

19 December 2014

**Name of Cabinet Member:**

Ethics Committee

**Director Approving Submission of the report:**

Executive Director for Resources

**Ward(s) affected:**

None

**Title: Review of Officers' Gifts and Hospitality**

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**Is this a key decision?**

No

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**Executive Summary:**

In its work programme for 2014/15 the Committee has decided to review entries in the Registers of Officers' Gifts and Hospitality for the first 6 months of the municipal year and to consider current practices. This report sets out the current practice in relation to Gifts and Hospitality received by officers and the gifts and hospitality received from 1 May to 31 October. It also includes an extract from the Employees' Code of Conduct which sets out guidance for employees on the acceptance of gifts or hospitality.

**Recommendations:**

The Ethics Committee is recommended to:

- (1) consider the current practices for recording gifts and hospitality received by officers ; and
- (2) make any recommendations on changes to those practices that it considers appropriate.

**List of Appendices included:**

Appendix 1: Extract from Code of Conduct for Employees: Gifts and Hospitality

Appendix 2: Table of Gifts and Hospitality received by Officers; May to October 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 Officers' Gifts and Hospitality**

### **1. Context (or background)**

1.1 The Committee's work programme includes an item for this meeting to review the process for recording gifts and hospitality for officers. The Committee also wished to review entries on the registers for the first 6 months of this municipal year.

1.2 Attached at Appendix 1 to this report is an extract from the Code of Conduct for Employees. This sets out the requirements for employees when being offered or accepting gifts or hospitality. The basic rules are:

#### *(a) Gifts*

- Personal gifts should never be accepted unless they are modest and are of token value (less than £25).
- The manager's permission must be obtained
- Where small gifts, such as chocolates, are given as thanks for a service provided, these can be accepted if they are shared within the Team or raffled for charity.
- Gifts worth more than £25 should be refused. If this is not possible, the manager should dispose of them to charity and record the fact in the register.

#### *(b) Hospitality*

- Hospitality consisting of light refreshments, working lunch or other meals which are part of a visit, conference, meeting or promotional exercise is acceptable.
- Invitations to social events offered as part of normal working life, may be accepted if authorised in advance by the appropriate Assistant Director.
- Invitations to other types of hospitality which are not directly linked to the City Council's functions should not be accepted.

### **2. Options considered and recommended proposal**

2.1 At present the Chief Executive's Office and each Directorate maintains its own separate register of gifts and hospitality. Each register is slightly different in terms of how much information is recorded. All are maintained by the relevant Director's office apart from Public Health which has arrangements to log gifts and hospitality received on the register maintained by the Chief Executive's Office. The Chief Executive has a separate register for gifts and hospitality that he receives.

2.2 The Directorates have been asked to provide details of gifts and hospitality received during the first 6 months of the current municipal year. The position for each directorate is set out in the Table at Appendix 2.

2.3 An internal audit of officer gifts and hospitality has recently been carried out. The audit found areas of good practice such as:

- The existence of mechanisms to support these areas and clear evidence that officers, and in particular senior officers, utilise the registers to record gifts and hospitality received.
- The work plan for the Ethics Committee includes reviewing the arrangements for officer gifts and hospitality over the next six months.

- 2.4 The audit recommended key areas for improvement, namely:
- Updating the Employees' Code of Conduct to provide clearer guidance on this area and to reflect that some form of gifts and hospitality will occur in the modern business environment that the Council operates in.
  - To undertake a communication exercise to ensure that all officers and in particular, senior officers, are aware of the Council's requirements in relation to recording such activity.
  - Producing a standard format for directorate hospitality registers to ensure consistent information is recorded across the whole Council.
  - To continue reviewing and developing arrangements for monitoring gifts and hospitality registers in conjunction with the Ethics Committee.
- 2.5 The Committee may wish to consider the recommendations from the audit when considering how it wishes to take its review forward.

### **3 Results of consultation undertaken**

Each Directorate was asked to provide details of their registers.

### **4. Timetable for implementing this decision**

- 4.1 If the Committee makes any recommendations as to changes in practice, it is recommended that these be introduced in the 2015-16 Municipal Year.

