

Gifts and Hospitality Policy

Policy/policies relating to when it is appropriate to accept gifts or hospitality and when it should be declined. It also outlines how to declare, record and handle any gifts or hospitality accepted or declined.

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Gifts and Hospitality

Policy Statement

1. All Treasury staff are required to be fair, impartial, responsible and trustworthy, and act in a way that maintains public confidence in the Treasury and the wider State sector. Consequently, Treasury staff must avoid any situation where actions they take in an official capacity could be seen to be influenced by their private interests or to create an actual or perceived obligation to another party. Treasury staff must be very careful about accepting gifts or hospitality from external parties and always be aware of the public perception that can result from doing so.
2. The general policy position is that gifts **will not be** accepted unless the gift has a value less than \$50 or refusal would cause embarrassment or offence. Hospitality **will not be** accepted unless the business benefit to the Treasury exceeds any private benefit.

Purpose of this Policy

3. This policy explains the principles and procedures for Treasury staff to follow when considering whether to accept or decline gifts or hospitality. It also explains what to do when gifts and hospitality are accepted.
4. Failure to comply with the principles of this policy may be considered misconduct under the Treasury's Code of Conduct and may result in disciplinary action.

Who the Policy Covers

5. This policy applies to all Treasury staff. A detailed definition of Treasury staff is outlined in the Definitions section of this policy.
6. This policy does not apply to gifts or hospitality that Treasury staff may be offered that do not relate to their role at the Treasury, i.e. through other associations they may have (e.g. alumni), family or personal associations; or through a role in a professional association.

General Principles

7. Treasury staff are expected to apply the following principles to all offers of gifts or hospitality:

Principle 1: Treasury staff should not accept gifts or hospitality unless there is a clear business benefit to the Treasury that exceeds any private benefit.

8. A business benefit to the Treasury is one that furthers the Treasury's business, relationships and interests. The benefit must be identifiable and able to be recorded if required. If in doubt as to whether there is a business benefit, staff should err on the side of openness and caution, consult with a manager and refuse the gift or hospitality.

Principle 2: Treasury staff must refuse all gifts or hospitality that could reasonably be seen or perceived as undermining the integrity of individual Treasury staff, the Treasury or the wider State sector.

9. Treasury staff must refuse gifts or hospitality that could reasonably be seen as creating a real or perceived obligation or influence, or undermining the integrity of the Treasury or the wider State sector. The Appendix provides further guidance on how to apply this principle.

Unacceptable Gifts and Unacceptable Hospitality

10. The table below outlines situations where gifts or hospitality must always be declined:

Unacceptable Gifts and Hospitality
<ul style="list-style-type: none"> • Money, gift vouchers, shares, or similar items.
<ul style="list-style-type: none"> • Items where a direct instruction has been given by the Secretary to the Treasury or the State Services Commissioner that they should not be accepted (e.g. Rugby World Cup tickets).
<ul style="list-style-type: none"> • During a procurement, tendering or similar situation where the Treasury is likely to be making decisions involving the external party offering the gift or hospitality; and • the Treasury staff member offered the gift or hospitality is, or could reasonably be perceived to be, in a decision making position or position of influence; and • the offer is made during the time that procurement, tendering or similar is taking place.

11. In cases of continuous procurement, such as an ongoing panel of preferred providers, it is unacceptable to accept gifts or hospitality during the time that the panel is being established, or when providers are under consideration for specific jobs.

Applying the Policy

12. If the above principles are met and the gift or hospitality is considered acceptable, then the following process should be followed:

Recording offers

13. All offers of gifts or hospitality with a value of \$50 or more must be recorded on the register, regardless of whether they are accepted or not. Offers worth under \$50 are not required to be recorded but staff with concerns about such an offer should consult their manager.
14. The register can be found at: <http://treasury-gifts>. The details that are required to be recorded in the register and the responsibilities for the processes supporting completion and review of the register are outlined in the Appendix.
15. If the value of a gift or hospitality is unclear, staff should ask the external party or (if asking would cause embarrassment or offence) discuss with their manager or Finance.

