

Gifts, Benefits and Hospitality Policy

Latrobe Regional Health values our community's diversity. We are committed to providing an inclusive, respectful, welcoming and safe service and workplace for everyone who engages with our organisation regardless of race, culture, religion, sexual preferences or identity, gender, age, or ability.

Purpose

The purpose of this policy is to support individuals and Latrobe Regional Health (LRH) to avoid conflicts of interest and maintain high levels of integrity and public trust by providing guidance on how to respond to offers of gifts, benefits and hospitality consistent with Public Sector Values, the [Workplace Conduct Policy](#) and the *Code of Conduct for Victorian Public Sector Employees*. This policy reflects the requirements of the Victorian Public Sector Commission and the requirements of the Standing Directions 3.4.1 made under the *Financial Management Act*.

Application

This policy applies to all workplace participants and extends to all persons covered by the operation of the [Workplace Conduct Policy](#). This includes: all employees, Board members, Visiting Medical Officers, contractors, consultants and any individuals or groups undertaking activity for or on behalf of LRH.

Policy Principles Accord with VPSC Requirements

This policy has been developed in accordance with requirements outlined in the Minimum accountabilities for managing gifts, benefits and hospitality issued by the Victorian Public Sector Commission (VPSC) set out in [Appendix – Minimum Accountabilities – VPSC](#)

Policy Statement

All LRH employees offered gifts benefits or hospitality in the course of their duties must comply with the Minimum accountabilities for managing gifts, benefits and hospitality issued by the VPSC (Refer to appendices).

Token offers, as per definition, of less than \$50 value may be accepted provided they are not:

- Given by a current or prospective business associate or made during a procurement or tender process by someone involved
- Money or convertible to money (e.g., a voucher)

If multiple token offers from a single source are made, then the cumulative total shall be considered in the total value. If Employees are unsure as to whether to accept a gift, they shall consult the appropriate Executive Director

All Non Token offers are to be reported to the Chief Executive Officer using the LRH gifts benefits and hospitality declaration form and relevant details transcribed to the LRH public gifts benefits and hospitality register within 5 business days.

The LRH Gifts, Benefits and Hospitality declaration form ([Appendix - Gifts, Benefits and Hospitality Declaration Form](#)) directs how a Non Token offer should be treated in alignment with the LRH Guiding Principles for Managing Gifts,

Benefits and Hospitality and the VPSC Minimum accountabilities for managing gifts, benefits and hospitality (Refer to appendices).

The General Manager Financial Services (GMFS) is responsible for ensuring that the Register is subject to regular review and is reviewed annually by the Audit and Risk Committee and published on the LRH website.

Definitions

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: include preferential treatment, privileged access, favours or other advantage offered to an individual. They may include invitations to sporting, cultural or social events, access to discounts and loyalty programs, and promises of a new job.

The value of benefits may be difficult to define in dollars, but as they are valued by the individual, they may be used to influence the individual's behaviour.

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.

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. 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 organisation, public sector or State.

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.

Register: is a record, preferably electronic, of all declarable gifts, benefits and hospitality. It records the date an offer was made and by whom, the nature of the offer, its estimated value, the raising of any actual, potential or perceived conflicts of interest or reputational risks and how the offer was managed. For accepted offers, it details the business reason for acceptance and the officer approving the acceptance.

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 on a gift, benefit and hospitality register.

Shall: Indicates the statement is mandatory.

May: Indicates an option.

Standards

National Safety and Quality Health Service Standards - Clinical Governance

Departments

Organisation Wide

References

[Code of Conduct for Victorian Public Sector Employees](#)

[Gifts, benefit and hospitality flowchart](#)

Linked PP

[Workplace Conduct Policy](#)

[Employee Grievance & Issue Resolution Policy](#)

[Donations and Fundraising Policy](#)

Appendices

[Appendix - LRH Guiding Principles for Managing Gifts, Benefits and Hospitality](#)

[Appendix - Gifts, Benefits and Hospitality Declaration Form](#)

[Appendix – Minimum Accountabilities – VPSC](#)

DOCUMENT GOVERNANCE	
Executive Sponsor	Chief Operating Officer
Department	Financial Services
Committee Responsible	Business Governance Committee
Document Author/s	General Manager Financial Services
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Appendix - LRH Guiding Principles for Managing Gifts, Benefits and Hospitality

These Guiding Principles outline process for accepting, declining and recording offers of gifts, benefits and hospitality.

