

Annex 1 Gifts, Hospitality and Expenses Framework

Local guidance on gifts and hospitality for LPFA Board Members

(This guidance should be read in conjunction with the Authority's Code of Conduct for Board Members which refers to Members acting in the course of undertaking the authority's business.)

The acceptance of gifts and hospitality by Board Members does not simply result in the administrative exercise of declaration and registration; it can influence the public perception of Members and of the Authority. By following this local guidance, along with the general principle of full declaration, Members will be seen to be acting in the public interest rather than for personal gain.

The law on the acceptance of gifts and hospitality is set out in the Authority's Code of Conduct for Members and in the Prevention of Corruption Acts. These requirements are then supplemented by the procedures which have been adopted by this Authority, to provide a clear set of rules for the protection of both Board Members and the Authority. Acceptance of a gift or hospitality in breach of the Code, or failure to declare receipt of such a gift or hospitality, can lead to disqualification from holding any public office for a period of up to five years. Corrupt acceptance of a gift or hospitality can lead to a heavy fine or up to 7 years' imprisonment.

This Code of Conduct sets out:

- a) the principles which you should apply whenever you have to decide whether it would be proper to accept any gift or hospitality
- b) a procedure for obtaining consent to accept a gift or hospitality, when you consider that it would be proper to accept it
- c) a procedure for declaring any gift or hospitality which you receive and for accounting for any gift to the Authority

This Code does not apply to the acceptance of any facilities or hospitality which may be provided to you by this Authority.

1. General Principles

In deciding whether it is proper to accept any gift or hospitality, you should apply the following principles. Even if the gift or hospitality comes within one of the general consents set out below, you should not accept it if to do so would be in breach of one or more of these principles:



(a) Never accept a gift or hospitality as an inducement or reward for anything you do as a Board Member

As a Board Member, you must act in the public interest and must not be swayed in the discharge of your duties by the offer, prospect of an offer, or the non-offer of any inducement or reward for discharging those duties in a particular manner.

The Public Bodies (Corrupt Offences) Act 1889 provides that if you accept any gift, loan, fee, reward or advantage whatsoever as an inducement to or reward for doing or forbearing to do anything in respect of any matter or transaction in which the Authority is concerned, you commit a criminal offence carrying a maximum term of imprisonment of 7 years.

Further, the Authority's Code of Conduct for Members provides that you must act in the public interest, serving the Authority and the whole community, rather than acting in the interests of any particular individual or section of the community, and that it is a breach of the Code to improperly confer any advantage or disadvantage on any person, including yourself.

(b) You should only accept a specific gift or hospitality if there is a commensurate benefit to the Authority

The only proper reason for accepting any gift or hospitality is that there is a commensurate benefit for the Authority which would not have been available but for the acceptance of that gift or hospitality.

Acceptance of hospitality can confer an advantage on the Authority, such as an opportunity to progress the business of the Authority expeditiously through a working lunch, or to canvass the interests of the Authority and its area at a meeting. Acceptance of a gift is much less likely to confer such an advantage. However, unless the benefit to the Authority is clear, and is commensurate with the value of the gift or hospitality, the presumption must be that the gift or hospitality is purely for your personal benefit.

As set out above, the Authority's code provides that you must not improperly confer any advantage on anyone, including yourself. Acceptance as a Board Member of a gift or hospitality for your own benefit or advantage, rather than for the benefit to the Authority, would be a breach of the Code.

(c) Never accept a gift or hospitality if acceptance might be open to misinterpretation

The appearance of impropriety can be just as damaging to the Authority and to you as a Board Member as actual impropriety. The Authority's ability to govern rests upon its reputation for acting fairly and in the public interest. You

must therefore consider whether the acceptance of the gift or hospitality is capable of being interpreted as a sign that you or the Authority favours any particular person, company or section of the community or as placing you under any improper obligation to any person or organisation. If there is any possibility that it might be so interpreted, you must either refuse the gift or hospitality, or take appropriate steps to ensure that such a misunderstanding cannot arise.

Certain occasions are particularly sensitive and require the avoidance of any opportunity for such misunderstanding. These include:

- (i) occasions when the Authority is going through a competitive procurement process, in respect of any indication of favour for a particular tenderer.

(d) Never accept a gift or hospitality which puts you under an improper obligation

Recognise that some commercial organisations and private individuals see the provision of gifts and hospitality as a means of buying influence. If you accept a gift or hospitality improperly, it is possible that they may seek to use this fact to persuade you to determine an issue in their favour. Equally, if others note that you have been prepared to accept a gift or hospitality improperly, they may feel that they will no longer be able to secure impartial consideration from the Authority.

(e) Never solicit a gift or hospitality

You must never solicit or invite an offer of a gift or hospitality in connection with your position as a Board Member unless the acceptance of that gift or hospitality would be permitted under this Code. You should also take care to avoid giving any indication that you might be open to such any improper offer.

