

COR/5

COOKSTOWN DISTRICT COUNCIL

ACCEPTANCE AND PROVISION OF GIFTS AND HOSPITALITY BY COUNCIL
STAFF POLICY



Cookstown

DISTRICT COUNCIL

COMHAIRLE CHEANTAR NA COIRRE CRÍOCHAÍ
DISTRICK COONCIL O COOKESTOUN

DOCUMENT CONTROL			
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Version	Final Version 3		
Approved by	Policies Review Group	Date Approved	19/12/2007
Approved by	Audit and Risk Committee	Date Approved	13/2/2008
Approved by	PRS Committee	Date Approved	26/03/2008
Screened by		Date Screened	
Review by		Review Date	
Distribution			

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1 Introduction

- 1.1 All Council officers are expected to observe the highest standards of conduct and should at all times be guided by the Code of Conduct for Cookstown District Council Officers.
- 1.2 The aim of this document is to support officers in meeting their obligations set out within the Code of Conduct.
- 1.3 This document brings together existing policy and provides guidance on the *acceptance and provision* of gifts and hospitality by Council officers.
- 1.4 This policy and guidance does not apply to Members, as they are bound by their own Code of Conduct issued by the Department of the Environment (DOE).
- 1.5 It is important to have clear policy and guidance governing this area as the acceptance of gifts and hospitality could be seen to compromise an officers' personal judgement or integrity, particularly if the officer is involved in procurement, awarding of grants or enforcement of regulations. In addition the expenditure of public money on gifts and hospitality is a sensitive matter which can also lead to public disapproval.
- 1.6 The aim of this policy and guidance is to protect Council officers from criticism and misunderstanding and to protect the Council from allegations of extravagance or impropriety. Compliance with the policy will help the Council demonstrate good governance and accountability.
- 1.7 As a general rule of thumb officers should ask themselves "Could this course of action be satisfactorily defended in public?" Where there is any doubt about the application of this policy and guidance, officers should consult their supervisor or the Director of Corporate Services.

- 1.8 In addition to complying with Council policy and guidance, where officers belong to a professional body, they should be guided by any rules of professional conduct set by that professional body.
- 1.9 Officers who fail to comply with this policy and guidance may be subject to disciplinary action.

2 Reference Sources

- 2.1 Council policy regarding the acceptance and provision of gifts and hospitality by officers is derived from the Code of Conduct for Local Government Employees (Appendix B).
- 2.2 The guidance set out in this document was prepared with reference to Northern Ireland Civil Service best practice as set out in Dear Accounting Officer (Department of Finance and Personnel) DAO (DFP) letter 10/06 'Acceptance and Provision of Gifts and Hospitality'.

3 Roles and Responsibilities

Officers should:

- familiarise themselves with the Code of Conduct for Local Government Employees (Appendix B)
- comply with this policy and guidance
- consult with their supervisor if in doubt as to the application of this policy and guidance
- inform their supervisor if they suspect they have been offered an expensive gift or significant hospitality with corrupt intent

Supervisors should:

- support officers in complying with this policy and guidance
- carefully consider and where appropriate, approve the acceptance and provision of gifts and hospitality in line with policy and guidance
- seek advice from the Director of Corporate Services when necessary on the application of this policy and guidance

Directors, including the Director of Corporate Services, should:

- ensure that they support officers in complying with this policy and guidance
- ensure that their staff are completing register for gifts and hospitality
- regularly review the register
- carefully consider and where appropriate, approve the acceptance and provision of gifts and hospitality in line with policy and guidance
- seek advice from the Director of Corporate Services where necessary

Director of Corporate Services should:

- provide advice on the application of this policy and guidance
- keep the policy and guidance up to date
- provide approval in line with this policy and guidance

Internal Auditor will:

- undertake periodic reviews of the registers

4 Training

All existing staff will be trained on this policy. Training will be carried out by the Corporate Services Department.

This policy will be available to all staff via the Council's publication scheme, namely Council intranet, at a central point in each service department and on request from Corporate Services Department.

5 Guidance - Acceptance of Gifts

- 5.1 The **general principle is that all gifts offered should be refused**. However seasonal, promotional or trivial gifts (such as calendars, diaries, pens etc), which bear Company names and / or logos of the provider of the gift and have a value of less than **£20** (inclusive of VAT), may be accepted by individuals without the need for these to be reported or approved. Acceptance of any other gift must be approved by management in advance and must be declared by the member of staff and recorded in the register (by completing form in Appendix A).
- 5.2 More expensive or substantial items, valued at **£20** or more and gifts of lottery tickets, cash, gift vouchers or gift cheques, cannot on any account be accepted. All gifts offered, even if they are declined / returned should be recorded in the register (by completing form in Appendix A).
- 5.3 Trade or discount cards, through which an officer might personally benefit from the purchase of goods or services at reduced prices, are classified as gifts and should be refused or returned.

