
29th August 2014

Name of Cabinet Member:
Ethics Committee

Director Approving Submission of the report:
Executive Director of Resources

Ward(s) affected:
None

Title:
Review of arrangements for Members Gifts and Hospitality

Is this a key decision?
No

Executive Summary:

This report sets out a summary of areas for consideration in connection with Members' Declarations of Gifts and Hospitality and suggests a revised declaration of gift and hospitality form, along with guidance to be issued to members. Members are asked to consider the draft form and guidance and suggest any amendments required before the launch of any form.

Recommendations:

The Ethics Committee is recommended to

1. consider and discuss the draft declaration of gift and hospitality form and associated guidance at Appendix 2 & 3;
2. consider whether the Members' Register of Gifts and Hospitality should be made available for public inspection online;
3. delegate authority to the Assistant Director Legal and Democratic Services in consultation with the Chair of the Ethics Committee to arrange a launch of the form accompanying guidance and any training required for Elected Members; and

4. consider the gifts and hospitality register entries received in this municipal year to date

List of Appendices included:

Appendix 1: Existing Declaration Form

Appendix 2: Draft Revised Declaration Form

Appendix 3: Draft Guidance for Elected Members on Gifts and Hospitality

Appendix 4: Declarations of gifts and hospitality received since 5 June 2014

Other useful background papers:

None

Has it been or will it be considered by Scrutiny?

No

Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No

Report title: Review of Arrangements for Members' Gifts and Hospitality

1. Context (or background)

1.1 The Ethics Committee asked for a review of the process for declaring Gifts and Hospitality for Elected Members, prior to its first formal inspection of the Members' Register in the third meeting of this Municipal Year on 19th December 2014.

1.2 The Council's Code of Conduct for Elected Members specifically covers the Declaration of Gifts and Hospitality at section 4, and the Assistant Director for Legal and Democratic Services is required to establish and maintain a Register of these Declarations :

4. Gifts and Hospitality

4.1 I will, within 28 days of receipt, notify the Monitoring Officer in writing of any gift, benefit or hospitality with a value in excess of £25 which I have accepted as a member from any person or body other than the authority.

4.2 I acknowledge that the Monitoring Officer will place my notification on a public register of gifts and hospitality.

4.3 I am aware that this duty to notify the Monitoring Officer does not apply where the gift, benefit or hospitality comes within any description approved by the Council for this purpose.'

1.3 There is no current guidance for members except for indirect reference in the first part of the Council's Member Code of Conduct. This sets out general principles for transparency and offers some generic guidance as to how decision making could potentially be seen to be affected by the acceptance of a Gift or Hospitality:-

'b. Integrity: I will not place myself under any financial or other obligation to outside individuals or organisations that might seek to influence me in the performance of my official duties

3.

As a Member of Coventry City Council I will act in accordance with the principles in paragraph 2 and, in particular, I will.....

exercise independent judgement and not compromise my position by placing myself under obligations to outside individuals or organisations who might seek to influence the way I perform my duties as a Member/Co-opted Member of this Authority'

It is left to individual Members to use their own discretion when considering an offer.

1.4 When Members receive an offer, the current declaration form at Appendix 1 should be completed and sent to the Assistant Director for Legal and Democratic Services who maintains the Register which is open to public inspection. When forms are received they are entered into the Register under individual Elected Members' names. The Register is not currently held electronically, but officers are investigating the feasibility of doing this once the Members' Register of Interests has been published online through Modern.gov. The Committee is asked to consider whether the register for gifts and hospitality should be published on the Council's website.

- 1.5 The current content of the form reflects the previous national Code of Conduct and therefore a refresh is recommended.
- 1.6 The process and format for the Declarations of Gifts and Hospitality for Officers has been the subject of a routine internal audit which in turn has been reported to Audit and Procurement Committee at its July meeting. The Audit recommended there should be greater consistency across Council Directorates in the completion of forms and that officer awareness of the need to complete forms should be raised. The audit recognised some areas of good practice and that this Committee is due to review the Register under the terms of its work programme at its December meeting, by which time it is intended a new procedure for will be developed for the Committee's consideration.

