

1. Policy Statement

Purpose

The policy supports individuals and THS to avoid conflicts of interest and maintain high levels of integrity and public trust in relation to:

- responding to offers of gifts, benefits and hospitality; and
- providing gifts, benefits and hospitality.

Rationale

This policy has been developed in accordance as a legislative requirements and as outlined in the Victorian Public Sector Commission (VPSC) *Gifts, Benefits and Hospitality Policy Framework (October 2016)* which sets out the minimum accountability and reporting requirements in relation to gifts, benefits and hospitality (refer to Schedule A).

2. Policy Applies To

This policy applies to all THS employees, Board Directors, Volunteers and any individuals or groups undertaking activity for or on behalf of THS – for the purpose of this policy these persons will be referred to employees.

3. Definitions

Gifts - are free or discounted items and any 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). Fundraising by public sector organisations that is consistent with relevant legislation and any government policy is not prohibited under the minimum accountabilities. Hospitality is the friendly reception and entertainment of guests.

Business Associate- an external individual or entity which the organisation has, or plans to establish, some form of business relationship, or who may seek commercial or other advantage by offering gifts, benefits or hospitality.

Benefits - are the preferential treatment, privileged access, favours or other advantage offered to any employee. While the value of such benefits may be difficult on occasions to quantify in monetary terms, they may be highly valued by the intended recipient and therefore used as a means to influence the intended recipient's behaviour.

Conflict of Interest -Actual there is a real conflict between an employee's public duties and private interests. Potential 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 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.

Hospitality - is the friendly reception and treatment of guests. Hospitality can range from offers of light refreshment at a meeting to restaurant meals and sponsored travel and accommodation.

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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 organisation, public sector or State.

Nominal Value – refers to the value of a gift offer. It is to be used to determine whether an offer if accepted is a **reportable gift**. Under this policy THS sets a threshold of up to \$50 to determine nominal value. THS employees should always be aware that irrespective of dollar value, a gift offer that could create a reasonable perception that an employee could be influenced must be refused.

Public Official- has the same meaning as under section 4 of the Public Administration Act 2004. This includes public sector employees, statutory office holders and directors of public entities.

Reportable Gifts - are those that must be reported on the Services Gift Register. At a minimum a reportable gift includes accepted gifts, benefits and hospitality that exceed a nominal value of \$50. The gifts may have been offered to an employee their partner or other close relation directly or extended to them as a guest of their partner or other close relation.

Gifts Register - is a register of reportable gifts. It records the date the gift was offered, information about the donor and recipient, the nature of the gift, its estimated value and how it was handled. The Chief Executive Officer (or delegate) maintains the register, which is required to be reviewed by the THS Board – Finance and Audit Subcommittee annually.

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).

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. All offers worth more than \$50 are non-token offers and must be recorded using the THS.

4. Policy in Operation

THS is committed to and will uphold the following:

3.1 Minimal requirements of all THS employees: (refer to Schedule A)

- Must not solicit gifts, benefits or hospitality.
- Refuse all gifts, benefits or hospitality that could reasonably be perceived as undermining the integrity of the service or themselves.
- Refuse all gifts, benefits or hospitality from people or organisations about whom they are likely to make decisions involving –
 - Tender processes
 - Procurement
 - Enforcement
 - Licensing or regulation
- Refuse all offers of money or items easily converted to money eg. Gift Cards, shares.
- Refuse bribes and report bribery attempts directly to the Chief Executive Officer/delegate who will report to Police.

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- If an employee is unsure of how to respond to an offer of a gift, benefit or hospitality of more than a nominal value, he/she must seek advice from his/her Line Manager.
- Risks to impartiality and integrity associated with gifts, benefits and hospitality may arise in any part of our activities and some will have a higher risk than others and must be risk assessed by the employee in the first instance and a manager in the last instance.

3.2 Guidelines for Employees

The VPSC provides the following simple GIFT test to assist employees in deciding whether to accept or decline a gift, benefit or hospitality. If an employee is unsure advice must be sought from his/her Department Head.

Table 1. GIFT test

G	Giver	<p>Who is providing the gift, benefit or hospitality and what is their relationship to me? Does my role require me to select suppliers, award grants, regulate industries or determine government policies? Could the person or organisation benefit from a decision I make?</p>
I	Influence	<p>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?</p>
F	Favour	<p>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?</p>
T	Trust	<p>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?</p>

3.2.1 Gift, Benefit, Hospitality of Nominal Value – Token Offer of nominal value, ie. less than \$50

- Token offers can be accepted by employees; however, the GIFT test must be applied to ensure the employee does not breach THS minimal requirements. (Examples of token offers are promotional items such as pens and note pads, and modest hospitality such as light refreshments offered during a meeting.
- If token offers are made often by the same person or organisation, the cumulative value of the offers, or the perception that they may influence the recipient, may result in the offers becoming non-token.