### **5. Comments from Executive Director, Resources**

#### **a. Financial implications**

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

#### **5.2 Legal implications**

There are no specific legal implications arising from this report. However, reviewing the procedures for dealing with gifts and hospitality offered to employees will help to demonstrate that the Council continues to monitor and review ethical standards within the Council.

### **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?**

Clarifying employees' obligations with regard to gifts and hospitality will help to reduce the risk of acceptance of inappropriate gifts or hospitality.

#### **6.3 What is the impact on the organisation?**

Keeping matters such as this under review will help to promote high standards amongst elected members in accordance with the Localism Act

**6.4 Equalities / EIA**

There are no public sector equality duties which are of relevance.

**6.5 Implications for (or impact on) the environment**

None

**6.6 Implications for partner organisations?**

None at this stage

**Report title: Committee on Standards in Public Life: Annual Report 2013-14**

**Report author(s): Carol Bradford**

**Name and job title:** Solicitor, Place and Regulatory Team, Legal and Democratic Services

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| Helen Lynch  | Place and Regulatory Team Manager                 | Resources                          | 12/11/14                 | 14/11/14                                  |
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| Carolyn Prince   | Finance   | Resources                          | 28/11/14                 | 08/12/14                                  |
| Christine Forde  | Assistant Director, Legal and Democratic Services | Resources                          | 17/11/14                 | 10/12/14                                  |
| Chris West   | Executive Director, Resources                     | Resources                          | 10/12/14                 | 10/12/14                                  |

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## **APPENDIX 1**

### **Extract from Code of Conduct for Employees**

#### **13. Gifts and Hospitality and Sponsorship**

##### **13.1 Gifts**

13.1.1 The City Council expects the conduct of all of its employees to be of the highest standard. Employees' actions must not be influenced by offers of gifts or hospitality and their actions must not give the impression that they are influenced in this way. Acceptance of any gift should be the exception. The City Council recognises that there are some items, of token value, which may be accepted.

13.1.2 You must not accept personal gifts of any kind, unless they are modest and are of token value (less than £25). Items such as coffee mugs, diaries, calendars or other promotional materials can be retained if your Manager agrees. However, these gifts must be recorded in the relevant hospitality register unless your Manager tells you otherwise. If your Manager does not allow you to accept any small gifts, you must return them politely, but firmly, telling the person who gave it why and recording it in the Hospitality Register.

13.1.3 Without causing offence, you should discourage service users or other organisations from offering gifts. However, where small gifts, such as chocolates, are given as thanks for a service provided, then these can be accepted if they are shared within the Team or raffled for charity. No gift of alcohol or tobacco should ever be accepted.

13.1.4 If gifts have a higher value than £25, then you should tactfully refuse them. If gifts of this value are delivered, they should be returned with an appropriate explanation. If gifts cannot be returned, then the Assistant Director, or his nominee, should dispose of them to charity and record this fact in the Hospitality Register.

13.1.5 Under no circumstances, should gifts of cash, or tokens or vouchers of a monetary value, be accepted.

##### **13.2 Hospitality**

13.2.1 In relation to the acceptance of hospitality, special care should be taken so as to ensure there can be no suggestion that an employee was influenced by such hospitality.

13.2.2 You should never accept a gift of hospitality from anyone who is, or may be in the foreseeable future, tendering for any contract with the Council, seeking employment with the Council, seeking any form of consent of grant, or is in dispute with the Council. You should always decline any gift or hospitality if you think the giver has an ulterior motive. You should always be sensitive to the possibility that the giver may think even small

gifts or simple hospitality may elicit a better service or preferential treatment in their dealings with the Council.