2. Options considered and recommended proposal

- 2.1 The first option is to retain the current form but this is not recommended. It is also an option not to have a register at all because there is no longer a statutory requirement to have one. However this option is also not recommended.
- 2.2 The final option, which is recommended, involves a three stage approach; the adoption of a new form, the issue of written guidance and the delivery of training on the topic. It is considered that this will allow the re-launch of the process, raising awareness and bringing the issue back to the forefront of members' thinking in the context of good, open and transparent decision making.
- 2.3 The form has therefore been amended (Appendix 2). Guidance has been produced reflecting the Code of Conduct's provisions and giving more information about why Gifts and Hospitality should be carefully considered before acceptance, the entries completed fully and the Register kept up to date for inspection (Appendix 3). The revised form and guidance notes suggest that members should consider whether to declare gifts or hospitality which they have refused and/or gifts or hospitality valued at less than £25. These entries are shown in square brackets on the form and in the guidance. **Members are asked to consider whether these should remain confined to gifts and hospitality over £25 only or to introduce a different minimum threshold.**
- 2.4 Members are also asked to consider whether it would be appropriate to specify gifts/hospitality that have been refused.
- 2.5 It is suggested that, if accepted, the new process be reviewed after a six month period and a further report brought before this Committee to determine the effectiveness of the new system, suggest any further improvements, and consider proposals for an electronic system of making and/or recording declarations.
- 2.6 *Review of Declarations Made in Current Municipal Year*

As part of its work programme the Committee has decided to review, on a regular basis, the declarations of gifts and hospitality made by members. Appendix 4 contains copies of all declarations received from members from the start of the Municipal Year to date.

3. Results of consultation undertaken

- 3.1 None. The current regime can be improved in order to facilitate good decision making and transparency.

4. Timetable for implementing this decision

- 4.1 If the proposed Gifts and Hospitality Form is approved, it is proposed that it be launched preferably at the next available date for Code of Conduct Training with appropriate links to be given on the web pages and the guidance circulated with an explanatory email from the Assistant Director for Legal and Democratic Services.

5. Comments from Executive Director, Resources

5.1 Financial implications

There are no specific financial implications arising from the recommendations within this report.

5.2 Legal implications

Members are required to declare Gifts and Hospitality under section 4 of the Code of Conduct for Elected Members at Part 4 of the Council's Constitution. Whilst there is no statutory requirement for members to declare in this way, maintaining a process and Register aids transparency and assists the Council in promoting and maintaining high standards of ethical behaviour as is required under section 27 of the Localism Act 2011.

6 Other implications

None

6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / Local Area Agreement (or Coventry Sustainable Community Strategy)?

Not applicable.

6.2 How is risk being managed?

There is no direct risk to the organisation as a result of the contents of this report, but a failure to implement and maintain a system of Declarations of Gifts and Hospitality can impact on the organisation's ethical behaviour and transparency.

6.3 What is the impact on the organisation?

Implementing the new procedure for Gifts and Hospitality should assist in protecting Elected Members from unfounded allegations of bias and facilitate good and clear transparent decision making. It is to be linked to a review of the procedure around Officers' Declarations of Gifts and Hospitality which is currently in progress and should result in consistently high standards being upheld across the Council.

6.4 Equalities / EIA

There are no public sector equality duties which are of relevance at this stage.

6.5 Implications for (or impact on) the environment

None

6.6 Implications for partner organisations?

None at this stage

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Directorate: Resources

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Enquiries should be directed to the above person.

Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
Contributors:				
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Helen Lynch	Place and Regulatory Manager, Legal Services	Resources	13.08.14	18.08.14
Adrian West	Democratic and Member Services Manager	Resources	18.08.14	19.08.14
Names of approvers for submission: (officers and members)				
Finance: Melanie Thornton	Finance	Resources	18.08.14	18.08.14
Legal: Christine Forde	Assistant Director, Legal and Democratic Services	Resources	18.08.14	19.08.14
Director: Christine Forde on behalf of Chris West	Executive Director, Resources	Resources	18.08.14	19.08.14
Members: Councillor Hetherton	Chair, Ethics Committee	Elected Member	20.08.14	

This report is published on the council's website:

www.coventry.gov.uk/councilmeetings

Existing Gifts and Hospitality Form

Declaration of Receipt of Gifts or Hospitality

Name	
Post	Councillor
Department (if applicable)	
What was the gift or Hospitality?	
What is your best estimate of its market value or cost?	
Who provided it?	
When and where did you receive it?	
Does it come within one of the general consents set out in the Code of Conduct? If so, which?	
Did you get the consent of any officer before accepting it? If so, who? (if applicable)	
Were there any special circumstances justifying acceptance of this gift or hospitality?	
Do you have any contact in your job with the person or organisation providing the gift or hospitality?	
Signed	Date