Gifts received in recognition of work done

- 5.4 On no account should a gift or gratuity be solicited or requested. Where gifts by way of gratuities, vouchers or book tokens etc for presentations, training or similar occurrences are offered, then acceptance should be based on how much of the preparatory work for the event was done in the officer's own time, how much in

official time and the extent to which Council resources, other than, for example, use of an officially issued lap-top at home, were used in the preparation. The following guidelines should be applied:

- a) If the preparation was carried out entirely in the individual's own time and the event took place outside normal working hours at no expense to the Council, it would be acceptable for the individual officer to retain the whole fee, token or other gift;
- b) If, however, the preparation was done wholly in Council time with use of Council resources, no gifts or fee should be accepted unless the event is carried out outside of normal working hours when a gift or token to the value of up to £20 is acceptable; and
- c) If the preparation was carried out and the presentation etc, delivered in an officer's own time but Council facilities were used for typing, preparation of PowerPoint / overheads etc, then a gift or token to the value of not more than £20 is acceptable.

5.5 In cases where refusal of a gift is likely to offend the donor, the Council may, based on the nature, value and origin of the gift concerned, exercise discretion as to its handling and retention. Guidance should be sought from the Director of Corporate Services. Where the gift is to be accepted, the form at Appendix A should be completed and approved by the Director of the Corporate Services receiving the gift. Where acceptance is deemed necessary, it should be made clear to the donor that the gift is being accepted on behalf of the Council, not the individual. Such gifts should be recorded in the register. If this gift is money then this is receipted into the Officer's department cost allocation and a thank you note on behalf of the Council forwarded to the donor.

6 Guidance - Acceptance of Hospitality

- 6.1 The handling of offers of hospitality requires careful judgement. In determining whether or not it is proper to accept hospitality offered each individual case should be considered on its merits.
- 6.2 In general, significant hospitality should not be accepted. Significant hospitality is deemed to have a value of greater than £20 (plus VAT) per person. Where the value is unknown, consider the scale of the hospitality provided.
- 6.3 When deciding whether to accept hospitality officers should consider:
- the reason for accepting the hospitality
 - whether acceptance could be satisfactorily defended to ratepayers
 - the value / scale of the hospitality
 - the obligation that acceptance might appear to place on an officer or the Council in terms of reciprocal hospitality, business dealings etc
 - whether it provides benefits to the Council, which outweigh the risk of possible misrepresentation of the hospitality
 - the timing of the offer, bearing in mind decisions which the Council may be in the process of taking, affecting the provider of the hospitality, e.g. procurement, grant award, enforcement of regulations etc.
- 6.4 The form at Appendix A should be used to:
- request approval to accept hospitality (with a value greater than £20).
 - record declined offers of hospitality.
- 6.5 Acceptance of hospitality by officers should be approved by their supervisor. Acceptance of hospitality by Directors should be approved by the Director of Corporate Services. Acceptance of hospitality by the Director of Corporate Services should be approved by the Chief Executive. At least annually, the Director of Corporate Services will review all hospitality accepted and declined by the Chief Executive.

- 6.6 In deciding whether or not to approve the acceptance of hospitality, it is necessary to ensure that the Council is not over-represented at the function concerned.
- 6.7 As in the case of gifts, it is recognised that refusal of an invitation or offer of hospitality may cause embarrassment or appear discourteous. In such cases, prior guidance should be sought from the Director of Corporate Services.
- 6.8 The acceptance of working lunches should be recorded in the register to ensure they do not become a regular occurrence. (Complete Appendix A).

7 Guidance - Registers for Gifts and Hospitality

- 7.1 Officers should complete the appropriate form to report declined offers of gifts and hospitality / request approval to accept gifts and hospitality (Appendix A).
- 7.2 Corporate Services maintains a register to record all offers and acceptance of gifts and hospitality:
- 7.3 The purpose of the register is to counter any possible accusations or suspicions of breach of the code of conduct by staff.
- 7.4 Council officers are responsible for completing Appendix A when appropriate and forwarding the form to the Director of Corporate Services. Director of Corporate Services should ensure that the form is filed in the register.
- 7.5 The Director of Corporate Services should review the register at least annually. Evidence of this review should be documented and retained.
- 7.6 Officers should be aware that the register may be released under the Freedom of Information Act.
- 7.7 Officers should be aware that the Council's Audit and Risk Committee may wish to review the register.