A failure to identify, declare and manage a conflict of interest related to gifts, benefits and hospitality is a disciplinary matter, which could include dismissal, and is dealt with under the [Employee Grievance & Issue Resolution Policy](#). All non-employees such as contractors, VMOs could have their services terminated for failure to observe appropriate conflict of interest requirements.

Note: Gifts and donations to LRH are dealt with under the [Donations and Fundraising Policy](#).

Token Offers

A token offer is an offer of a gift, benefit or hospitality that is of inconsequential or trivial value to both the person making the offer and the recipient. It may include promotional items such as pens and note pads, and modest hospitality which would be considered a basic courtesy, such as light refreshments during a meeting. A gift, benefit or hospitality is not considered token if it has a value of \$50 or more.

Gifts, benefits and hospitality valued at less than \$50 may be accepted provided it is of a modest or insignificant commercial value and is appropriate to the circumstances. (If the gift is recurrent, the cumulative value shall be considered.) If it does not meet this criteria, even if it is a token, the gift, benefit or hospitality must be refused.

Some Offers Must Be Refused

Any offer, whether token or not, given by a current or prospective business associate or made during a procurement or tender process by someone involved must be refused.

Any offer of money or convertible to money (e.g., a voucher) must be refused, irrespective of value.

Non-Token Offers

All non-token offers must be refused if they:

- are likely to influence the recipient or perceived to do so, in the course of their duties or raise an actual, potential or perceived conflict of interest;
- are made by a person/organisation about which they will make a decision;
- is likely to be a bribe or inducement to make a decision in a particular way;
- extend to relatives or friends;
- have no legitimate business benefit;
- of money, or used in a similar way to money;
- relate to hospitality or events, LRH is already sufficiently represented for its business needs;

- give the impression that acceptance is an endorsement of the product, service or organisation or acceptance would unfairly advantage the sponsor in future procurement decisions;
- are made by an organisation with a primary purpose to lobby Ministers, Members of Parliament or public sector agencies
- made in secret.

If an offer is made which is non-token, then individuals should consider the GIFT Test set out below.

GIFT TEST (VPSC)

G	Giver	<p>Who is providing the gift, benefit or hospitality and what is their relationship to me?</p> <p>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?</p> <p>Has the gift, benefit or hospitality been offered to me publicly or privately? Is it a courtesy or a token of appreciation or a valuable non-token offer? Does its timing coincide with a decision I am about to make?</p>
F	Favour	<p>Are they seeking a favour in return for the gift, benefit or hospitality?</p> <p>Has the gift, benefit or hospitality been offered honestly? Has the person or organisation made several offers over the last 12 months?</p> <p>Would accepting it create an obligation to return a favour?</p>
T	Trust	<p>Would accepting the gift, benefit or hospitality diminish public trust?</p> <p>How would the public view acceptance of this gift, benefit or hospitality? What would my colleagues, family, friends or associates think?</p>

Note: If an individual considers they have been offered a bribe or inducement, the offer must be reported to the Chief Executive who will make decisions and take necessary steps, including reporting the conduct to Victoria Police of the Independent Board-based Anti-Corruption Commission.

Requirements for Accepting Non-Token Offers:

A gift, benefit or hospitality which is non-token cannot be accepted unless there is a legitimate business reason for doing so. All non-token offers must be approved in writing by the Chief Executive and recorded in the Gifts Register. In approving acceptance, the decision must be consistent with the following requirements:

- it does not raise an actual, potential or perceived conflict of interest or have the potential to bring LRH, the individual or the public sector into disrepute; and
- there is a legitimate business reason for acceptance. It is offered in the course of the individual's responsibilities and has a benefit to LRH and the public sector.

