



# Casterton Memorial Hospital

**Title:** GIFTS, BENEFITS AND HOSPITALITY POLICY

**Manual:** Hospital Policy

**Type:** Policy

## 1. Statement of Policy

This policy states Casterton Memorial Hospital's position on:

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

This policy is intended to support individuals and Casterton Memorial Hospital to avoid conflicts of interest and maintain high levels of integrity and public trust.

This policy is to ensure compliance with the Income Tax Assessment Act and to support behavior consistent with the *Code of conduct for Victorian public sector employees* (the Code). All employees are required under clause 1.2 of the Code to comply with this policy.

## 2. Application

This policy applies to all employees, executives and board members of Casterton Memorial Hospital.

Casterton Memorial Hospital is endorsed as a 'Deductible Gift Recipient' (DRG) for the purpose of receiving funding from Philanthropic Institutions and Funds as defined in the 'Income Tax Assessment Act 1997'

## 3. Policy principles

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) and ATO compliance.

Casterton Memorial Hospital is committed to and will uphold the following VPSC principles in applying this policy:

Public interest: individuals have a duty to place the public interest above their private interests when carrying out their official functions. They will not accept gifts, benefits or hospitality that could raise a perception of, or actual, bias or preferential treatment.

Individuals do not accept offers from those about whom they are likely to make business decisions.

Accountability: individuals are accountable for:

- declaring all non-token offers of gifts, benefits and hospitality;
- declining non-token offers of gifts, benefits and hospitality, or where an exception applies under this policy, seeking approval to accept the offer; and the responsible provision of gifts, benefits and hospitality.



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## 4. Definitions:

### **Token offer:**

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:**

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 reported, in writing to the CEO.

## 5. Management of offers of gifts, benefits and hospitality

### **Gifts from Patients or Residents**

- ◆ Staff may accept 'token' gifts from patients or residents on special occasions such as Christmas and birthdays, as an expression of gratitude or where a refusal would genuinely offend the patient or resident. .
- ◆ In all other circumstances staff are not to accept gifts from patients or residents.
- ◆ If the gift is money or personal property offered by a patient or resident who is known to suffer from dementia, the Department Head may discretely return such items to the patient or resident.
- ◆ In all other instances the Department Head should inform the Chief Executive Officer of the gift.
- ◆ The Chief Executive Officer, upon consideration of the specific circumstances, will determine an appropriate course of action which may include the following:
  - Allowing the employee to keep the gift;
  - Returning the gift to the patient or resident;
  - In the case of monetary gifts, donating the amount to the staff or other Hospital fund; or
  - Any other action deemed suitable.

### **Gifts from Other Persons**



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- ◆ Token gifts offered in connection with performing an official duty (for example for a presentation at a seminar or function) may be accepted.
- ◆ Employees may accept moderate hospitality if they are officially representing the Hospital at a function approved by the Chief Executive Officer, or if they are invited to normal festive season functions.
- ◆ In all other instances where a gift or benefit is offered, employees should inform the Chief Executive Officer, who will determine an appropriate course of action upon consideration of the specific circumstances.
- ◆ If a gift or contribution is from a Philanthropic Institution or Fund the contribution is to be acknowledged with a CMH official receipt and monies received to be credited towards the principal purpose of the 'Fund' and in accordance with Deductible Gift Recipient (DGR) Income Taxation rulings.

**Casterton Memorial Hospital will adhere to the following minimum accountabilities:**

**1. CMH employees, executives or board members offered gifts, benefits and hospitality:**

- 1.1 Will not, for themselves or others, seek or solicit gifts, benefits and hospitality.
- 1.2 Will 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.
- 1.3 Provide a written account of all non-token offers (valued at \$50 or more) of gifts, benefits and hospitality (whether accepted or declined) to the CEO for written approval to accept any non-token offer.
- 1.4 Refuse bribes or inducements and report inducements and bribery attempts to the CEO (who should report any criminal or corrupt conduct to Victoria Police or the Independent Broad-based Anti-corruption Commission).

**2 CMH employees, executives or board members offering gifts, benefits and hospitality:**





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- 2.1 Will 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.
- 2.2 Will ensure that any costs are proportionate to the benefits obtained for the State, and would be considered reasonable in terms of community expectations.
- 2.3 Will 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.
- 3. Casterton Memorial Hospital Board of Management and Chief Executive Office will adhere to the following minimum accountabilities:**
  - 3.1 Establish, implement and review organisational policies and processes for the effective management of gifts, benefits and hospitality that comprehensively address these minimum accountabilities.
  - 3.2 Maintain a record of gifts, benefits and hospitality offered to CMH employees, executives and board members that, at a minimum, records sufficient information to effectively monitor, assess and report on these minimum accountabilities.
  - 3.3 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.
  - 3.4 Report at least annually to CMH Audit Committee on the administration and quality control of its gifts, benefits and hospitality policy, processes and register.
  - 3.5 Publish CMH's gifts, benefits and hospitality policy and a record of gifts/benefits received on CMH's public website. The published record (CMH Annual Report) should cover the current and the previous financial year.

*Reference: Gifts, Benefits and Hospitality Policy Framework" Victorian State Services Authority, Victorian Public Sector, 2012*

*Income Tax Assessment Act 1997 (Cwlth)*

| Category (See CMH Policy) | Risk Rating |
|---------------------------|-------------|
|---------------------------|-------------|



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|  |            |
|--|------------|
| Likelihood of Adverse Event occurring. ( <i>Almost Certain, Likely, Possible, Unlikely, Rare</i> ) | Unlikely   |
| Consequence ( <i>Insignificant, Minor, Moderate, Major, Extreme</i> )                              | Minor      |
| Overall Risk Rate ( <i>Extreme, High, Medium, Low</i> )  | Low        |
| Monitoring Method (audit, survey, KPI, Clinical Indicator, Incident reports)                       |            |
| Associated Standard (NSQHS)  | Standard 1 |

Signed Off:

Chief Executive Officer

Date:

24/1/18

**Author:**

**Validated:**

**Approved:**

**Initial Compilation:**

**Current Review Completed:**

**Next Review Due:**

**Distribution:**

**File:**

Barb Toma, AOG

Owen Stephens – Chief Executive Officer

Audit Committee

June 2004 (Acceptance of Gifts)

December 2017 (Gifts, Benefits & Hospitality Policy)

December 2020

All Departments

CentralAccess/AccredMasters/HospitalPolicy/ Index - G