3.2.2 Gift, Benefit, Hospitality greater than Nominal Value - Non-token offer, ie. more than \$50

- All employees must seek approval of a gift by their line manager in the first instance.
- Line Managers will escalate to Executive all gifts received for formal decision making.
- Employees must refer to the GIFT test prior to a deciding whether to accept or decline a gift, benefit or hospitality. If an employee is unsure advice must be sought from his/her Department Head.

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- THS official gifts, gifts of cultural significance or gifts valued at more than \$50 are the property of THS.
- All non-token offers (excluding modest hospitality) whether accepted or declined, must be recorded using the THS Gifts Declaration Form (Appendix A) within 14 days, authorised by the Department Head and submitted to the Executive Secretary.
- The Executive Secretary is responsible for updating the THS Gifts, Benefits and Hospitality Register (Appendix B).
- Non-token gifts accepted by an employee for his/her work or contribution may be retained by the employee where his/her Department Head has provided written approval.
- When an employee is financially supported to attend a conference as a THS delegate and/or speaker any benefits accrued as a result of attending the conference such as prizes, speaking fees or financial grants become the property of THS. These benefits will be declared using the THS Gifts Declaration Form (Appendix A) and recorded in the THS Gifts, Benefits and Hospitality Register (Appendix B) and may, at the CEO's discretion, be used in part or in full to fund further work or development of the employee.

3.3 Management of the provision of Gift, Benefit, Hospitality

- Gifts, benefits and hospitality may be provided to welcome guests, facilitate the development of business relationships, further public sector business outcomes and to celebrate achievements.
- Modest hospitality such as offering light refreshments such as tea or coffee during a business meeting or part of official duties is not a reportable gift under this policy
- 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 in that it furthers the conduct of official business or other legitimate organisational goals, or promotes and supports THS objectives and priorities;
 - Any costs are proportionate to the benefits obtained, and would be considered reasonable in terms of community expectations (the 'HOST' test – Table 2 is a reminder of what to think about in making this assessment); and
 - It does not raise an actual, potential or perceived conflict of interest.

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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 THS objectives and priorities? Will it contribute to staff wellbeing and workplace satisfaction?
S	Spend	Will THS funds be spent? What type of hospitality will be provided? Will it be modest or expensive, and will alcohol be provided? 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 THS? Have records in relation to the gift or hospitality been kept in accordance with reporting and recording procedures?

3.4 Reporting Requirements

- Annually the THS Board - Finance and Audit committee will receive a report on the administration and quality control of the Gifts, Benefits and Hospitality Policy, processes and Register. The report will include analysis of THS gifts, benefits and hospitality risks, risk mitigation measures and any proposed improvements.
- THS will publish THS Gifts, Benefits and Hospitality Policy and Register on the THS website covering the current and previous financial year. The name of persons who have indicated they wish to remain anonymous will be de-identified.
- Attestation to the State Services Authority will occur annually.

5. Accountabilities

List all accountabilities for applicable people

Board	Oversight of compliance
Finance and Audit Committee	Monitoring of compliance and reporting to Board as relevant
Chief Executive Officer	Operational governance
Executive	Implementation of policy within directorate and monitoring compliance
Line Managers	Implementation of policy within their department
Staff, and/or Contractors/ Volunteers	Have read and understood their accountability and responsibility under this policy

- The contact point for this policy is: Chief Executive Officer
- All applicable persons to whom this policy applies must refer to this policy when undertaking duties and are accountable to its requirements.

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6. Policy Governance

- The Custodian is responsible for compliance monitoring and review of this policy.
- Monitoring of this policy;
 - Auditing of compliance for medium risk = 12 monthly audit (report variances to committee)
 - Other
- Governance of this policy will be by reporting to the ; Financial & Audit Committee
- Any breaches of this policy will be investigated by Executive and/or Chair of the Board.

7. References

1. Regulatory Requirements (N/A if not applicable)

Aged Care Quality Standards www.agedcarequality.gov.au	8
National Safety & Quality Health Service Standards www.safetyandquality.gov.au	1
Royal Australian College of General Practitioners Standards www.racgp.org.au	Core 3
NDIS Practice Standards www.ndiscommission.gov.au	Module 2
Other e.g. Legislation	

2. (Other)

Victorian Public Sector Commission, *Code of Conduct for Victorian Public Sector Employees*, 2015 assessed from <https://vpssc.vic.gov.au/resources/code-of-conduct-for-employees/> on 28 June 2021

Victorian Public Sector Commission, *Gifts, Benefits and Hospitality Resource Suite*. Accessed from <https://vpssc.vic.gov.au/resources/gifts-benefits-and-hospitality-resource-suite/> on 28 June 2021

8. Related Documents

Board Charter
Code of Conduct Policy
Code of conduct for Procurement Activities Policy
Conflict of Interest Policy
Conflict of Interest Policy – Board
Fraud and Corruption Policy
Risk Management Policy
Incident Management Policy
Volunteer Handbook

9. Acknowledgements

Nil

10. Annexes

Nil