In addition, the Chief Executive should have regard to:

- why the offer was made;
- frequency of offers from particular suppliers (e.g., once a month v. once a year);
- nature of the offer (e.g., with other hospitals or of an educational or professional development slant);
- who is invited;
- relationship between donor and recipient (e.g., is the recipient in a position to provide advice, make decisions or give approvals);
- transparency and openness of the gift.

If a non-token gift is offered in circumstances where pre-approval is not possible, approval must be sought within 5 business days.

Reporting of Gifts, Benefits and Hospitality

All offers of non-token gifts, benefits and hospitality must be declared on the [Gifts, Benefits and Hospitality Declaration Form](#) (See Appendices) and recorded in the Register, which is published on the LRH website.

GM Finance Responsible for Annual Review by Audit and Risk Committee

The General Manager Financial Services is responsible for ensuring that the Register is subject to regular review and is reviewed annually by the Audit and Risk Committee. The purpose of the review is to analyse repetitive trends or patterns which may require corrective practices and to generally monitor the appropriateness of gifts, benefits and hospitality offered to LRH staff and other individuals,

APPENDIX
GIFTS, BENEFITS AND HOSPITALITY DECLARATION
LATROBE REGIONAL HEALTH

This declaration form supports the Latrobe Regional Health’s Gifts, Benefits and Hospitality Policy. Employees must declare all non-token offers of gifts, benefits and hospitality (whether accepted or declined) and seek written approval from their manager or organisational delegate to accept any non-token offer.

Fields marked in green will be published on the Latrobe Regional Health’s public register.

Individual to complete	
1. Declaration date	
2. Name (recipient)	
3. Position (e.g., Director)	
4. Unit / Division (e.g., Safety & Culture) Published only if the offer is accepted	
Details of the gift, benefit or hospitality	
5. Date offered	
6. Describe the gift, benefit or hospitality offered	
7. Estimated or actual value	
8. Name of person (donor) making the offer	
9. Position of person making the offer Published only if the offer is accepted	
10. Name of organisation making the offer Published only if the offer is accepted	
11. Type of organisation; for example: a) sporting organisation; b) conference organisation; or c) lobbying firm	

Individual to complete	
Published instead of name of organisation for declined offers	
12. Is the person or organisation making the offer a business associate of the organisation (Yes / No)?	
13. If yes , describe the relationship between them and the organisation If no , describe the relationship between you and the person or organisation making the offer; for example, a personal relationship	
14. Why is the offer being made?	
15. Would accepting the offer create an actual, potential or perceived conflict of interest (Yes / No)? If yes , then the offer must be declined in accordance with the minimum accountabilities	
16. Would accepting the offer bring you, the organisation or the public sector into disrepute (Yes / No)? If yes , then the offer must be declined in accordance with the minimum accountabilities	
17. Is there a legitimate business benefit to the organisation, public sector or State for accepting the offer? (Yes / No) For example: a) Was it offered during the course of your official duties? b) Does it relate to your official responsibilities?	

Individual to complete	
<p>c) Does it have a benefit to the organisation, public sector or State?</p> <p>If no, then the offer must be declined</p> <p>If yes, then the business benefit must be detailed, in accordance with the minimum accountabilities</p>	
<p>18. Is the offer an official or ceremonial gift provided when conducting business with official delegates or representatives from:</p> <p>a) another organisation;</p> <p>b) the community; or</p> <p>c) a foreign government? (Yes / No)</p> <p>If yes, please provide details</p>	
<p>19. I accepted the offer YES / NO</p> <p>Please circle answer</p>	<p>Signature</p> <p>Date</p>

