



**POLICY AND GUIDELINES
ON THE ACCEPTANCE OF,
AND EXPENDITURE ON,
GIFTS AND HOSPITALITY**

Revised March 2016

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POLICY AND GUIDELINES ON THE ACCEPTANCE OF, AND EXPENDITURE ON, GIFTS AND HOSPITALITY

POLICY

1. This policy and related guidelines reminds staff and people acting on behalf of the Agency (e.g. consultants, contracted staff etc.) of the principles and requirements governing the acceptance of and expenditure on, gifts and hospitality and provides some specific advice on how these requirements should be interpreted throughout the Agency.

Whilst this guidance does not seek to supply a prescriptive list of the gifts or hospitality that can be provided or accepted offers of the following gifts/hospitality **must be refused or returned**:

- Alcohol;
 - Tobacco;
 - Gift Cheques;
 - Gift Vouchers;
 - Cash;
 - Invitations to Sporting or Cultural events (as a guest);
 - Trade or Discount Cards through which an individual officer might personally benefit from the purchase of goods or services at a reduced rate.
2. The basic requirements are that public servants should conduct themselves with honesty and impartiality in the exercise of their duties. As a consequence, they should not receive from, or offer to, a third party benefits of any kind which might reasonably be seen to compromise their personal judgement or integrity. General Government guidance relates, in the main, to gifts and hospitality offered or received from contractors or parties to the procurement processes. Staff should note that this guide applies to all clients/customers/contractors that the Agency has as well as those parties to the procurement process.
 3. The fundamental principle is that an officer should not do anything which might give rise to the impression that he or she has been or might be influenced by a gift or hospitality or other consideration to show bias for or against any person or organisation while carrying out official duties. An officer also faces legal obligations to act properly under the Bribery Act 2010.
 4. The Bribery Act creates two general offences (1) bribing another person (active bribery) and (2) being bribed (passive bribery). The Bribery Act applies equally to individuals in the public and private sectors. Areas where allegations of the offence of bribery could occur in the Agency include the awarding of public contracts, conducting or being subject to inspections, obtaining licenses or permits, involvement in sponsorship or community development, making charitable donations, or giving and receiving gifts and hospitality
 5. Bearing in mind the increasing attention which is now being paid to the conduct of public servants it is opportune to revise and set out for Agency staff the principles and requirements governing the acceptance or offering of gifts and hospitality. These guidelines are supported by the Labour Relations Agency's Management Statement and Financial Memorandum and its Code of Conduct for Staff.

Gifts

6. Whilst the general principle is that all gifts should be refused, occasional seasonal or modest gifts e.g. calendars, diaries, pens etc; may be accepted. The general principle applies especially where a contractor relationship is involved or is being contemplated with the donor. Trade or discount cards, through which an individual officer might personally benefit from the purchase of goods or services at reduced prices, are classified as gifts and should be refused or returned. Similarly, visits to manufacturers or suppliers at their expense, even if those take place during annual leave or other free time, may constitute gifts or benefits.
7. In cases where the refusal of a gift is likely to offend the donor or cause embarrassment, the Agency 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 Corporate Services, to whom the acceptance of any such gifts should be reported as well as registered.

Hospitality

8. The handling of offers of hospitality requires everyone to exercise careful judgement. In determining whether or not it is proper to accept the hospitality offered each individual case should be considered on its merits. For example, there is a distinction between a working lunch which is normally regarded as acceptable practice and does not require approval, and a more formal lunch or dinner by prior invitation which should be approved by a Director (with the advice of the Director Corporate Services). On occasions, in deciding whether or not to approve attendance at such events, it will be necessary to ensure that the Agency is not over-represented at the function concerned. The same approach should be applied to some invitations which are extended, particularly to senior staff, acting in a representational capacity. While such invitations may generally be accepted within reasonable limits, care should be taken to ensure the Agency is not over represented. If necessary the Director Corporate Services will make enquiries regarding the total number of invitations issued.
9. 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 Corporate Services. One important factor to be borne in mind is the obligation which acceptance might appear to place on an officer or the Agency in terms of reciprocal hospitality, business dealings etc: This is particularly important following the introduction of the Bribery Act 2010 which makes it an offence to accept a bribe.

