

**REPORT TO:** Cabinet

**MEETING DATE:** 11 November 2014

**BY:** Depute Chief Executive (Resources and People Services)

**SUBJECT:** Policy on Acceptance by Employees of Gifts and Hospitality

---

## **1 PURPOSE**

- 1.1 There was a need to revise the Council's Policy on acceptance by employees of gifts and hospitality to clarify the legal position, to provide more guidance and to introduce a form to make it easier for any gifts and hospitality to be recorded.

## **2 RECOMMENDATIONS**

- 2.1 Cabinet is asked to note the revisions to the Council Policy on acceptance by employees of gifts and hospitality to ensure that managers and employees are clear on the legal and Council position regarding gifts and hospitality and to make it easier for any gifts etc, received to be recorded.

## **3 BACKGROUND**

- 3.1 The previous Policy on acceptance by employees of gifts and hospitality has been revised to clarify the legal position for employees and managers, to provide more detailed guidance and to introduce a form to make it easier for any gifts and hospitality to be recorded. The draft Policy was made available for consultation by employees and the Trade Unions and some employee comments regarding competitions, prize draws etc., have been incorporated.
- 3.2 In summary the main changes to the Policy are:
- More detail on the legal position with regards to gifts, prizes and hospitality.
  - Fuller guidance being included for Managers and employees.

- The introduction of a form to simplify the recording of any gifts or hospitality received.

#### **4 POLICY IMPLICATIONS**

- 4.1 The changes to this Policy simplify the procedure for any gifts or hospitality received to be recorded with the introduction of a form for this purpose.

#### **5 EQUALITIES IMPACT ASSESSMENT**

An Equalities Impact Assessment has been carried out for this Policy and no detrimental impact to any group has been identified.

#### **6. RESOURCE IMPLICATIONS**

- 5.1 Financial – There will be no additional costs to the Council
- 5.2 Human Resources – The trades union and employees have been consulted on the changes to the policy.
- 5.3 Other - N/A

#### **6 BACKGROUND PAPERS**

Nil

<b>AUTHOR'S NAME</b>	Paul Ritchie
<b>DESIGNATION</b>	HR Business Partner
<b>CONTACT INFO</b>	Ext7767
<b>DATE</b>	30 October 2014

# **POLICY ON ACCEPTANCE BY EMPLOYEES OF GIFTS AND HOSPITALITY**

## **SECTION**

- 1. INTRODUCTION**
- 2. PRINCIPLES**
- 3. LEGAL POSITION**
- 4. GUIDANCE**  
GIFTS  
HOSPITALITY
- 5. RECORDING GIFTS AND HOSPITALITY**

**APPENDIX 1 – FORM FOR RECORDING GIFTS  
AND HOSPITALITY**

## 1. INTRODUCTION

- 1.1 Your working relationships may bring you into contact with outside organisations where it may be business practice or social convention to offer hospitality or gifts. Offers of this kind to you or your family can place you in a difficult position. To refuse may cause misunderstanding or offence but to accept could involve criminal liability or otherwise give rise to questions of impropriety, obligation or conflict of interest.
- 1.2 The correct course to be followed will be determined by the context in which the offer is made. This Policy sets out the guiding principles on the acceptance of gifts; the law in relation to corrupt receipt of gifts; gives specific guidance on certain illustrative types of situation and how Employees can conform with the general principles and rules in relation to the acceptance of gifts in those circumstances; and how gifts and hospitality that are accepted are to be recorded. Notwithstanding the detail of this policy, if your role within the Council involves making procurement decisions, awarding contracts or making regulatory decisions, you should be particularly aware of the perception of bias or favour and should err on the side of caution when deciding whether or not to accept any gifts or hospitality.

## 2. PRINCIPLES

- 2.1 The Nolan principle for Conduct in Public Life should be observed and adhered to by all Council employees acting in the course of their duties. These are set out below:

**Selflessness:** Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.

**Integrity:** Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.

**Objectivity:** In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

**Accountability:** Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

**Openness:** Holders of public office should be as open as possible about all the decisions and actions that they take. They should give

reasons for their decisions and restrict information only when the wider public interest clearly demands.

**Honesty:** Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

**Leadership:** Holders of public office should promote and support these principles by leadership and example.

- 2.2 Council employees should comply with this Policy in the conduct of their duties to ensure that these principles are upheld and that the public can have confidence that actions and decisions by Council employees have been taken on merit in the best interests of the Council and of the public. Your conduct must not foster the suspicion of any conflict between your official role and your private interest.

### **3. LEGAL POSITION**

- 3.1 It is an offence under the Prevention of Corruption Act 1906 for a Council employee in their official capacity to corruptly accept any gift or consideration as an inducement or reward for doing or refraining from doing anything or showing disfavour or favour to any person.
- 3.2 Under the Prevention of Corruption Act 1906 any money, gift or consideration received by a Council employee from a person or organisation holding or seeking to hold a contract with the Council will be deemed by the courts to have been received corruptly, unless proved to the contrary.
- 3.3 In terms of the Bribery Act 2010, an offence will be committed if any person offers a Council employee a financial or other advantage where the gift is offered with the intention of persuading the employee to perform his or her function in an improper or impartial manner or in bad faith.
- 3.4 Accordingly, when offered a gift or hospitality you must consider whether accepting it could give rise to real or substantive personal gain or a reasonable suspicion of influence on your part to show favour or disadvantage to any individual or organisation. You should also consider whether there may be any reasonable perception that any gift received by a member of your family can or would influence your judgement. The term "gift" includes benefits such as provision of services at a cost below that generally charged to members of the public.
- 3.5 You are personally responsible for all decisions connected with the acceptance of gifts or hospitality and if you are in any doubt about whether or not to accept a gift or an item of hospitality you must consult the Head of Council Resources.