To: The Monitoring Officer, Room 56, Council House, Earl Street, Coventry, CV1 5RR

Appendix 2

Declaration of Gifts and Hospitality under Members' Code of Conduct

Name of Elected Member	
Position held e.g. cabinet member, shadow cabinet member, elected member etc	
Date on which gift or hospitality was offered and received or accepted, [or declined]	
Person or organisation offering or providing the gift or hospitality and link to the Council if appropriate	
Full details of what was received [or offered]	
Actual cost or estimated cost e.g. face value of tickets, price of set menu at venue etc.	
Justification for accepting the gift or hospitality	
Signature of member Date	

Declaration of Gifts and Hospitality under Members' Code of Conduct

1 PURPOSE OF THIS GUIDANCE

The Council's Code of Conduct applies to gifts and hospitality received as an Elected Member or co-opted Member of the Council. The Code only requires you to register gifts or hospitality received above the value of £25. [However, Elected Members should also consider declaring any gift or hospitality of over £25 that has been offered but declined by you, as this helps to promote transparency and provides further evidence of compliance with the Code.]

The terms "gift" and "hospitality" should be considered to include any food, drink, accommodation, entertainment or other benefit freely provided or heavily discounted.

This guidance sets out some general principles members should consider when thinking about accepting gifts and hospitality.

2 GENERAL PRINCIPLES

a. Improper influence.

Some organisations and private individuals regard the provision of gifts and hospitality as a means of buying influence. If a member of the public becomes aware that you have been prepared to accept a gift or hospitality improperly, they may believe they will not be able to secure impartial consideration from the Council.

Gifts or hospitality should therefore never be accepted as an inducement or reward for anything done as a member or co-opted member of the Council, or as a means of gaining influence. Members must act in the public interest. Breach of this principle is both a breach of the Code and could also constitute a serious criminal offence.

b. Benefit to Council.

Gifts or hospitality should only be accepted where there is a proportionate benefit to the Council, in light of the estimated value of the gift or hospitality. Unless the benefit to the Council is clear and that benefit would not have been available but for the acceptance of the gift or hospitality, then the presumption could be that the gift or hospitality is for personal benefit.

c. Misinterpretation of intent.

The appearance of impropriety can be just as damaging to the Council and to an Elected Member as actual impropriety. Gifts or hospitality offered should therefore never be accepted where the circumstances are likely to be misinterpreted by a member of the public. Examples of situations where the Council could be challenged or discredited include where a members role is related to:-

- competitive procurement and tendering exercises
- regulatory decisions, such as individual licensing and planning decisions

- determination of grants or other requests for funding

d. Soliciting Gifts or Hospitality.

Members should never solicit or invite an offer of a gift or hospitality in connection with their role as a member of the Council and should also avoid giving the impression that they might be open to such an offer.

3 EXAMPLES WHERE ACCEPTANCE OF GIFTS AND HOSPITALITY MAY BE PERMITTED

Subject to the general principles set out in Section 2 of this Guidance, it is generally considered appropriate to accept a gift or hospitality in the following circumstances:-

- civic hospitality offered by another public authority
- Council-supported events-tickets for sporting, cultural and entertainment events that are supported by the Council
- modest working lunches, provided to enable the parties to discuss business
- reasonable hospitality, provided at external visits, meetings or conferences provided that this is also available to other attendees

4 VALUING GIFTS AND HOSPITALITY OFFERED

In order to decide whether you need to declare the offer of a gift or hospitality you will need to estimate whether the value of the gift or hospitality is above £25. In most cases it should be possible to estimate whether a gift is likely to exceed £25 in value. A series of small gifts from the same source over a short period of time with a cumulative value of over £25 should be registered.

The value of hospitality may be more difficult to estimate, but this should still be possible, given a degree of common sense. An assessment of the value of the hospitality on offer [(regardless of whether or not it is accepted)] and consideration of how much a person could reasonably expect to pay for an equivalent function or event run on a commercial basis should be identifiable in many cases the prudent course is to contact the MO for advice and/ or register the gift and/or hospitality.

5 LEGAL POSITION ON GIFTS AND HOSPITALITY

There are both criminal sanctions and 'internal' rules for breaching the law which relates to gifts and hospitality.

a. The Bribery Act 2010

The Bribery Act 2010 applies the offence of bribery to the person who offers, promises or gives a financial or other advantage to another or the person who requests, agrees, receives or accepts an advantage. It does not define what advantage is, and therefore potentially opens the offence to the acceptance of gifts and hospitality by all public officials, including Elected Members of the Council.

b. Misfeasance in Public Office

This offence is less frequently seen in public since it carries a high burden of proof and the Attorney General's office usually regards it as suitable only for the most serious cases.