The Register

10. In order to counter any possible accusation or suspicion of improper conduct the Agency maintains a Gifts and Hospitality Register. This Register is kept in the Secretariat's office. The Register covers all invitations and offers of hospitality and gifts extended to staff within each Directorate. While occasional seasonal and modest gifts can be excluded on de Minimis grounds, working lunches should be included to ensure they do not become a regular occurrence.
11. All such Registers and records will be open to periodic inspection by the Director (Corporate Services) and/r the Compliance Officer and will be included in Internal Audit Inspections. The Director of Corporate Services and/or the Compliance Officer are authorised to access the Register to enable monthly compliance inspections.

In addition, the register is subject to Freedom of Information (FOI) queries. The Register of Gifts and Hospitality will be published annually, on the Agency website, and FOI requesters will be referred to the published information.

All staff should bear this in mind when deciding on the acceptance of any gift or hospitality. A pro-forma is attached at Annex E

Conclusion

- 12 Finally, it should be emphasised that this guidance is designed to protect members of staff and the Agency in general. As the guidance cannot cover every eventuality, the advice of a senior manager and/or the Director Corporate Services should be sought to ensure that the propriety of accepting a particular gift or offer of hospitality is not in doubt. In this regard officers should be mindful that perception is as important as reality.
- 13 The basic rule is that given our ongoing contacts with the private sector, Agency staff should be guided by the appropriate standards of conduct expected of a public servant.

The 'Seven Principles of Public Life' (often referred to as the Nolan Principles), which were endorsed in "Spending Public Money: Governance and Audit Issues" (March 1996), capture the key characteristics of propriety and they are included in Annex B.

GUIDELINES ON EXPENDITURE ON GIFTS AND HOSPITALITY

Purpose

1. The purpose of these guidelines is to outline for staff the principles and requirements governing the provision of hospitality, official gifts and entertainment and to provide advice and guidance on the procedures to be followed by all staff in the Agency where such expenditure is likely to be incurred.

General Principles

2. As the expenditure of taxpayers' money on official hospitality is a sensitive matter, which can lead to public criticism, care must be taken to avoid exposing the individual or the Agency to allegations of extravagance or impropriety.
3. Expenditure on official hospitality should only be incurred where it can be shown to be in direct support of the Agency's business. The scale of hospitality should be appropriate to the needs of the occasion and the status of the guests.
4. Only LRA Directors or above have the authority to approve the expenditure described here. They should always consider the justification for and the form and extent of any hospitality to be offered and should exercise economy in incurring expenditure for this purpose. Approval must be obtained prior to hospitality being offered or provided. Decisions on the provision of hospitality will lie with the relevant Director subject to the approval of expenditure by the Director Corporate Services. Final decisions, on any exceptional provision and expenditure, will lie with the Chief Executive as Accounting Officer.

Requirements

5. Hospitality should be in the form of food and refreshments appropriate to the occasion. There should normally only be a charge on public funds where one or more persons present are external clients or stakeholders. However, where the provision of tea/coffee/bottled water and biscuits/scones enables the business of large meetings to continue, there may be a charge on public funds where the alternative results in an interruption of business.
6. The Director of Corporate Services has delegated authority for approving normal expenditure.
7. Full details specifying the purpose of each function, the number of guests and Agency officers attending, together with the itemised costs of food, refreshments, room hire, etc should be shown on the Hospitality Approval Form (copy attached as Annex C). Approval should be obtained on this form prior to the event taking place.

Guidelines

8. The following guidelines cover the range of circumstances in which expenditure on hospitality might be expected to arise within the Agency.