## 4. GUIDANCE

### 4.1 GIFTS

- 4.1.1 As a general rule it is usually appropriate to refuse offers of gifts other than where the gift is inexpensive or of a trivial nature for example calendars, mugs, etc. As a guide, gifts that have a value of more than £20 should generally be refused. All gifts that have been accepted and that have an estimated or actual value of more than £20 should be recorded in accordance with Section 5 of this policy.
- 4.1.2 Council employees who work supporting vulnerable groups or individuals should be particularly careful when deciding whether or not to accept gifts from their client group and, if unsure, should decline the gift in question.
- 4.1.3 When Council employees are aware that a client/service user intends to leave them a legacy in a will, they should decline such a legacy by reference to this policy. Should a Council employee become aware of a legacy after the death of a client/service user, they should seek advice from their Head of Service before accepting this. The Head of Service should take account of the value of the legacy relative the value of the whole estate and the context in which the legacy was left when advising the employee whether or not to accept the legacy.
- 4.1.4 Civic gifts received by an employee on behalf of the Council should be declared in accordance with Section 5 of this policy and advice should be sought from the Chief Executive as to how the gift should be displayed or stored.

### 4.2 HOSPITALITY

- 4.2.1 Taking account of the Nolan Principles and the law, as a general rule, hospitality should normally be refused other than in the following situations:-
- Incidental hospitality associated with another event, e.g. refreshments at an event, conference or seminar.
  - Normal hospitality associated with your role in the Council and which would reasonably be regarded appropriate, e.g. attending an event where your role makes your attendance appropriate. You should exercise particular caution when the hospitality is being offered by a private sector organisation.
  - Civic hospitality where you are representing the Council and there is a legitimate interest in attending the event in question.
- 4.2.2 Should an employee wish to accept hospitality that does not fall into one of the above categories, he or she must seek prior approval from their Head of Service before accepting. A Chief Officer should seek prior approval from their Line Manager. If such hospitality is accepted, this must be recorded in accordance with Section 5 of this policy. In deciding

whether it is appropriate for the employee to accept such hospitality, the Head of Service will have regard to the whole circumstances of the offer, including, but not limited to, the role the employee plays in the Council, the particular status of the party offering the hospitality, the perception of influence, conflict of interest or bias that might arise from acceptance of the hospitality and the context in which the offer is being made.

4.2.3 Any item received by a Council employee should be considered as a gift regardless of whether they were given directly by a private company or offered indirectly via a different route e.g. "won" as a prize. You should not accept repeated hospitality or repeated gifts from the same source and you should never ask for gifts or hospitality.

4.2.4 Managers are responsible for ensuring that all employees are aware of the terms of this policy and that they are regularly reminded of their responsibilities

## **5.0 RECORDING GIFTS AND HOSPITALITY**

5.1 Employees must record:-

- any gifts received that are valued at more than £20;
- any Civic gifts received on behalf of the Council; and
- any hospitality that they accept that does not fall into one of the three categories identified in Section 4 above.

5.2 The gift or hospitality in question must be recorded on the form attached to this policy, countersigned by the employee's Head of Service and submitted to the Service Manager Human Resources and Payroll.

5.3 The Council will retain a Register of Gifts and Hospitality and will update this regularly with the information submitted by officers in accordance with this Section. The contents of this Register will be regularly reported through the Members Library Service.

## **6.0 Policy Review**

6.1 This policy will be reviewed on an annual basis.

**Head of Council Resources**  
**September 2014**

**APPENDIX 1**

**FORM FOR RECORDING GIFTS AND HOSPITALITY**

<b>Employee Name:</b>	
<b>Department:</b>	
<b>Business Unit:</b>	
<b>Job Title:</b>	
<b>Head of Service:</b>	
<b>DECLARATION OF GIFT</b>	
<b>Are you declaring a gift with a value of more than £20?</b>	YES/NO*
<b>Details of Gift</b> (including description of gift, identity of party offering gift, circumstances of offer, relationship with giver of gift.	
<b>Estimated Value of Gift</b>	
<b>DECLARATION OF HOSPITALITY</b>	
<b>Are you declaring hospitality that does not fall into the categories set out in the Policy.</b>	YES/NO*
<b>Details of Hospitality</b> (including description of event/hospitality offered, identity of party offering hospitality, circumstances of offer, relationship with host.	
<b>Signed:</b> .....	<b>Print Name:</b> .....
<b>Date:</b> .....	



**FOR COMPLETION BY HEAD OF SERVICE**

Reason for approving acceptance of gift/hospitality as set out above.

<b>Signed:</b> .....	<b>Print Name:</b> .....
<b>Designation:</b> .....	<b>Date:</b> .....

**Please return completed form to the Service Manager Human Resources and Payroll.**