

# **Gifts and Hospitality Policy and Procedures**

January 2014



Human Resources

# Contents

- 1. AIMS AND OBJECTIVES ..... 3
- 2. DEFINITION ..... 3
- 3. LEGAL CONTEXT ..... 3
- 4. THE POLICY ..... 3
- 5. THE PROCEDURE ..... 6
- 6. ROLES AND RESPONSIBILITIES ..... 6
- 7. LINKS TO OTHER POLICIES ..... 7

## **1. AIMS AND OBJECTIVES**

This policy operates in conjunction with the council's Code of Conduct for employees, disciplinary policy and the anti-fraud and bribery policy. It sets out clear advice in relation to the behaviour of employees if they are offered gifts or hospitality.

A clear policy on the acceptance of gifts and hospitality and a transparent gifts and hospitality register play an important role in ensuring the maintenance of standards and compliance with the Nolan Committee's seven principles of public life.

The Bribery Act 2010 requires the council to have an adequate framework in place to prevent corruption. This policy forms part of the framework.

The policy and procedure applies to all permanent and temporary employees of the council. Any breach of this policy could lead to disciplinary action and may constitute gross misconduct.

## **2. DEFINITION**

The gifts and hospitality policy sets out the council's standards for the acceptance or refusal of gifts and hospitality offered to, or received by, the employee or members of their family.

## **3. LEGAL CONTEXT**

The Bribery Act 2010 makes it an offence to seek, accept or agree to accept a financial or other advantage as an inducement or reward to perform a function improperly. In simple terms, for public employees, agency and contracted staff it is a crime to seek or accept a financial or other advantage in return for making a decision, granting an award or performing any other public function, regardless of what decision is made. The maximum sentence for a bribery offence is 10 years imprisonment.

The Bribery Act 2010 also makes it an offence for employees to offer or pay bribes and both the individual and the organisation may be prosecuted.

The Local Government Act 1972 makes it an offence for employees to accept any fee or reward (including gifts) for their employment other than their proper pay, and on conviction employees are liable to be fined.

## **4. THE POLICY**

The general expectation with regard to gifts and hospitality is set out in the employee Code of Conduct. The relevant extract is outlined below:

- avoid corruption and the suspicion of it
- do not ask for, or accept, bribes of any sort
- never seek or take any reward or favour for providing council services apart from

- your pay
- do not take a reward from anyone who has, or might have, a business relationship with the council, or anyone who stands to lose or gain from a council decision
- do nothing that could be seen as likely to improperly influence your work, your decisions or your impartiality
- comply with the council's policy on gifts and hospitality
- tactfully refuse any gifts of more than token value from an organisation or individual with which the council does, or may do, business
- do not accept hospitality exceeding a minimum level of common courtesy from an organisation or individual with which the council does, or may do, business other than in accordance with the council's policy on gifts and hospitality
- record any offers of gifts and hospitality.

The council's standard is that:

- all offers of financial reward of whatever amount to employees / agency / interim staff or to members of their family must be refused
- all offers of an advantage which could be construed to have any financial value to employees / agency / interim staff or to members of their family must be refused
- all offers of gifts other than those of a token value (set out in section 4) to employees / agency / interim staff must be refused
- all offers of hospitality to employees / agency / interim staff, other than in those circumstances set out in section 4, must be refused.

Whilst in some cases the intention in making an offer may not have been corrupt, it is likely to be inappropriate to professional relationships in the public sector owing to the danger of undue influence in decision making. The acceptance of such offers may also invite suspicion about the honesty and integrity of the council or its employees and lead to accusations against them of corruption or improper motives.

Examples of gifts which are considered by the council to be of a token monetary value include:

- Inexpensive pens
- Pocket diaries
- Calendars
- Cheap promotional material from a supplier/contractor, i.e. coasters, post-it notes
- Cheap consumable goods e.g. boxes of chocolates which may be shared with the team.

These gifts may be accepted and their refusal/acceptance does not need to be recorded in the register.

There may be occasions when a gift is offered and refusal would cause offence, for example if it is offered by a delegation from an overseas government/department and the expected norm is to give a gift. In such circumstances the gift may be accepted on behalf of the council. The gift must be retained for use by the council or department to which it was given. A record must be made in the register.