- 13.2.3 The definition of "hospitality" includes drinks, meals, entertainment, sporting events, overnight accommodation, travel and holidays.
- 13.2.4 The following standards apply to hospitality:-
- (a) If you are offered hospitality, you should tell your Manager immediately and record the offer in the Directorate Hospitality Register, whether it is accepted or not. If you refuse the hospitality, it must be recorded in the Register.
  - (b) You should never accept hospitality unless you genuinely need to give or receive information or to represent the City Council in your work.
  - (c) Your Manager must agree, beforehand, wherever possible.
  - (d) You should never accept any hospitality if it is meant to corrupt or influence, or could be seen to corrupt or influence or as being against the City Council's interests.
  - (e) The timing of hospitality is an important factor. For example, hospitality should never be accepted from a contractor who is about to put in a tender for City Council work.
- 13.2.5 You may accept incidental hospitality, such as light refreshments, working lunch or other meals which is part of a visit, conference, meeting or promotional exercise.
- 13.2.6 Invitations to social events offered as part of normal working life, such as opening celebrations, annual dinners, may be accepted if authorised in advance by the appropriate Assistant Director.
- 13.2.7 Invitations to other types of hospitality which are not directly linked to the City Council's functions, such as attendance at sporting events, theatrical or musical performances, "corporate days", paid holidays or concessionary travel rates, should not be accepted.
- 13.2.8 Where visits are required to inspect equipment, sites etc, you must ensure that the City Council meets all the costs of such visits to avoid jeopardising the integrity of any subsequent purchasing decision. Where anything other than incidental hospitality is offered by an existing contractor, or by an organisation likely to be involved in a contract, the hospitality should be refused. You should avoid socialising with organisations and should pay your own bills for meals, travel etc, (claiming any expenditure back under the Council's procedures for reimbursement as appropriate).
- 13.2.9 Similar rules apply to those instances where employees are offering hospitality on behalf of the City Council. The following guidelines must be observed on all occasions. For the purpose of these guidelines



"hospitality" excludes the normal tea, coffee and other refreshments provided at meetings:-

- (a) any hospitality must be provided on a modest scale.
- (b) so far as is practicable, hospitality must be provided in the workplace.
- (c) soft drinks only must be provided in the workplace, alcoholic drinks must not be available.
- (d) if it is necessary to provide hospitality outside the workplace, this must be on a model scale appropriate to the occasion. The cost must not be excessive.
- (e) the number of employees involved on any occasion when hospitality is provided must be restricted, and in any event, must not extend beyond those directly involved with the matter in hand.
- (f) the provision of all hospitality must be personally approved by your Manager, and an Assistant Director, Deputy Director or Director.
- (g) bills for hospitality provided must be certified for payment by your Manager, and an Assistant Director, Deputy Director or Director.
- (h) each service will maintain in their hospitality register, a record of all occasions on which hospitality has been provided, the number of persons involved, and the costs incurred.

## APPENDIX 2

### Table of Entries in Officers' Registers of Gifts and Hospitality: 1st May to 31<sup>st</sup> October 2014

|                                 | Officer                      | Description   | Provider                 | Estimated Value | Code of Conduct general consent | Consent of senior officer or manager obtained? |
|---------------------------------|------------------------------|---|--------------------------|-----------------|---------------------------------|--|
| <b>CHIEF EXECUTIVE'S OFFICE</b> |                              |   |                          |                 |                                 |  |
| 01.05.14                        | Chief Executive              | Bottle of champagne (donated to the Lord Mayor's Charity) for speaking at a national seminar  | Trowers Hamlin           | £50.00          | Yes                             | N/A  |
| 22.05.14                        | Marketing & Design Manager   | Hospitality provided at evening meeting at the Village Hotel  | Coventry Hoteliers Group | £30             | N/K                             | N/k  |
| 09.06.14                        | E-Communications Coordinator | Flight accommodation and food and hospitality for speaking at the Jadu Academy, Edinburgh about work done as a Council using social media | Jadu                     | £251.80         | N/K                             | N/K  |
| 18.06.14                        | Chief Executive              | Working lunch at The Loose Box, London  | Skoolbo                  | £50.00          | Yes                             | N/A  |
| 20.06.14                        | Chief Executive              | Coventry Telegraph Business Awards Dinner at Coventry Cathedral   | Coventry Telegraph       |                 | Yes                             | N/A  |
| 08.07.14                        | Chief Executive              | Private Dinner at the Hotel   | EC Harris                | £50.00          | Yes                             | N/A  |

