



Department of

Health, Social Services and Public Safety

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AN ROINN

Sláinte, Seirbhísí Sóisialta
agus Sábháilteachta Poiblí

MÁNNYSTRIE O

Poustie, Resydènter Heisin
an Fowk Siccar

Subject:

Circular Reference: HSS(F) 35/2009

Hospitality Registers

17th June 2009

For Information to:

**Chief Executive and Director of Finance of each
HSC Body and NIFRS**

Summary of Contents:

**This circular reminds Finance Directors of the
guidance on gifts and hospitality and the
importance of hospitality registers**

Enquiries:

**Any enquiries about the contents of this Circular
should be addressed to:**

**Linda Greenlees
Finance Policy, Accountability and Counter Fraud
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BT4 3SQ**

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**Superseded Documents:
Not Applicable**

**Related documents:
DAO (DFP) 10/06
HSS(F) 13/2007
FD (DFP) 11/09**

**Expiry Date:
Not Applicable**

**Status of Contents:
Informative**

ACCEPTANCE AND PROVISION OF GIFTS AND HOSPITALITY: HOSPITALITY REGISTERS

Purpose

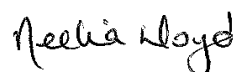
1. This is to inform you that DFP have written to Finance Directors reminding them of the guidance on the acceptance and provision of gifts and hospitality issued under DAO (DFP) 10/06 and the importance of completing hospitality registers using a common template. The letter also makes reference to the arrangements for countersigning. Copies of the letter and DAO 10/06 are attached.

Action

2. Please ensure that this circular is brought to the attention of the appropriate staff in your organisation.

Should you have any queries on this please contact Linda Greenlees on 02890 765647.

Yours,



Neelia Lloyd

Finance Policy, Accountability and Counter Fraud Unit

**Treasury Officer of Accounts
David Thomson**

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FD (DFP) 11/09

21 May 2009

Dear Finance Director

Copy Distribution Below

HOSPITALITY REGISTERS

1. The purpose of this letter is to remind departments of the guidance on the acceptance and provision of gifts and hospitality issued under the cover of DAO (DFP) 10/06 on 10 August 2009. The guidance sets out good practice concerning the acceptance, or rejection, of gifts or hospitality, and details responsibilities and procedures for the authorisation and recording of such instances.
2. Permanent Secretaries discussed hospitality registers at PSG on 15 May 2009 and expressed concerns that some registers were not being completed using the common format. It is important that registers are kept on a consistent basis for monitoring purposes and to facilitate any subsequent publication. I would therefore remind you of template register provided at annex A of the guidance attached to DAO 10/06 and ask that you ensure that all registers within your departments are completed using this template.
3. I understand that a question was also raised at PSG about countersigning. The guidance sets out the arrangements for both the

approval and monitoring of gifts and hospitality and specifically requires approval at appropriate levels (para 2.24) and that the authorisation form (part 2 at annex C) has the approving officer's signature.

4. I would also like to remind you that, whilst the guidance is entitled "Acceptance of Gifts and Hospitality", it covers all offers of hospitality and gifts, and requires that all offers are recorded on registers even though some may be rejected. The word "acceptance" was used in the title to differentiate it from hospitality provided, but we will change the title to reflect that it covers all offers.
5. My objective, since the publication of Managing Public Money, has been to place guidance documents on the DFP web site, and not necessarily issue them formally through DAO letters. This enables them to be refreshed without having to cancel and reissue a DAO every time small amendments are made. There is no plan to amend the core hospitality guidance, but I want to consult with colleagues in Central Personnel Group, (the authors of the guidance), to make a few minor changes such as amending the title of the guidance, to reflect that it covers offers of hospitality. DFP will however advise you of any changes.



DAVID THOMSON
Treasury Officer of Accounts

Copy Distribution:
Bruce Robinson
Permanent Secretaries
Richard Pengelly
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CFG G5s

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DAO (DFP) 10/06

10 August 2006

Dear Accounting Officer

ACCEPTANCE AND PROVISION OF GIFTS AND HOSPITALITY

Purpose

1. The purpose of this DAO is to update the guidance on the acceptance and provision of gifts and hospitality issued under cover of DAO(DFP)14/05. To avoid confusion, DAO(DFP) 14/05 is hereby cancelled.

Provision of gifts/hospitality

2. The principles previously set out in DAO (DFP) 14/05, for the provision of gifts and hospitality remain unchanged and are reissued at Appendix 1. The requirement that departments review their guidelines to ensure that they remain 'fit for purpose' remains.

