), including the decision taken to accept or decline the gift.
- The department manager will complete the form and submit it to the Chief Executive Officer or Board Chair for review and sign off.
- The details are then transferred to the Gifts, Benefits and Hospitality Register which is maintained by the Executive Assistant.
- Significant gifts with a value in excess of \$1,000 are also recorded on the assets register if it is a capital item or piece of equipment as per [Fixed Assets Policy](#) .
- As required, REDHS will also publish gifts, benefits and hospitality register on the website.

REFERENCES:

- [Victorian Public Sector Gifts, Benefits and Hospitality Policy Framework](#)
- [Victorian Public Sector Conflict of Interest Policy Framework](#)
- [Victorian Public Sector Commission Code of Conduct](#)
- [REDHS Code of Conduct](#)
- [Service Agreement Information Kit – Funded Agency Channel](#)
- Standing Directions of the Assistant Treasurer. Direction 3.4 (11)

RECORDS:

- [Gifts and Benefits Declaration Form](#)
- Gifts and Benefits Register

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