Approving hospitality

16. After applying the principles outlined above, responsibility for who may approve hospitality is set out in the following table. Generally, offers of working meals may be accepted if they are consistent with the principles. However, offers of hospitality other than working meals worth \$50 or more must be approved by all the relevant line managers up to the Deputy Chief Executive. Examples of such offers include tickets to concerts or sporting events.

Individuals may accept:	Manager approval for:	Manager and DCE approval for:
<ul style="list-style-type: none"> • All hospitality under \$50. • Hospitality involving <u>working meals</u> worth up to \$100 (note manager approval requirements for frequent offers). 	<ul style="list-style-type: none"> • Hospitality involving <u>working meals</u> worth \$100 or more. • Before an individual accepts hospitality worth over \$50, more than four times in 12 months from the same external party. 	<ul style="list-style-type: none"> • Hospitality <u>other than working meals</u> worth over \$50.

Approving gifts

17. After applying the principles outlined above, individual Treasury staff members can determine whether to accept gifts with a value of less than \$50. If accepting such a gift, the general expectation is that it will be shared with others in the Treasury (eg, a bottle of wine). If the gift cannot be shared, it can be kept by the individual (eg, a commemorative pen).
18. In general, gifts worth more than \$50 **should not be** accepted because they are unlikely to be of business benefit to the Treasury.
19. If refusing or returning a gift is not practically possible or would cause embarrassment or offence to the external party (eg, if the gift is received from a foreign delegate and it would be impolite to return it), the gift must be entered onto the register, and surrendered to the Treasury as soon as possible. A Deputy Secretary must decide on how to dispose of the gift, or the Deputy Chief Executive if a Deputy Secretary receives the gift. Disposal options are outlined in the Appendix.
20. Any accepted gifts belong to the Treasury and may not be sold or exchanged.

Recording and Reviewing the Register

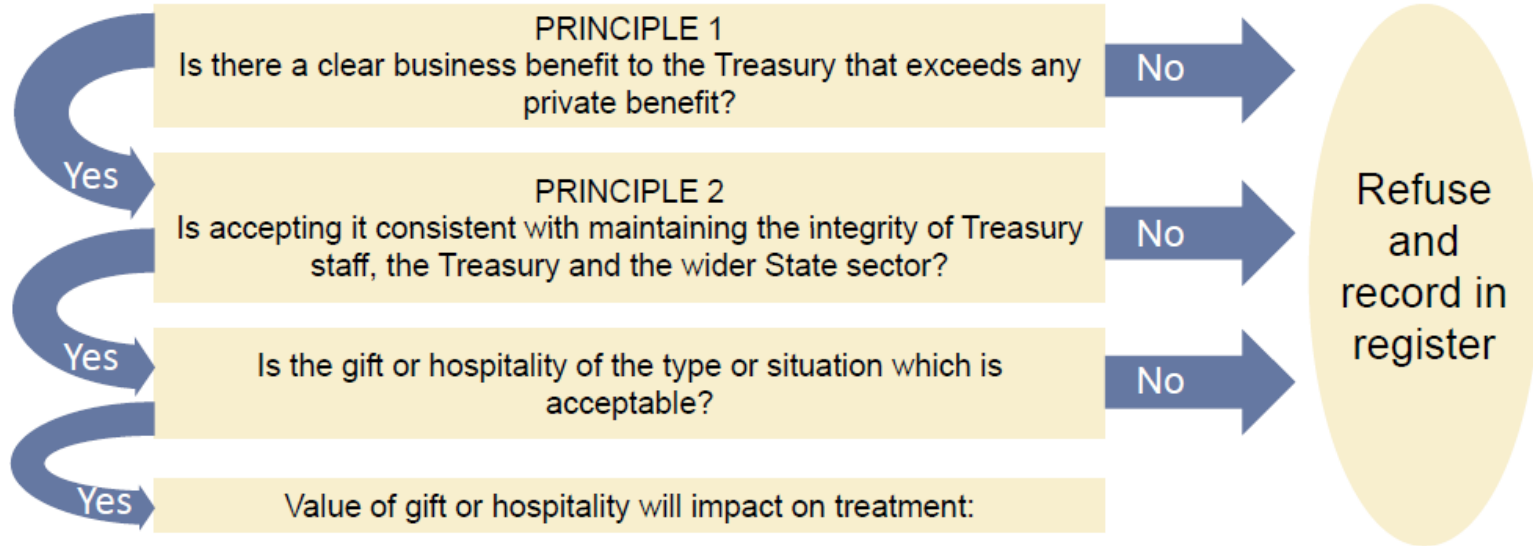
21. The Treasury staff member who has been offered a gift or hospitality is responsible for recording this in the register. Deputy Secretaries will be provided with a list of entries made by those in their portfolios each month, for review and sign-off. Further details on the review process are outlined in the Appendix.