(a) Hospitality offered to visitors from outside the Agency

The Agency will normally meet expenditure for the provision of lunch or dinner to visitors (including those from other NI and GB Agencies) or for a working lunch where a benefit will accrue to the Agency or where such an occasion allows for the conduct of urgent business. In such circumstances, and following completion of the Hospitality Approval Form, expenditure may be authorised on the following basis:

- (i) Approval should not normally be granted when only NI public servants are in attendance. In cases where those NI public servants attending outnumber external (i.e. non-NI public service) guests, the approval of the Chief Executive should be obtained;
- (ii) The number of people present should be kept to a minimum;
- (iii) Hotels or restaurants used should be appropriate to the purpose. Agency premises should be utilised wherever possible;
- (iv) a meal should be on a modest scale, with the total cost per person not exceeding £30.00. The element for refreshments must not exceed one third of the total bill;
- (v) Where no service charge is included, a tip of 10% is considered Reasonable;
- (vi) No spouses or guests of Agency staff are eligible to receive official hospitality other than in exceptional circumstances and with the specific agreement of the Chief Executive; and
- (vii) Except where such hospitality constitutes Agency business, funds are not available for visits to theatres or to other forms of public entertainment.

(b) Working lunches and refreshments for official committees and other ad hoc meetings.

The provision of lunch at public expense will be acceptable only where it is impossible to accommodate urgent meetings other than at lunch time and where:

- (i) There is a need to make provision for non-NI public service guests; or
- (ii) It is necessary for participants to remain together during lunch; or
- (iii) Pressure of work is likely to be such as to make it impractical to allow a break long enough to give participants reasonable time to obtain lunch elsewhere (although such cases are likely to be rare).

The nature of the lunch should be appropriate to the purpose, with costs kept to a minimum.

If morning or afternoon breaks are warranted, light refreshments (tea/coffee/bottled water/biscuits/scones) may be provided, at public expense, at the discretion of the relevant Director.

Refreshments may be provided for business meetings where approval has been obtained at the relevant level.

(c) **Hospitality offered during training courses, conferences, workshops etc**

A measure of hospitality at public expense may be offered to those participating in training courses, both residential and non-residential. This facility may also be extended to cover conferences, seminars, approved team building sessions and workshops, etc: The following guidelines apply:

- (i) **Residential** (i.e. where at least one night's accommodation is being provided and paid for as an integral part of the course)
 - (a) Whilst it is normal practice to meet the cost of meals and light refreshments i.e. bottled water/biscuits/scones, this facility should not be extended to include payments for alcoholic refreshments.
 - (b) Expensive hotels should be avoided.
 - (c) The total cost of food and refreshment per person should be appropriate to the purpose and cost should be kept to a minimum.

(ii) **Non-residential**

Depending on the duration of the course/event, hospitality should be restricted to the provision of morning and afternoon tea/coffee (or bottled water) with biscuits/scones. The provision of snacks or a buffet-type meal at lunch time will be at the discretion of the relevant Director who should take into account factors such as the background and number of attendees, the availability of alternative facilities and the benefits (if any) which such provision might offer in terms of the running of the course/event. Where lunch and light refreshments are provided, subsistence expenses will not be payable.

Government establishments should be considered as a first choice of venue and expensive hotels should be avoided.

Drinking and Driving

10. Staff will recognise the need to set an example in terms of preventing drinking and driving. To this end, and bearing in mind the possibility that the Agency might be perceived as being at fault if an attendee at an event was found to be driving with an alcohol level in excess of the legal limit, the following guidelines should be followed at relevant functions/events:
- (a) an adequate selection and supply of soft drinks should always be made available and
 - (b) consideration should be given to providing low alcohol alternatives to alcoholic drinks:

Expenditure on Official Gifts

11. The regulations governing expenditure on official gifts are contained in DAO (DFP) 10.06 as revised in September 2009. Official gifts should not be regarded as part of the normal conduct of Agency business and should involve only modest expense.