Acceptance of gifts/hospitality

3. Departmental guidance based on general principles as set out in DAO (DFP) 14/05 has led to some inconsistencies and it is therefore considered appropriate to apply a common NICS wide set of guidelines on the acceptance of gifts and hospitality.

4. The latest NICS personnel policy on the acceptance of gifts and hospitality is set out at sections 1.9 and 1.10 of the Conduct Chapter of the NICS Staff handbook and is reflected in the new NICS-wide guidance prepared by Central Personnel Group which is attached at Appendix 2. In particular it sets out:
 - guidance on roles and responsibilities at all levels

 - guidance on the maintenance of gifts and hospitality registers, including registers for SCS Members and each Division

 - guidance on the reporting and approval process to be followed

 - monitoring arrangements

 - standard forms to be used to record offers of gifts/hospitality and update hospitality registers

 - rules to be applied in specific circumstances

- a summary checklist covering the various types of hospitality, the approvals required and cross references to the relevant part of the guidance

Action

5. Departments and agencies should:
 - adopt the NICS guidance prepared by DFP's Central Personnel Group on the **acceptance of gifts and hospitality** with immediate effect (see appendix 2). This should replace any existing guidance currently used by departments/agencies.
 - ensure that their guidance on the **provision of gifts and hospitality** remains 'fit for purpose'. (Note: there is no requirement to change existing guidance as long as it is deemed to be 'fit for purpose').

Sponsored bodies

6. Departmental Accounting Officers should ensure that guidance on the acceptance of gifts and hospitality, with appropriate adjustments if necessary, is in place in their sponsored bodies. Appropriate adjustments refers only to the distinct reporting, approval and monitoring arrangements relevant to a sponsored body, and not the rules and principles applicable. Guidance on the provision of gifts and hospitality should already be in place in each sponsored body.

Revision to Guidance

7. Departments, agencies and sponsored bodies should ensure that their practices reflect any agreed NICS guidance updates prepared by Central Personnel Group in relation to the acceptance of gifts and

hospitality. They should also periodically review their guidance on the provision of gifts and hospitality to ensure that it remains 'fit for purpose'.

Queries

8. Any queries on the content of the guidance on the acceptance of gifts and hospitality should be directed to Peter Houston in Central Personnel Group, Tel 02890 572357 (network 83357) email (peter.houston@dfpni.gov.uk). Any queries on the content of the guidance on the provision of gifts and hospitality should be addressed to Jim Drennan in Central Finance Group, Tel 028 91277687 (network 69087), email (jim.drennan@dfpni.gov.uk).

Yours sincerely

A handwritten signature in black ink, appearing to read 'D Thomson'.

DAVID THOMSON

THE PROVISION OF GIFTS AND HOSPITALITY

General Principles

- As with all public expenditure, hospitality expenditure should be value for money and incurred in accordance with the principles of regularity and propriety.
- Any hospitality offered should further the Government or taxpayers interest and involve no reasonable suspicion that personal judgement or integrity had been compromised (**i.e. a common sense test**).
- Consideration should be given to the central importance of propriety and correctness in line with Nolan principles.

Departmental guidance should at least cover:

- A list of groups to whom the Department might provide entertainment/hospitality or gifts.
- Potentially a range of circumstances in which expenditure on hospitality might be expected to arise within the Department.
- Gifts (consider delegations to particular offices e.g. international duty).
- Quality and extent of any official entertainment, hospitality or gifts being provided should depend on the status and numbers of those being provided for.
- Particular caution should be exercised when hospitality is provided largely for departmental staff.
- Set out clearly when prior approval by Director or other Senior Officer is required.
- Delegations below Director level and relevant DFP Supply approval limits.

- Distinction between minor catering and major catering may be relevant.
- Official hospitality should be contained within approved budgets.
- Staff should not use public resources for personal benefit.

