

OFFICERS' GUIDANCE ON HOSPITALITY, GIFTS AND OTHER BENEFITS OFFERED BY, OR PROVIDED TO, EXTERNAL ORGANISATIONS, BUSINESSES OR INDIVIDUALS

Introduction

1. This guidance is issued in accordance with the statutory Code of Conduct for Employees and is therefore relevant to all Council officers to whom the Code of Conduct relates, including school based non-teaching staff.
2. It sets out guidance on the acceptance and refusal of any gifts and hospitality which may be offered to officers, and authorisation and record keeping / registration requirements. **All hospitality, gifts and other benefits offered to officers, which are estimated to exceed the threshold value of £25 require authorisation by a senior officer (at Assistant Director level or above); and must be registered with the Head of Democratic Services.**
3. It also sets out guidance on when hospitality or gifts may legitimately be provided by officers to external organisations or individuals in order to fulfil the Council functions, and the authorisation and record-keeping / registration requirements. **Any hospitality, gifts or other benefits provided by officers which exceed the threshold of either (i) £25 per person; or (ii) £500 per event require authorisation by a senior officer (at Assistant Director level or above); and must be registered with the Head of Democratic Services.**
4. This guidance does not cover:
 - a) Members' gifts and hospitality, which is covered by separate guidance, CIS document reference 1.CM.221;
 - b) Civic hospitality provided by the Lord Mayor's Office; or
 - c) Gifts, such as long service awards, which may be provided to Council staff only in accordance with the Long Service Award Scheme, CIS document reference 1.CM.102.

Definitions

5.

Term	Definition
Hospitality received	Any entertainment beyond the offer of non-alcoholic drinks and light refreshments, offered to staff representing the Council in an official capacity or in the course of their duties as an officer of the Council.
Hospitality provided	Any hospitality, gifts or other benefits offered by officers to organisations or individuals (excluding civic hospitality) using Council funds or resources.

Term	Definition
Hospitality	May include (but not exclusively) meals, travel opportunities, hotel accommodation, invitations to events, sport and theatre tickets.
Gift	Any tangible item which is either (i) offered to an officer arising out of their official duties and position within the Council; OR (ii) offered by an officer to any external organisation or individual, which has been purchased or otherwise obtained using Council funds or resources, or belongs to the Council or is otherwise at its disposal
Other benefits	Any other benefit which is not covered by the definitions listed above.

Statutory Framework

6. The statutory Code of Conduct for Employees (which is contained within Part 5 of the Council's Constitution) includes the following duties:

"Personal Interests

.. "[Employees must comply with] any rules of their relevant authority on the declaration by employees of hospitality or gifts offered to or received by them, from any person or organisation doing or seeking to do business, or otherwise benefiting or seeking to benefit from a relationship with the authority. Qualifying employees must not accept benefits from a third party unless authorised to do so by their relevant authority." (Paragraph 8(2) of the Code)

"Stewardship

Qualifying employees of Cardiff council must ensure that they use public funds entrusted to them in a responsible and lawful manner, and must not utilise property, vehicles or other facilities of the authority for personal use unless authorised to do so." (Paragraph 7 of the Code)

7. The acceptance of, or giving of a gift to obtain financial or other advantage, is a criminal offence under the Bribery Act 2010. The prevention, detection and reporting of bribery and corruption is the responsibility of all those working for the council or under its control. All workers are required to avoid any activity that might lead to, or suggest, a breach of the Bribery Act 2010.

GIFTS, HOSPITALITY OR OTHER BENEFITS OFFERED TO OFFICERS

Acceptance and Refusal

8. Whatever the value of the hospitality, gift or other benefit offered to an employee/officer, if its acceptance may place you under an improper obligation to the donor, or may reasonably appear to do so, it should always be refused.
9. It is not possible to describe all the situations where an improper obligation may arise. However, these are some examples of circumstances in which offers to officers are likely to be seen as suspect:
 - a) The offer of hospitality, gifts or other benefits which do not appear to have any proper purpose connected with the Council (e.g. the offer of private holidays or the use of holiday accommodation; personal gifts of substantial value or other benefits offered to officers at substantially below the price they would normally be offered to the public);
 - b) Hospitality, gifts or other benefits offered to officers who are closely involved in discussions, or who will make recommendations or participate in decision making, relating to an external organisation, business or individual seeking to do business with the Council and, for example, is involved in negotiating a contract or the sale or acquisition of a property, or who has submitted a tender for a Council project;
 - c) Regular and repeated hospitality, gifts or other benefits which are offered or received from the same external organisation, business or individual;
 - d) Hospitality, gifts or other benefits offered where the officer would be the sole guest on an essentially private occasion;
 - e) Hospitality, gifts or other benefits offered for purely sporting or social occasions away from the Council's administrative area, where there would be no general expectation that the Council should be represented, nor any clear connection with Council business or functions.