Further Guidance

22. This policy should be read in conjunction with all other Treasury policies, in particular, the conflicts of interest policy <http://intranet/policies/conflictinterest.htm>.
23. For further guidance, please refer to the following material from the State Services Commission and the Office of the Controller and Auditor-General.

Name of Guidance	Published By	Date	Website link
Guidance on acceptance of gifts, benefits and gratuities	State Services Commission	October 2002	http://www.ssc.govt.nz/guidance-acceptance-of-gifts
Standards of Integrity and Conduct	State Services Commission	June 2007	http://www.ssc.govt.nz/code
Understanding the Code of Conduct	State Services Commission	April 2010	http://www.ssc.govt.nz/code-guidance-stateservants
Implementing the Code of Conduct	State Services Commission	October 2010	http://www.ssc.govt.nz/code-resources-organisations
Managing Conflicts of Interest: Guidance for Public Entities (Good Practice Guide)	Controller and Auditor-General	June 2007	http://www.oag.govt.nz/2007/conflicts-public-entities
Controlling Sensitive Expenditure: Guidelines for Public Entities	Controller and Auditor-General	February 2007	http://www.oag.govt.nz/2007/sensitive-expenditure

Have you been offered a gift or hospitality by an external party in connection to your role at the Treasury?



	Less than \$50	\$50 up to \$100	\$100 or more	DCE approval
Hospitality	Use personal judgement as to whether to accept.	Use personal judgement for working meals. Manager approval required where hospitality has been accepted from the same external party more than four times in 12 months.	Seek approval from your manager for working meals.	Seek approval from all relevant line managers and the DCE to accept <u>hospitality other than working meals</u> worth \$50+.
	No entry in register.	Record in register.	Record in register.	Record in register.
Gifts	Use personal judgement as to whether to accept. Share within Treasury if possible.	Decline unless refusal would offend/embarrass. Accepted gifts to be surrendered to Finance with decision by DS/DCE on action.	Decline unless refusal would offend/embarrass. Accepted gifts to be surrendered to Finance with decision by DS/DCE on action.	-
	No entry in register.	Record in register.	Record in register.	-

Definitions

- a. A “**business benefit**” to the Treasury is one that furthers the Treasury’s business, relationships and interests.
- b. An ‘**external party**’ is any individual or organisation other than the Treasury, whether private or state sector. When an external party has a business model that segregates different business products or national boundaries, these can be treated as different external parties.
- c. A ‘**gift**’ is any physical (tangible) item or service offered to Treasury staff in association with their work or their role at the Treasury. Examples include, but are not limited to:
 - a bottle of wine
 - a box of chocolates
 - money, vouchers or shares
 - corporate stationery
 - a ticket to a sporting, cultural or other entertainment event not hosted by the external party, and
 - the provision of favourable prices and/or terms on services or products that are not available to all Treasury staff.
- d. “**Hospitality**” is any benefit offered to Treasury staff in association with their work or their role at the Treasury. Examples include, but are not limited to:
 - working meals, including restaurant meals and drinks
 - cocktail functions
 - an invitation to attend a sporting, cultural or other entertainment event hosted by the external party making the offer, and
 - the external party meeting the costs of accommodation and travel associated with an invitation to a sporting, cultural or other entertainment event.
- e. The “**register**” refers to the gift and hospitality register on which all offers (whether accepted or declined) of gifts or hospitality with a value of \$50 or more are required to be entered.
- f. “**Treasury staff**” means the following groups:
 - Treasury employees, including those on all types of leave except those on leave without pay
 - Treasury employees on leave without pay if carrying out the Treasury’s business
 - secondees to the Treasury
 - contract and temporary staff, and
 - families of Treasury staff when there is a clear link between the offer of gifts or hospitality to them and the duties of the Treasury staff member,

but excludes:

- non-executive Board and Committee members, unless carrying out the Treasury's business
 - consultants who only provide advice and do not make decisions on the Treasury's behalf
 - Treasury employees on leave without pay and
 - secondees away from the Treasury (who are expected to comply with their 'host' agency's gifts and hospitality policies).
- g. A “**working meal**” means a meal (at any time of the day) with an external party, where the main purpose is business-related, with specific business objectives relating to the Treasury's outcomes. The provision of food and beverages by the third party should be incidental to that main purpose.

Appendix

Assessing whether the gift or hospitality could reasonably be seen or perceived as undermining the integrity of individual Treasury staff, the Treasury or the wider State sector

- a. In assessing whether gifts or hospitality might be perceived as undermining the integrity of the Treasury staff, the Treasury or the wider State sector, Treasury staff should consider how a reasonable member of the public, having only a general understanding of the Treasury's business and interests, might view accepting that gift/hospitality. This will include, but is not limited to, an assessment of:
 - the perceived value of the gift/hospitality
 - the perceived personal benefit obtained by the Treasury staff member
 - whether the public might have cause to think there is a conflict of interest (whether actual or perceived), and
 - whether the public might have cause to think that the Treasury or the Treasury staff member is or may become improperly influenced or obliged.
- b. They should also have regard to:
 - the nature of the gift/hospitality (including the time involved and any entertainment value inherent in it)
 - frequency (including any patterns)
 - the timing of the gift/hospitality
 - the proportionality between the gift/hospitality offered and the Treasury's business benefit
 - the nature of the relationship between the Treasury staff member and the external party, and
 - the potential for the situation to be misconstrued by the public if accepted.
- c. In situations of procurement and tendering, Treasury staff members and managers must have particular regard to whether accepting might lead the public to believe that the Treasury's or the Treasury staff member's independence might have been compromised.

Details Recorded in the Register

- d. The register records the following information:
 - Date
 - Name
 - Title
 - Team
 - Portfolio
 - External party offering the gift/hospitality
 - Gift/hospitality – drop down menu
 - Description of gift/hospitality
 - Reason for gift/hospitality being offered (if known)

- Estimated value
- Accepted/declined – drop down menu
- Reasons for accepting/declining and, if accepted, who approved the acceptance
- If a gift has been accepted, how the gift has been dealt with
- Confirmation that this policy has been read and that acceptance is in compliance with the policy
- Other comments
- iManage link for manager's or Deputy Chief Executive's approval
- iManage link for review

Recording and Reviewing the Register

- e. It is the responsibility of the Treasury staff member who has been offered a gift or hospitality to record it in the register. This must be done prior to receipt of the gift or hospitality, or, if not practical, within a week of receipt of or declining the gift or hospitality. The Treasury staff member is also responsible for updating any entries as information becomes available.
- f. The register will be available for viewing by all Treasury staff, and will be proactively released to the public at least annually in accordance with Official Information Act and privacy principles.
- g. Finance will provide monthly to each Deputy Secretary a list of entries made by those in their portfolios, for review and sign-off that they have seen the entries, are satisfied that they comply with this policy or, if any entries are not in compliance with this policy, that appropriate action has been taken. Any action taken should be noted on the scanned iManage file. These signed off lists will be scanned and saved into iManage and a link held on the database. Once these reviews have been finalised, a full version will be provided to the Executive Leadership Team for their information.
- h. The register will also be available for review by the Treasury's internal audit and external auditors.

Disposing of Surrendered Gifts

- i. When a Treasury staff member surrenders a gift with a value of \$50 or more, a Deputy Secretary or the Deputy Chief Executive will decide on an appropriate way to dispose of the gift, which may include:
 - returning the gift
 - using the gift for wider Treasury activities (eg social events)
 - keeping the gift for display at the Treasury, or
 - donating the gift to charity.