A summary definition of the offence is where a public officer wilfully neglects to perform his duty and/or wilfully misconducts himself to such a degree as to amount to abuse of the public's trust in the office holder without reasonable excuse or justification.

c. Breach of Code

Irrespective of what the general law may say with regard to gifts and hospitality, the Council has its own set of rules regarding the acceptance of gifts and hospitality by Elected Members within its Code of Conduct, which every Member signs up to when taking office.

The relevant sections of the Code are set out below: *"5.1.2. As a holder of public office and as required by law I will behave in a manner that is consistent with the following principles to achieve best value for our residents and maintain public confidence in the Council:*

b. INTEGRITY: I will not place myself under any financial or other obligation to outside individuals or organisations that might seek to influence me in the performance of my official duties.

d. ACCOUNTABILITY: I am accountable for my decisions and actions to the public and must submit myself to whatever scrutiny is appropriate to my office.

f. HONESTY: I will declare any private interests relating to my public duties and take steps to resolve any conflicts arising in a way that protects the public interests."

Improper acceptance of gifts or hospitality may amount to a breach of the Code of Conduct which could result in action being taken against the councillor concerned. A breach of the Code may also result in adverse publicity to the Council and potential damage to its reputation and standing amongst the citizens of Coventry.

6 PROCEDURE FOR DECLARING GIFTS AND HOSPITALITY OVER £25 IN VALUE

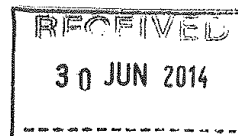
If you accept any gift or hospitality with a value of over £25 then the Code of Conduct requires you to notify the Council's Monitoring Officer in writing as soon as possible and in any event within 28 days of receipt of the gift or hospitality.

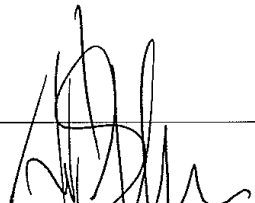
Please use the declaration form available on the web or from member services.

REMEMBER- Details of gifts and hospitality will be made available in a public register [and also appear on the Council's website], subject to the usual data protection principles.

To: Legal Services, Floor 1, Christchurch House, Greyfriars Lane, Coventry, CV1 2QL

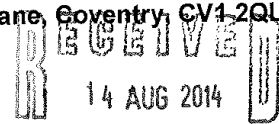
Declaration of Receipt of Gifts or Hospitality




Name	Councillor Abdul Khan
Post	Cabinet Member, Culture, Leisure, Sports, Parks and Events, Coventry City Council
Department (if applicable)	Democratic Services
What was the gift or Hospitality?	Representing the City Council at the Annual Coventry Telegraph Awards Dinner
What is your best estimate of its market value or cost?	Over £50
Who provided it?	Coventry Telegraph
When and where did you receive it?	20 th June 2014, Coventry Cathedral
Does it come within one of the general consents set out in the Code of Conduct? If so, which?	Yes. It was in the Council's interest that I attend.
Did you get the consent of any officer before accepting it? If so, who? (if applicable)	No.
Were there any special circumstances justifying acceptance of this gift or hospitality?	Yes. To promote and support excellence within the business community in Coventry.
Do you have any contact in your job with the person or organisation providing the gift or hospitality?	No.
Signed	Date: 25 th June 2014 

To: Legal Services, Floor 1, Christchurch House, Greyfriars Lane, Coventry, CV1 2QL


Declaration of Receipt of Gifts or Hospitality



Name	CLLR ANN LUCAS
Post	LEADER OF THE COUNCIL
Department (if applicable)	Policy and Governance – Political Leadership.
What was the gift or Hospitality?	Representing the City Council at the ROAR evening celebrations
What is your best estimate of its market value or cost?	£15
Who provided it?	British Organisation for People of Asian Origin and Lions Club of Coventry (BOPA)
When and where did you receive it?	Belgrade Theatre Friday 13 June 2014
Does it come within one of the general consents set out in the Code of Conduct? If so, which?	Yes. It was in the interest of the Council that I attend.
Did you get the consent of any officer before accepting it? If so, who? (if applicable)	No
Were there any special circumstances justifying acceptance of this gift or hospitality?	Promoting Community and partnership working between Coventry City Council, and the Asian Community and the Lions Club of Coventry
Do you have any contact in your job with the person or organisation providing the gift or hospitality?	No
Signed 	Date 16/07/2014

