

AUDITOR-GENERAL'S REPORT TO PARLIAMENT MANAGING GIFTS AND BENEFITS

Minimum standards minimise risk

Gifts are a feature of business and it is not uncommon for public servants to be offered gifts.

"Few people are likely to be concerned at the nurse receiving a bunch of flowers or teacher receiving a Christmas gift from a student. But agencies need to tread carefully if they allow staff to be guests in a corporate box, accept tickets to the theatre or keep expensive whisky or wine", said Mr Achterstraat.

"Public servants should never solicit personal gifts or accept any payment, gift or benefit intended or likely to influence them to stray from their official duties", he added

To avoid public servants receiving inappropriate gifts or benefits there must be strong oversight, minimum standards and complete records of what has been accepted and declined along with sufficient information to support decisions.

Each NSW Government entity I examined had a gift and benefit policy, kept records of gifts declared by staff, and displayed elements of better practice.

However, we found shortcomings in the way gifts and benefits were recorded.

"None of the five entities I examined had sufficient information to demonstrate that all gifts were dealt with appropriately. Some did not ask about the reason for the gift or the relationship between the giver and the recipient. And not all required conflicts of interest to be disclosed", said Mr Achterstraat.

We found that some agencies did not require staff to declare the gift offers they declined. Staff also need more structured and regular formal training on how to handle gift offers.

"I am not advocating a one-size-fits-all approach. Rather, the Public Service Commissioner should set out minimum standards for agencies to incorporate in their own policies and procedures. My report provides a basis for such minimum standards", said Mr Achterstraat.

"I am in no doubt that there is scope for many public sector agencies to improve their gifts and benefits policies, communication and registers" he continued.

In setting their policies, agencies need to be mindful that perceptions are critical.

"Some gifts say thank you, while others say please. When they say please, under no circumstances should they be accepted", said Mr Achterstraat. "The intention may be clear and innocent but the perception may be otherwise", he added.

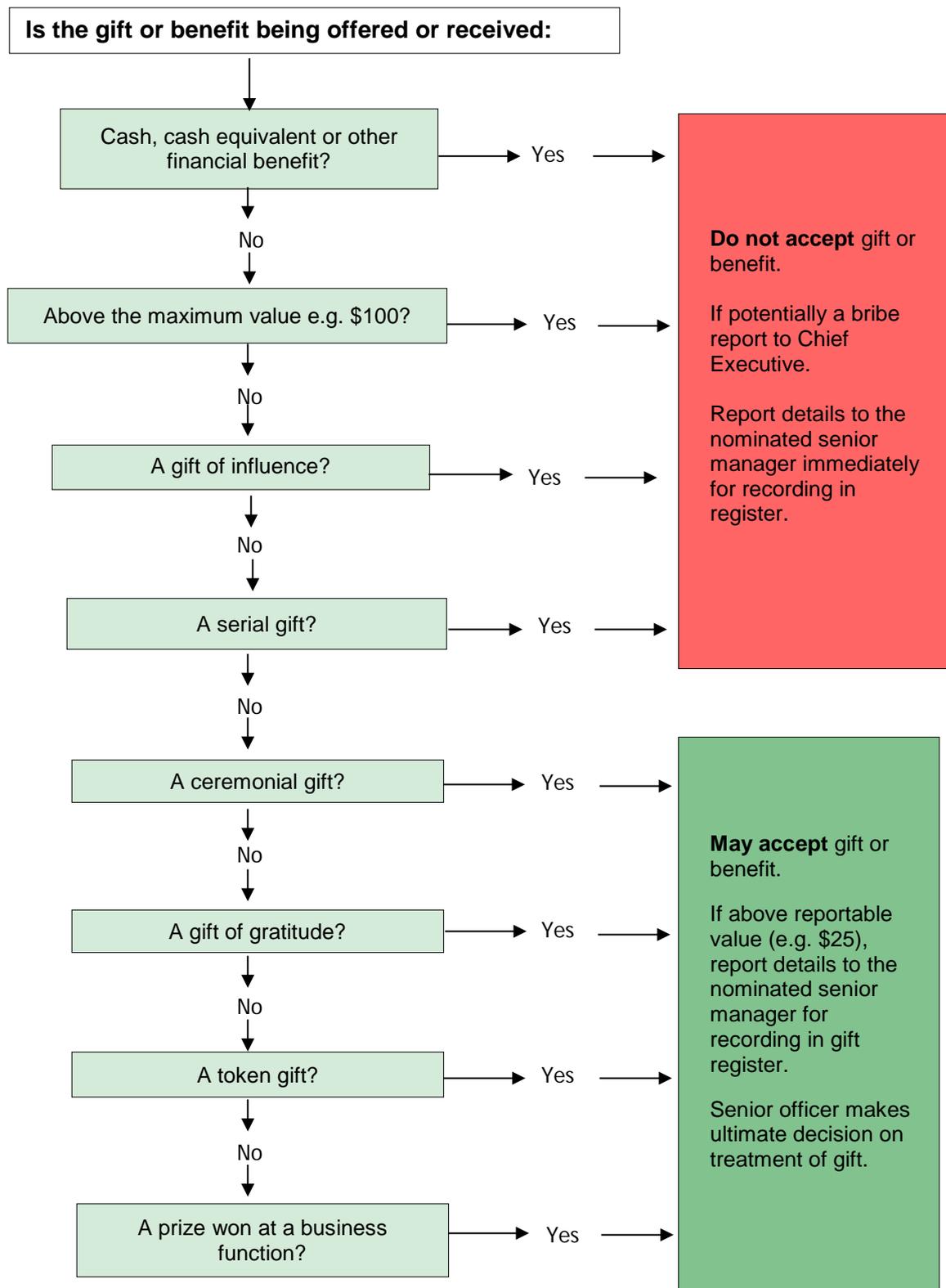
We identified some gifts that warranted further review by the entities. These included:

- tickets to a Sydney Cricket Ground suite for a cricket match
- basket with wine and Christmas ornaments
- guest room at upmarket hotel with breakfast included
- tickets to the theatre
- two bottles of upmarket whisky and two cartons of beer
- orchid valued at \$220 displayed at reception
- boxed bottle of wine and wine related implements.

Further information

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Possible decision flow chart for gifts and benefits



Note:

- A gift is an item of value (e.g. gift voucher, entertainment, hospitality, travel, commodity, property etc.) which one person or organisation presents to another.
- A benefit is a non-tangible item of value (e.g. a new job or promotion, preferential treatment or access to confidential information etc.).