It should be stressed that the above are examples only, and are not exhaustive. Each offer and its appropriateness should be considered on its merits and it will be necessary for officers to take a personal view as to whether it is appropriate to accept it, subject to authorisation. Officers must always be mindful of the need to avoid the appearance of any improper obligations to an external organisation, business or individual.

10. In circumstances where it is necessary for the Council to be represented at events where hospitality is offered by an external organisation, business or individual, it is appropriate to accept, unless there are circumstances which clearly suggest that an improper obligation may be seen to arise.
11. If, for example, the external organisation, business or individual offering hospitality is at a sensitive stage in contractual negotiations with the Council, it will not be appropriate for those who are directly or indirectly involved with those negotiations to accept hospitality. If the matter is a major project which affects many parts of the Council, all invitations during negotiations should be refused.
12. If, however, the issue is relatively minor and confined to one service area or a small group of individual officers, it may be appropriate for those officers not involved directly or unconnected with the matter to accept invitations, if it is believed that the event concerned is particularly relevant to Council business or functions.
13. The offer of hospitality from other public bodies or organisations (e.g. UK Government, National Assembly for Wales, Welsh Government, Local Health Boards and other Councils) will normally be appropriate for acceptance as the implication of improper obligation would rarely arise in those circumstances and such events are generally arranged for proper public purposes. However, those officers who are offered hospitality, gifts or other benefits from such organisations would still need to consider whether acceptance is appropriate and likely to further the Council's interests. In addition, if the organisation is involved in the process of negotiating a contract or other arrangement with the Council, careful consideration should be given before accepting any hospitality, gifts or other benefits.
14. Officers may be offered gifts in the form of bequests by local residents, as a result of their undertaking official duties. This most often happens in the case of home care or residential care staff. Such offers of bequests should be discouraged wherever possible in order to avoid officers being subject to any accusations of impropriety and undue influence or persuasion having been brought to bear on the testator. However, if a bequest is made, then the acceptance of small bequests by officers, which represent only a minor proportion of the estate in each individual case, will generally be considered as acceptable, subject to appropriate authorisation by a senior manager at Assistant Director level or above, in accordance with the authorisation levels set out in **paragraph 18** below.

Authorisation

15. Under the Code of Conduct for Employees, officers should seek authorisation before accepting any hospitality, gift(s) or other benefit(s).

1.CM.070	Issue	Date:	Process Owner: Head of Democratic Services	Authorisation: Director of Governance and Legal Services and Monitoring Officer	Page 4 of 8
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16. It is the responsibility of the employee to record any hospitality, gifts or other benefits and to ensure that their line manager and/or senior manager are aware of this. Even if authorisation is given, employees remain under a duty to consider whether acceptance of the hospitality, gift(s) or other benefit(s) would place him/her under an improper obligation or be reasonably regarded as such, and also consider whether they need to register its receipt within the register held by Democratic Services.
17. Subject to paragraph 12 above, this guidance gives **general authorisation** for employees to accept the following hospitality, gifts or other benefits from third party external organisations, businesses or individuals:
- a) Promotional or advertising items including pens, calendars, note pads, diaries, etc;
 - b) Small token gifts given to all or most participants at the end of an official visit by or to the Council or a properly authorised conference;
 - c) Modest gifts given by individuals to express gratitude for help given in the proper performance of official duties, where refusal would needlessly offend (e.g. bunch of flowers, box of chocolates, single bottle of inexpensive wine etc.), but repeated or costly gifts of this nature should be politely refused;
 - d) Hospitality offered as part of a conference or training event at which attendance has been authorised through the normal procedures;
 - e) Hospitality by way of meals offered at business meetings where it is necessary due to diary commitments or other pressing circumstances for the meeting to cover a normal mealtime. In such cases, the hospitality accepted should be of an appropriately modest scale below an estimated value of £25.
18. For all other occasions, specific authorisation must be obtained before employees accept the hospitality, gift(s) or other benefit(s). Authorisation must be requested from an appropriate senior manager, as set out below:

Employee	Authorised by:
Chief Executive	Corporate Director Resources <u>or</u> Director of Governance and Legal Services & Monitoring Officer
Corporate Director or Director	Chief Executive <u>or</u> Corporate Director
Assistant Director <u>or</u> Chief Officer	Corporate Director <u>or</u> Director
Any other officer	Assistant Director <u>or</u> Director

Registration

19. Officers are required to register the offer of any hospitality, gifts or other benefits exceeding an estimated value of £25 for each occasion, item or payment, within 28 days. This includes any offers which may be refused.
20. If there is any doubt about whether the item exceeds the threshold value, you are advised to register it. However, for the avoidance of any doubt, items below the threshold value do not need to be registered by officers. The threshold value will be reviewed by the Council as necessary and appropriate, in consultation with the Standards and Ethics Committee.
21. Employees should use the Officer Registration Form (4.C.034), which must be completed and returned to Democratic Services for registration purposes within 28 days. The register will be made available for public inspection.
22. The Head of Democratic Services will arrange for publication of a register of any gifts, hospitality or other benefits offered to Senior Officers (Chief Officers, Assistant Directors and above).

PROVISION OF HOSPITALITY, GIFTS AND OTHER BENEFITS TO EXTERNAL ORGANISATIONS OR INDIVIDUALS

23. There are occasions when it is necessary and appropriate for the Council to offer hospitality, gifts or other benefits to organisations or individuals in order to further the proper exercise of the Council's functions and fulfil its role as the capital city of Wales. Examples include (but are not limited to) offers made in connection with the following:
 - a) Promoting economic, environmental or social benefits for the inhabitants of the area;
 - b) Securing economic development;
 - c) Promoting tourism within the City and providing entertainment;
 - d) Official visits by distinguished people, representatives of foreign, national, regional and local government and other public services; and
 - e) Raising money for charitable purposes or for the funds of public bodies which provide services otherwise than for gain.
24. When considering whether it is appropriate to make any such offers (whatever the value), officers must be mindful that the value of all gifts, hospitality and other benefits offered by the Council is derived from public funding, and the expectation that such funding will be used for legitimate purposes and demonstrate value for money. It must, therefore, be ensured that proper regard is given to the fiduciary

responsibilities of the Council towards Council taxpayers and the inhabitants of the area.

Authorisation

25. Officers are required to obtain authorisation from a senior officer at Assistant Director level or above, in line with the authorisation levels set out in paragraph 18, before offering any hospitality, gift or other benefit to representatives of external organisation, businesses or individuals if the **value exceeds either (i) £25 per person; or (ii) £500 per event.**
26. Directors may grant a general authority to specified officers to incur expenditure on the provision of hospitality up to a value of £750 per event, provided that all of the conditions below are met:
 - a) The cumulative value of all such expenditure for that Directorate must not exceed £1,500 in any financial quarter period;
 - b) The Director maintains overall responsibility and accountability for all such hospitality and expenditure; and
 - c) Evidence of the general authorisation must be retained and a copy provided with the registration form (see paragraph 28 below).
27. When seeking authorisation, it will be necessary to provide as much information as possible about the reasons for providing the hospitality, gifts or other benefits, showing any links and benefits to the Council.

Registration and Record-Keeping

28. Officers are required to register any hospitality, gift or other benefit provided to representatives of external organisation, businesses or individuals, which has a value exceeding either (i) £25 per person; or (ii) £500 per event, (including anything approved under the Director's general authority referred to in paragraph 26) within 28 days from its provision.
29. Officers should use the Officer Registration Form (xxx), which must be completed and returned to Democratic Services for registration purposes **within 28 days**. The register will be made available for public inspection.
30. The Head of Democratic Services will arrange for publication of a register of hospitality, gifts or other benefits provided by Senior Officers (Chief Officers, Assistant Directors and above).
31. Receipts and any other appropriate documentation must be retained for all hospitality provided, regardless of value; and such records must be promptly made available for audit inspection upon request.

32. Payment should be made using a Corporate Procurement Card wherever possible. If this is not feasible or practical, reimbursement of approved expenditure may be made in accordance with the Financial Procedure Rules. All approval forms and a VAT receipt will be required.

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