2. Consent Regimes

(a) General consent provisions

For clarity, the Authority has agreed that you may accept gifts and hospitality in the following circumstances:

- (i) civic hospitality provided by another public Authority
- (ii) modest refreshment in connection with any meeting in the ordinary course of your work, such as tea, coffee, soft drinks and biscuits

- (iii) small gifts of low intrinsic value below £25, branded with the individual name of the company or organisation making the gift, such as pens, pencils, mouse pads, calendars and diaries. However, you should take care not to display any such branded items when this might be taken as an indication of favour to a particular supplier or contractor, for example in the course of a procurement exercise
- (iv) a modest alcoholic or soft drink such as a pint of beer from an employee of a contractor. In such cases, you should make reasonable efforts to return the offer where this is practicable
- (v) a working lunch not exceeding £75
- (vi) modest souvenir gifts with a value below £75 from another public Authority given on the occasion of a visit by or to the Authority
- (vii) Hospitality received in the course of an external visit or meeting which has been duly authorised by the Authority. Board Members should not make such arrangements themselves, but request officers to settle the detailed arrangements
- (viii) other unsolicited gifts, where it is impracticable to return them to the person or organisation making the gift, provided that the Board Member declares it

(b) Special consent provisions

If you wish to accept any gift or hospitality which is in accordance with the General Principles set out in Paragraph 1, but is not within any of the general consents set out in Paragraph 2(a), you may only do so in accordance with the following procedure:

You must notify the Monitoring Officer in writing, setting out:

- (i) the nature and your estimate of the market value of the gift or hospitality
- (ii) who the invitation or offer has been made by or on behalf of
- (iii) the connection which you have with the person or organisation making the offer or invitation, such as any work which you have undertaken for the Authority in which they have been involved
- (iv) any work, permission, concession or facility which you are aware that the person or organisation making the offer or invitation may seek from the Authority



The Monitoring Officer will enter details of any approval in a register which will be available for public inspection on the occasion of the public inspection of the Authority's accounts for the relevant year. Please note that this does not relieve you of the obligation to register the receipt of gifts and hospitality in accordance with Paragraph 3 below.

3. Reporting

Where you accept any gift or hospitality which you estimate to have a market value or cost of provision of £25 or greater, you must, as soon as possible after receipt of the gift or hospitality, make a declaration in writing to the Monitoring Officer, providing information set out in Paragraph 2(b) above. A form for this purpose is attached to this Code, although you can send the same information by any convenient means. The Monitoring Officer will retain a copy of any such declaration in a register which will be available for public inspection until the approval of the Authority's accounts for the year in question.

Even if the value of the gift or hospitality is less than £25, if you are concerned that its acceptance might be misinterpreted, and particularly where it comes from a contractor or tenderer, you may make a voluntary declaration in the same manner to ensure that there is nothing secret or underhand about the gift or hospitality.

4. Gifts to the Authority

Gifts to the Authority may take the form of the provision of land, goods or services, either to keep or to test with a view to future acquisition, an offer to carry out works or sponsorship of a function which is organised or supported by the Authority. You should not solicit any such gift on behalf of the Authority except where the Authority has formally identified the opportunity for participation by an external party and how that participation is to be secured. If you receive such an offer on behalf of the Authority, you must first consider whether it is appropriate for the Authority to accept the offer (in terms of whether the acceptance of the gift might be seen as putting the Authority under any improper obligation, whether there is a real benefit to the Authority which would outweigh any disbenefits). Gifts, and the offer of a gift should be reported to the Monitoring Officer. The Monitoring Officer will then write back to the person or organisation making the offer, to record the acceptance or non-acceptance of the gift, record the gift for audit purposes and ensure that the gift is properly applied for the benefit of the Authority. If you have any concerns about the motives of the person or organisation making the offer, or whether it would be proper for the Authority to accept the gift, you should consult the Monitoring Officer directly.

5. Definitions

- (a) "Gift or hospitality" includes any:
 - (i) the free gift of any goods or services



- (ii) the opportunity to acquire any goods or services at a discount or on terms which are more advantageous than those which are available to the general public
 - (iii) the opportunity to obtain any goods or services which are not available to the general public
 - (iv) the offer of food, drink, accommodation or entertainment, or the opportunity to attend any cultural, sporting or entertainment event
- (b) References to the “value” or “cost” of any gift or hospitality are references to the higher of:
- (i) your estimate of the cost to the person or organisation of providing the gift or consideration
 - (ii) the open market price which a member of the public would have to pay for the gift or hospitality, if it were made available commercially to the public, less the cash sum of any contribution which you would be required to make toward that price to the person or organisation providing or offering the gift or hospitality

Document Title: Local Guidance on Gifts, Hospitality for a Board Member						
Policy Name: Gifts and Hospitality and Expenses Framework						
Version No	Description of change	Owner	Applicable to	Date of Issue	Approved by Board	Review Date
V1	Clarification of financial limits	CDT	Board members	16/10/2013	17/10/2013 (decisions approved by email)	31/10/2014



Declaration of Accepted Gift / Hospitality over £25

It is important to alert the Board Secretary of accepted gift/hospitality which has a market value or cost of provision of £25 or greater.

I hereby declare that I accepted gift/hospitality, details of which are listed below:

Function/venue	Date	Host	Relationship And business justification	value	Special consent Required (if above £75)	Evidence attached

Declaration:	
<p>I confirm that I have read, understood and complied with the Gifts, Hospitality and Expenses Framework. I declare that the information provided above is true, accurate and complete. I agree to notify the Board Secretary in writing accepted gift and hospitality in excess of £25. I understand that, if in doubt whether to declare gift/hospitality/expense, I shall seek the advice of the Board Secretary.</p>	
Name:	Signed:
Capacity:	Date:

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Policy Name: Gifts, Hospitality and Expenses Framework						
Version No	Description of change	Owner	Applicable to	Date of Issue	Approved by Board	Review Date
1.0	New form	CDT	Board members	18/10/2013	17/10/2013	31/10/2014