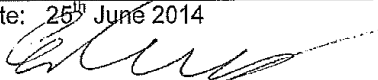
To: Legal Services, Floor 1, Christchurch House, Greyfriars Lane, Coventry, CV1 2QL

Declaration of Receipt of Gifts or Hospitality

Name	Councillor Kevin Maton
Post	Cabinet Member, Business, Enterprise and Employment, Coventry City Council
Department (if applicable)	Democratic Services
What was the gift or Hospitality?	Representing the City Council at the Annual Coventry Telegraph Awards Dinner
What is your best estimate of its market value or cost?	Over £50
Who provided it?	Coventry Telegraph
When and where did you receive it?	20 th June 2014, Coventry Cathedral
Does it come within one of the general consents set out in the Code of Conduct? If so, which?	Yes. It was in the Council's interest that I attend.
Did you get the consent of any officer before accepting it? If so, who? (if applicable)	No.
Were there any special circumstances justifying acceptance of this gift or hospitality?	Yes. To promote and support excellence within the business community in Coventry.
Do you have any contact in your job with the person or organisation providing the gift or hospitality?	No.
Signed 	Date: 25 th June 2014


To: Legal Services, Floor 1, Christchurch House, Greyfriars Lane, Coventry, CV1 2QL

Declaration of Receipt of Gifts or Hospitality

Name	Councillor Ed Ruane
Post	Cabinet Member, Children and Young People, Coventry City Council
Department (if applicable)	Democratic Services
What was the gift or Hospitality?	Representing the City Council at the Annual Coventry Telegraph Awards Dinner
What is your best estimate of its market value or cost?	Over £50
Who provided it?	Coventry Telegraph
When and where did you receive it?	20 th June 2014, Coventry Cathedral
Does it come within one of the general consents set out in the Code of Conduct? If so, which?	Yes. It was in the Council's interest that I attend.
Did you get the consent of any officer before accepting it? If so, who? (if applicable)	No.
Were there any special circumstances justifying acceptance of this gift or hospitality?	Yes. To promote and support excellence within the business community in Coventry.
Do you have any contact in your job with the person or organisation providing the gift or hospitality?	No.
Signed	Date: 25 th June 2014 

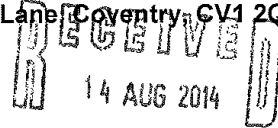
To: Legal Services, Floor 1, Christchurch House, Greyfriars Lane, Coventry, CV1 2QL


Declaration of Receipt of Gifts or Hospitality

Name	Councillor Philip Townshend
Post	Deputy Leader, Coventry City Council
Department (if applicable)	Democratic Services
What was the gift or Hospitality?	Representing the City Council at the Annual Coventry Telegraph Awards Dinner
What is your best estimate of its market value or cost?	Over £50
Who provided it?	Coventry Telegraph
When and where did you receive it?	20 th June 2014, Coventry Cathedral
Does it come within one of the general consents set out in the Code of Conduct? If so, which?	Yes. It was in the Council's interest that I attend.
Did you get the consent of any officer before accepting it? If so, who? (if applicable)	No.
Were there any special circumstances justifying acceptance of this gift or hospitality?	Yes. To promote and support excellence within the business community in Coventry.
Do you have any contact in your job with the person or organisation providing the gift or hospitality?	No.
Signed 	Date: 25 th June 2014

To: Legal Services, Floor 1, Christchurch House, Greyfriars Lane, Coventry CV1 2QL

Declaration of Receipt of Gifts or Hospitality



Name	Councillor Ann Lucas
Post	Leader, Coventry City Council
Department (if applicable)	Democratic Services
What was the gift or Hospitality?	Representing the City Council at the Annual Coventry Telegraph Awards Dinner
What is your best estimate of its market value or cost?	Over £50
Who provided it?	Coventry Telegraph
When and where did you receive it?	20 th June 2014, Coventry Cathedral
Does it come within one of the general consents set out in the Code of Conduct? If so, which?	Yes. It was in the Council's interest that I attend.
Did you get the consent of any officer before accepting it? If so, who? (if applicable)	No.
Were there any special circumstances justifying acceptance of this gift or hospitality?	Yes. To promote and support excellence within the business community in Coventry.
Do you have any contact in your job with the person or organisation providing the gift or hospitality?	No.
Signed 	Date: 25 th June 2014