Examples of gifts which are considered not to be of a token monetary value and must be refused, include:

- Free membership or subscriptions (i.e. sports or other clubs)
- Event/theatre/concert/opera tickets
- Free travel/holiday accommodation
- Bottles of alcohol.

These gifts must not be accepted and their refusal needs to be recorded in the register.

Examples of hospitality which may be accepted include:

- A working meal provided to allow the council to discuss, or to continue to discuss, business with an organisation. The hospitality may be provided by organisations with whom the council does business;
- Hospitality offered at an event where an employee needs to receive or give information or represent the council;
- An invitation from an established or prospective contractor/partner to a product/service demonstration where other local authorities are represented;
- An invitation to attend a function of a recognised professional association or institute where the invitation is made by a private organisation;
- Offers of hospitality at a social/sporting occasion if these are genuinely part of the life of the community, or the council should be seen to be represented and where there is a clear benefit to the council and/or to the community. It should also be established that there is no conflict of interest;
- On occasion, the council is provided with tickets to events at Wembley Stadium. These are allocated amongst the council by ballot. Media and External Relations will make a single, annual declaration of these tickets on behalf of the council, and this will represent management approval. Where a conflict of interest is identified, those employees will not be eligible for entry into the ballot.

These examples of hospitality may be accepted with management approval and a record must be made in the register.

There are levels of hospitality which may be offered by an organisation / company / person with whom the council does or may do business or who is seeking a decision from the council which must be refused.

Examples of hospitality which must be refused include:

- Extravagant and/or frequent meals;
- Hotel vouchers, use of company flat or hotel suite offered in connection with attendance at a meeting, function or event.

There may be occasions where hospitality exceeding a minimum level of common courtesy may be accepted if it helps to further the council's interest. In such cases, approval of the relevant line manager is required. In the case of the Chief Executive, approval must be given by the Leader. Approval must be recorded in the register.

If an employee is in any doubt as to the integrity of the offer of a gift or hospitality, it should be refused even if this policy would otherwise permit its acceptance.

## **5. THE PROCEDURE**

- The council operates an electronic register of gifts and hospitality. An e-form is available and this is to be completed by the employee as soon as practicable after the offer is made, refused or accepted. All approaches must be recorded within fifteen working days.
- Any documentation, i.e. email, letter is to be electronically appended to the register entry.
- If appropriate, entries will form part of a workflow system and be authorised/reviewed by the relevant manager.

## **6. ROLES AND RESPONSIBILITIES**

- CMT members are responsible for monitoring the consistent application and use of the policy in their service areas on a quarterly basis, and addressing any concerns.
- Audit is responsible for monitoring the application of this policy on an annual basis. This will be undertaken by Audit reviewing registers held in service areas and raising any concerns in respect of the application and consistent use of the policy.
- Audit will report to CMT and the HR Improvement Group on an annual basis.
- Operational directors must ensure that all their staff, including permanent, temporary, interim and agency are fully aware of their responsibilities in relation to the treatment of offers of gifts and hospitality.

Employees must make a record, in a format which may be prescribed from time to time by the council of any offer of gifts, hospitality, financial reward or advantage. The record will include:

- the name of the employee to whom the offer was made
- the date the offer was made
- who made the offer
- how the offer was made together with a copy of any material in which the offer was made
- the date of refusal
- a record of return or disposal of the item if relevant
- if accepted, the date accepted and the name of the manager whose authority was obtained for the acceptance
- the rationale for accepting the item.

The record must be made as soon as practicable after the offer was made and no later than fifteen working days.

Where an employee is in any doubt about accepting a gift/hospitality this should be discussed with their manager prior to acceptance.

Where cash/monetary gift, or some other gift above a token monetary value has been delivered to a workplace the relevant supplier must be contacted and return of the item arranged. A record should be made in the register of this and the actions taken to arrange return and the date of return. If an item cannot be returned, i.e. is perishable or the identity of the supplier is not known, it should be offered to the Mayor's Charity and a record of this made in the register. The employee will be required to obtain a receipt of the donation and append this to the register entry.

Failure to comply with the requirements of the gifts and hospitality policy may result in disciplinary action.

## **7. LINKS TO OTHER POLICIES**

- [Code of Conduct](#) for employees
- [Anti-Fraud and Bribery Policy](#)
- [Disciplinary Policy and Procedure](#)