8 Provision of Hospitality

8.1 *'Section 37 of the Local Government Act (NI) 1972, enables the Council to make payments towards expenses incurred in the reception and entertainment, by way of official courtesy, of distinguished persons residing in or visiting the district of the Council or persons representative of or connected with Local Government or other public services whether inside or outside the UK.'*

(b) Approvals:

Civic Hospitality

The Development Committee is responsible for approving the provision of civic hospitality. In every case the approval is contained in the minutes of the Committee and quotations for the provision of the hospitality must be obtained.

Small Scale Hospitality

The granting of small scale hospitality has been delegated to the Directors of Departments, subject to a cash limit (£100) which is notified by the Director of Corporate Services. Approval for this expenditure must be obtained prior to the provision of the hospitality (via the procurement process).

If the cash limit is likely to be exceeded, the prior consent of the Director of Corporate Services is required. This is done by completing a requisition which clearly lists: Reason for hospitality, date, cost code, distinguished visitors, members, officers or other public service representatives attending or availing of hospitality, total number attending, venue, caterer and estimated total cost.

9 Guidance - Provision of Hospitality

9.1 Essentially there are 2 categories of hospitality that the Council provides:

- official hospitality
- hospitality provided for staff.

Official Hospitality

9.2 There are 2 types of official hospitality:

- civic and committee hospitality
- small scale hospitality

Civic Hospitality

9.3 The officer organising the provision of such hospitality, should ensure that:

- approval is obtained from the relevant Committee prior to the event
- minutes recording the approval are attached to the invoices
- the Council's procurement procedures are followed.

Small Scale Hospitality

9.4 The officer providing the small scale hospitality should ensure that:

- a requisition is fully completed
- approval for such expenditure is obtained prior to the provision of hospitality
- the expenditure represents value for money
- where the expenditure will be within the cash limit, the appropriate supervisor approves the expenditure prior to the provision of the hospitality
- where the expenditure will exceed the cash limits, the prior approval of the Director of Corporate Services is obtained.

9.5 Directors should consider the following when approving such hospitality:

- requisition is fully completed by officer organising such hospitality
- how value for money should be demonstrated
- the scale of hospitality to be provided
- the ratio of Council Officers to non-Council officers attending
- factors to consider when choosing venue, including use of Council facilities
- the appropriateness of providing alcohol
- clearly stating that the use of funds for visits to theatres or to other forms of public entertainment should be limited. Where Directors deem such expenditure appropriate they should ensure that it is consistent with the purpose of the persons visit to the Council.

Hospitality Provided for Council Staff

Hospitality provided at meetings attended by Council staff

9.6 Where it is considered appropriate to provide light refreshments in order to enable the business of meetings to continue without interruption, the use of Council funds may be authorised. Such expenditure should represent value for money and should be authorised in advance by the relevant budget holder. In addition, when authorising such expenditure budget holders should be mindful of Inland Revenue rulings over the area of benefits in kind.

Hospitality offered during training courses, conferences, workshops etc for Council officers

9.7 A measure of hospitality at public expense may be offered to officers participating in training courses, both residential and non-residential. This facility may also be extended to cover conferences, seminars, approved team building sessions, workshops, etc. Such expenditure should be authorised in advance by the relevant supervisor.

10 Guidance - Expenditure on Gifts

Civic Gifts

10.1 The Corporate Services Department maintains a stock of civic gifts normally for the use of Members when representing the Council at civic events / functions. These civic gifts bear the Cookstown District Council name and crest / logo, for example plaques, umbrellas and pens.

Other Gifts

10.2 Gifts should not be regarded as part of the normal conduct of Council business and should involve only modest expense and represent value for money.

10.3 Directors may approve the purchase of a gift. The gift will have a maximum value of £50.

10.4 Gifts of cash should not be made.

11 Conclusion

11.1 This policy and guidance is designed to protect both officers and the Council and should be reviewed annually by the Director of Corporate Services and updated where appropriate. Where there is any doubt as to the application of this policy and guidance, the advice of the Director of Corporate Services should be sought promptly.

Appendix A

Reporting Declined Offers / Requesting Approval to Accept Gifts / Hospitality

Cookstown District Council	
Reporting Declined Offers / Requesting Approval to Accept Gifts / Hospitality	
<u>All</u> sections must be completed	
Name of person who received the offer of gift /hospitality:	
Department of person who received the offer:	
Description and estimated value (where known) of gift / hospitality offered:	
Name and address of person / organisation offering the gift / hospitality:	
Reason to accept / decline the gift / hospitality:	
(continue on separate sheet if necessary)	
Signature & date of person who received the offer:	
Decision of Director of Corporate Services: (accept / decline)	
Signature & date of Director of Corporate Services:	

Appendix B
Code of Conduct for Local Government Employees