|          |                 |  |  |         |     |     |
|----------|-----------------|--|--|---------|-----|-----|
|          |                 | Miramar, Bournemouth as part of the LGA Conference   |  |         |     |     |
| 09.07.14 | Chief Executive | Chief Executives Dinner at the Print Room Restaurant as part of the LGA Summit   | LGA  | £50.00  | Yes | N/A |
| 21.07.14 | Chief Executive | Board of Governors Annual Dinner   | Coventry University                            | £50.00  | Yes | N/A |
| 29.07.14 | Chief Executive | Coventry City Council and Coventry University senior officers working dinner at Blue Bistro, Coventry  | Coventry University (reciprocal arrangement)   | £40.00  | Yes | N/A |
| 05.09.14 | Chief Executive | 3 tickets to Football Match CCFC v Gillingham at the Ricoh Arena (special rate of £10 per ticket paid for personally)  | ACL  | £30.00  | Yes | N/A |
| 09.09.14 | Chief Executive | Inauguration Reception and Dinner for the 133rd Global President of the Royal Institution of Chartered Surveyors (RICS) at The Banqueting Suite, Birmingham City Council | RICS   | £50.00  | Yes | N/A |
| 26.09.14 | Chief Executive | NSPCC Charity Ball (plus guest) at the Ricoh Arena   | Jaguar Land Rover and the NSPCC Business Board | £100.00 | Yes | N/A |
| 01.10.14 | Chief Executive | Barnardos Senior Leadership Dinner (attended as a guest speaker) at the Britannia Hotel, Coventry  | Barnardos                                      | £25.00  | Yes | N/A |

|                           |                         |   |  |                |     |                            |
|---------------------------|-------------------------|---|--|----------------|-----|----------------------------|
| 15.10.14                  | Chief Executive         | Dinner hosted by BDO at Blakes Restaurant, Liverpool as part of the SOLACE Summit                 | BDO  | £50.00         | Yes | N/A                        |
| 16.10.14                  | Chief Executive         | Annual Charity Dinner at The Rum Warehouse, Titanic Hotel, Liverpool as part of the SOLACE Summit | Sponsored by PwC and Enterprise Rent-a-Car   | £50.00         | Yes | N/A                        |
| <b>PEOPLE DIRECTORATE</b> |                         |   |  |                |     |                            |
| 13.10.14                  | Housing Advice Officer  | Thank you card, book and small box of chocolates left in interview room                           | Housing client                               | £12            | Yes | Managers notified by email |
| <b>PLACE DIRECTORATE</b>  |                         |   |  |                |     |                            |
| 14.5.14                   | Assistant Director      | BCO Conference Dinner : Opus Restaurant Birmingham  | DTZ  | £50            | No  | Yes                        |
| 15.5.14                   | Assistant Director      | BCO Conference Dinner: The ICC  | Gleeds                                       | £50            | No  | Yes                        |
| 19.5.14                   | Sports and Arts Manager | Tickets x 2 : Prince at NEC   | Promoter (via Ricoh Arena)                   | £65 per ticket | No  | Yes                        |
| 19.5.14                   | Sports and Arts Officer | Tickets x 2 : Prince at NEC   | Promoter (via Ricoh Arena)                   | £65 per ticket | No  | Yes                        |
| 20.6.14                   | Director                | Coventry Telegraph Business Awards , Coventry Cathedral: judging panel                            | Coventry Telegraph                           | £40            | No  | N/A                        |
| 29.7.14                   | Director                | CCC/Coventry University senior officers working dinner at Blue Bistro                             | Coventry University (reciprocal arrangement) | £40            | No  | N/A                        |

| PUBLIC HEALTH         |  |   |                      |           |           |  |
|-----------------------|--|---|----------------------|-----------|-----------|--|
| No entries            |  |   |                      |           |           |  |
| RESOURCES DIRECTORATE |  |   |                      |           |           |  |
| Not given             | HR Business Partner                    | Working lunch   | TMP                  | £10       | Yes       | No, but manager also present                   |
| 12.8.14               | Customer Services Advisor              | Flowers   | Customer             | £10       | Yes       | Yes  |
| Not given             | Payroll Support and Project Specialist | A4 notepad/zipped wallet/box containing 6 each of pens/sticky notes/rubber cars/3 key rings/2 cups. | Tusker Direct        | £12       | Yes       | No, shared out among team, not a personal gift |
| 8.10.14               | Team Leader                            | Ticket to Family Law Awards   | St Phillips Chambers | Not known | Not known | Yes  |