Manager Approval:	
1. Name:	
2. Position:	
3. Unit / Division:	
4. Relationship to employee:	
Complete if individual declined offer	
5. I have reviewed this declaration form and submitted it for inclusion on the organisation's gifts, benefits and hospitality register	Signature: Date:
Complete if individual accepted offer	
6. I have reviewed this declaration form and, confirm that, to my knowledge, accepting this offer: a) does not raise an actual, potential or perceived conflict of interest for the individual or myself; and b) will not bring the individual, myself, the organisation or the public sector into disrepute; and c) will provide a clear business benefit to the organisation, the public sector or the State	Signature: Date:
7. Record the decision about ownership of the gift; for example, did the employee: a) retain the gift; b) accept an official or ceremonial gift on behalf of the organisation c) transfer ownership of the gift to the organisation; d) return the gift to the donor; or e) donate the gift to charity?	Ownership status:
Director & Chief Executive Endorsement:	
Required for non-token offers (>\$50) whether accepted or refused	
Director:	Signature: Date:
Chief Executive:	Signature:

Manager Approval:

Date:

APPENDIX – MINIMUM ACCOUNTABILITIES - VPSC

Managing gifts, benefits and hospitality in the Victorian public sector:

The minimum accountabilities are binding under the Instructions supporting the Standing Directions of the Minister for Finance 2016. They are **minimum** requirements. Your organisation may choose to adopt higher standards or processes that take into account your organisation's role and functions.

Public officials offered gifts, benefits and hospitality:

1. Do not, for themselves or others, seek or solicit gifts, benefits and hospitality.
2. Refuse all offers of gifts, benefits and hospitality that:
 - are money, items used in a similar way to money, or items easily converted to money
 - give rise to an actual, potential or perceived conflict of interest;
 - may adversely affect their standing as a public official or which may bring their public sector employer or the public sector into disrepute; or
 - are non-token offers without a legitimate business benefit.
3. Declare all non-token offers (valued at \$50 or more ^[1]) of gifts, benefits and hospitality (whether accepted or declined) on their organisation's register, and seek written approval from their manager or organisational delegate to accept any non-token offer.
4. Refuse bribes or inducements and report inducements and bribery attempts to the head of the public sector organisation or their delegate (who should report any criminal or corrupt conduct to Victoria Police or the Independent Broad-based Anticorruption Commission).

Public officials providing gifts, benefits and hospitality:

1. Ensure that any gift, benefit and hospitality is provided for a business purpose in that it furthers the conduct of official business or other legitimate organisational goals, or promotes and supports government policy objectives and priorities.
2. Ensure that any costs are proportionate to the benefits obtained for the State, and would be considered reasonable in terms of community expectations.
3. Ensure that when hospitality is provided, individuals demonstrate professionalism in their conduct, and uphold their obligation to extend a duty of care to other participants.

Heads of public sector organisations:

1. Establish, implement and review organisational policies and processes for the effective management of gifts, benefits and hospitality that comprehensively address these minimum accountabilities.
2. Establish and maintain a register for gifts, benefits and hospitality offered to public officials that, at a minimum, records sufficient information to effectively monitor, assess and report on these minimum accountabilities.

3. Communicate and make clear within the organisation that a breach of the gifts, benefits and hospitality policies or processes may constitute a breach of binding codes of conduct and may constitute criminal or corrupt conduct, and may result in disciplinary action.

4. Establish and communicate a clear policy position to business associates on the offering of gifts, benefits and hospitality to employees, including possible consequences for a business associate acting contrary to the organisation's policy position.

This must take into consideration any whole of Victorian Government supplier codes of conduct.

5. Report at least annually to the organisation's audit committee on the administration and quality control of its gifts, benefits and hospitality policy, processes and register. This report must include analysis of the organisation's gifts, benefits and hospitality risks (including repeat offers from the same source and offers from business associates), risk mitigation measures and any proposed improvements.

6. Publish the organisation's gifts, benefits and hospitality policy and register on the organisation's public website (applies only to organisations with an established website). The published register should cover the current and the previous financial year.

^[1] Except where a person employed under the *Education and Training Reform Act 2006* in a Victorian Government school receives an offer from or on behalf of a parent, guardian, carer or student intended to express appreciation of the person's contribution to the education of a student or students, in which case non-token includes any offer worth more than \$100.