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TARGET AUDIENCE

Northern Health (NH) Board of Directors, all employees and anyone acting on behalf of Northern Health.

PURPOSE AND SCOPE

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 staff 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

- **Gift** is something given voluntarily without payment in return, as to show favour toward someone, honour an occasion, or make a gesture of assistance; a present.
- **Benefit** is something that is advantageous or good; an advantage.
- **Hospitality** is the friendly reception and entertainment of guests. This may range from light refreshments at a business meeting to expensive restaurant meals and sponsored travel and accommodation.
- **Legitimate business benefit** is a gift, benefit or hospitality that furthers the conduct of official Northern 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.

PROCESS**Northern 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 Northern 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.

Northern 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 Northern Health employee, or bring Northern 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 on the **Reportable Gifts and Benefits Notification Form (Appendix 1)** and present this to their Manager who will advise whether or not it is appropriate to accept. Reportable gifts must be authorised by the staff member's Manager and the Chief Executive Officer / Chief Financial Officer before being accepted. 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 Audit & Risk Committee Chair before being accepted.

All reportable gifts that are accepted must be recorded in the Northern Health **Gifts Register**. The format of the Register is set-out in **Appendix 2**. The Northern Health Gifts Register is maintained by the Financial Controller and is subject to regular scrutiny, including review by Internal and External Audit.

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

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 Chief Legal Officer 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 Northern Health Code of Conduct and Ethics and result in disciplinary action.

At the end of each Fringe Benefits Tax (FBT) year the Financial Controller will review the Northern 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 Broad-based 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 Northern Health any benefits accruing from the staff member's activities belong to Northern 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 Northern 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 3** for a decision flow-chart when responding to offers of gifts, benefits and hospitality.

Northern Health providing gifts, benefits and hospitality

All gifts, benefits and hospitality must be provided to further the legitimate organisational goals of Northern 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 be recorded in the Northern Health register.

Reporting and Publication

The Audit and Risk 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 Northern Health's gifts, benefits and hospitality.

The Audit and Risk Committee will review the Gifts Register annually, and publish the Register on the Northern Health website.

ALIGNED POLICY

- [Financial Administration and Management](#)

ALIGNED PROCEDURE

- [Finance - Financial Management Governance](#)

MONITORING AND COMPLIANCE REVIEW

Policies and procedures are regularly reviewed and assigned two levels of risk:

- Inherent risk determines the frequency of scheduled reviews: details are recorded in the footer of each document.
- Residual risk informs document owners of compliance review requirements
 - Extreme risk = Balanced Score Card And Audit
 - High risk = Balanced Score Card Or Audit
 - Medium and Low risk = Incident report or other data sets

The residual risk rating is recorded in the footer of each policy / procedure

Audit details are recorded in the [Northern Health Master Audit Schedule](#)

For more information refer to the Northern Health procedure: [Policies and Procedures - Access / Development / Review](#)

REFERENCES

- Victorian Public Sector Commission: Gifts, Benefits and Hospitality Policy Guide – see <https://vpssc.vic.gov.au/resources/gifts-benefits-and-hospitality-resource-suite/>
- EQulPNational Standards, Australian Council on Healthcare Standards, 2012
- National Safety and Quality Health Service Standards, September 2012
- *Criminal Code Act 1995* (Cth)
- *Crimes Act 1958* (Vic)

AUTHOR / FURTHER INFORMATION

Financial Controller

APPENDIX 1: REPORTABLE GIFTS AND BENEFITS NOTIFICATION FORM

Available via this link: [Finance - Gifts Declaration](#)

Procedure: Finance - Gifts, Benefits and Hospitality



Approved by: Audit & Risk Committee

APPENDIX 2: NORTHERN HEALTH GIFTS REGISTER FORMAT

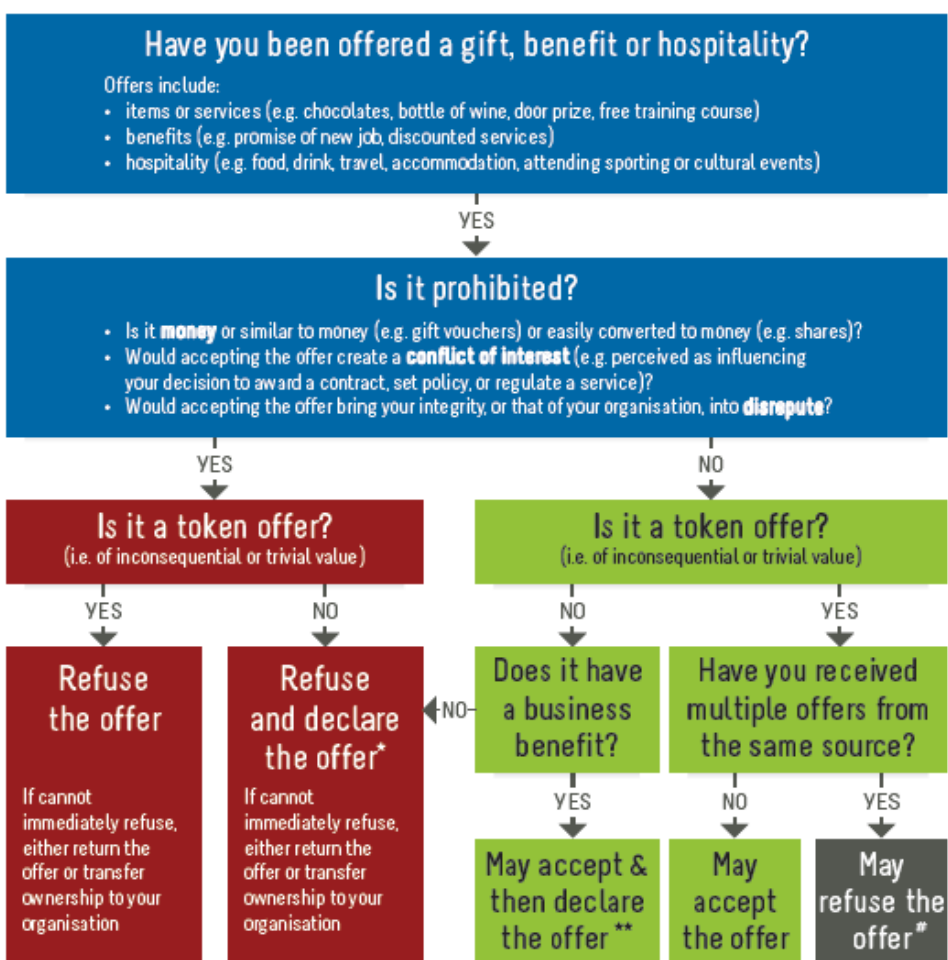
Date offered/received	Recipient Name, Title and Department	Name, Title & Organisation of Donor providing Gift	Business benefit to Northern Health	Description of Gift	Gift Accepted OR Declined	Estimated Value	Risk	Reason for Gift	Authorised By	Approval Date

APPENDIX 3: GIFTS BENEFITS AND HOSPITALITY DECISION FLOW-CHART

See – <https://vpssc.vic.gov.au/resources/gifts-benefits-and-hospitality-resource-suite/>

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.

<https://vpssc.vic.gov.au/gifts-benefits-hospitality/>

VPSC
Victorian Public Sector Commission