The norm is a maximum of £100 (inclusive of VAT) in all but exceptional circumstances where the expenditure could be deemed to be novel or contentious. Approval for the provision of official gifts must be obtained in advance from the Chief Executive as the Accounting Officer.

Summary

12. This guidance is designed to help and inform the individual judgements to be made by staff where the provision of official gifts and hospitality arises. More importantly, the associated rules and requirements are intended to protect both the individual and the Agency in general from any charges of impropriety. As with the acceptance of gifts and hospitality, the basic rule is that staff should be guided by the appropriate standards of conduct expected of a public servant as set out in the LRA Code of Conduct for Staff and, as appropriate to the Agency, the Northern Ireland Civil Service HR Policies.

Review

13. This Policy and related Guidelines will be reviewed as and when relevant provisions or guidance requires and no later than three years from the date of implementation i.e. by 31 March 2019.

ANNEX A

GIFTS/HOSPITALITY RECORD OF APPROVAL FORM

Name of proposed recipient(s)

Directorate.....

Type of Gift/Hospitality Offered (give brief description)

.....
.....
.....
.....

Estimated Value £

Name and Address of Offeror

.....
.....

Date of offer

Was offer accepted or rejected?

Signature of proposed recipient(s)

Date

Statement by Approving Director detailing why approval has or has not been granted

.....
.....

Signature of Approving Director.....

Date

ANNEX B -THE SEVEN PRINCIPLES OF PUBLIC LIFE

Below is a section from the First Report of the Committee on Standards in Public Life. These "Seven Principles of Public Life" capture the key characteristics of propriety and is a reminder that issues of propriety and corporate governance are cleanly linked.

Selflessness	Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.
Integrity	Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.
Objectivity	In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.
Accountability	Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.
Openness	Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.
Honesty	Holders of public office have a duty to declare any private interests in relation to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interests.
Leadership	Holders of public office should promote and support these principles by leadership and example.

ANNEX C

APPROVAL FOR EXPENDITURE ON HOSPITALITY

Please indicate the type of hospitality:-

Hospitality offered to visitors from outside the Agency

Working lunches and refreshments for official committees and other ad hoc meetings

Hospitality offered during training courses, conferences, workshops etc.

Details of event:-

(i) Date of event _____

(ii) Purpose of event _____

(iii) Names of attendees _____

Costs:

Food: _____

Refreshments _____

Room Hire: _____

Other:
(Please specify) _____

VAT _____

TOTAL _____

Officer making the
Request _____

Approved by Director _____

Date: _____

ANNEX D

TEMPLATE FOR RETURN OF GIFTS AND HOSPITALITY OFFERED TO US

Contact Name
Name of Company
Address of Company

Dear

The Labour Relations Agency operates a Gifts and Hospitality Policy to ensure high standards of propriety in the conduct of its business.

On account of public confidence, perception is as important as reality and because of this I am obliged to return your offer of (insert: name of gift/hospitality).

This is not in any way meant to offend or to imply that your (gift/hospitality) was offered in anything but the utmost good faith, but is designed to protect both individual members of staff and the Labour Relations Agency.

I hope you will accept our response in that spirit and that we can look forward to continued effective working relationships.

Yours sincerely

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Annex E – LABOUR RELATIONS AGENCY REGISTER OF GIFTS AND HOSPITALITY OFFERED TO US

Year:

REGISTER* OF GIFTS / HOSPITALITY / REWARD ETC OFFERED AND ACCEPTED OR REFUSED/DECLINED/RETURNED

Date of Offer	Offered To	Ultimate Recipient (If Different)	Offered From	Description of Offer	Reason for Offer	Details of Contracts – If Any – Current Or Potential	Estimated Or Actual Value of Offer	Action Taken i.e. Accepted/Refused/Returned/Declined	Entered By	Date of Entry	File Ref:

**This register will be published on the Labour Relations Agency website within 3 months of financial year end*