**NORTHERN IRELAND CIVIL
SERVICE**

**GUIDANCE ON THE ACCEPTANCE
OF GIFTS AND HOSPITALITY**

Introduction

Section 1

- 1.1 The Northern Ireland Civil Service (NICS) recognises that contractors and other customers of our services may extend from time to time offers of gifts and hospitality to staff. The NICS also recognises that its employees have a responsibility, in the interests of public confidence, to exhibit high standards of propriety, and carry out their role with dedication and a commitment to the Civil Service and its core values: integrity, honesty, objectivity and impartiality.
- 1.2 **Section 2** of this guidance sets out the principles governing the acceptance of gifts and hospitality and provides some specific advice on how these principles should be interpreted across the NICS. The guidance is designed to remind staff of their responsibility to exercise judgement and propriety regarding offers of gifts and hospitality. **The guidance is effective immediately but will be subject to review when required.**
- 1.3 The NICS Staff Handbook indicates that civil servants should conduct themselves with honesty and impartiality in the exercise of their duties. As a consequence, they should never receive benefits of any kind from a third party which might reasonably be thought to compromise their personal judgement or integrity. In this field, **perception is as important as reality.**
- 1.4 **The fundamental principle is that no member of staff should 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.**

- 1.5 **Section 3** of this guidance sets out the monitoring arrangements that departments must put in place to ensure that the arrangements are operating effectively and that they can be seen to be operating effectively.

Section 2

- 2.1 This guidance sets out good practice concerning the acceptance or rejection of gifts or hospitality, and details responsibilities and procedures for the authorisation and recording of such instances. As Civil Servants our standards of conduct are determined by what the Government and the public as taxpayers expect and not by what may be a common practice in the private sector.
- 2.2 External people acting on behalf of the NICS (for example, consultants, contracted staff etc) must also abide by the policy. If it is believed that an external person may have breached the policy, the matter should be reported to the Head of Division or more senior manager, who will take the matter forward with the individual or his/her company. **This requirement should be notified to external staff before they start work within any NICS Department or Agency.**
- 2.3 This guidance should also be seen as applying to **spouses, partners or other associates** if it can be argued or perceived that the gift or hospitality is in fact for the benefit of the official.
- 2.4 Any breach of the rules of conduct can lead to disciplinary action and in some circumstances can be a criminal offence.
- 2.5 The policy governing the acceptance of gifts, hospitality and awards by Northern Ireland Civil Servants is set out in Sections 1.9 and 1.10 of the Conduct Chapter of the NICS Staff Handbook
- 2.6 **This Guidance focuses on the key issues and the specific rules, which all staff in the NICS should adopt.**

Legal Obligations and Fundamental Principles

2.7 Under the Prevention of Corruption Acts of 1906 and 1916 it is an offence for an officer in his/her official capacity:

- to corruptly accept any gift or consideration as an inducement *or* reward for doing, or refraining from doing, anything in that capacity; or
- to show favour or disfavour to any person; or
- to receive money, gifts or consideration from a person or organisation holding or seeking to obtain a Government contract.

All of these are deemed by the Courts to have been received corruptly unless it is proven otherwise.

Record of gifts, hospitality, invitations, etc

2.8 Departments will maintain **Registers of Gifts, Hospitality and Awards** which will be available for periodic review. The purpose of the Registers will be to counter any possible accusations or suspicions of breach of the rules of conduct by staff. The registers are subject to **Freedom of Information (FOI)** queries and staff should bear this in mind when deciding on the acceptance of any gift or hospitality. A template is attached at **Annex A** that should be used to register gifts, hospitality, invitations etc.

2.9 It will be the responsibility of each Department to ensure all staff are made aware of this guidance and that registers are in place and properly maintained and updated. To facilitate the monitoring arrangements at paragraph 3.1 Departments should maintain a register for each Division and a separate register for senior civil service.

Acceptance of Gifts

2.10 The general principle is that all gifts offered should be refused. However seasonal, promotional or trivial gifts (such as calendars, diaries, pens etc), which

bear Company names and/or logos of the provider of the gift and have a value of less than £50, may be accepted by individuals without the need for these to be reported or approved in advance, Acceptance of any other gift must have been approved by management (see paragraph 2.17) in advance and must be declared by the member of staff in their Departmental/Agency register.

- 2.11 More expensive or substantial items, valued at **£50** or more and gifts of lottery tickets, cash, gift vouchers or gift cheques, cannot on any account be accepted. All gifts offered (apart from those which are trivial or inexpensive), even if they are declined/returned need to be recorded in the register.

Trade, loyalty or Discount Cards

- 2.12 Trade, loyalty or discount cards by which an officer might personally benefit from the purchase of goods or services at a reduced price are classified as gifts and **should be refused or returned to sender**.

- 2.13 Frequent flyer cards used by airlines can be used by staff to avail of special departure lounges and priority booking and check-in. They must **NOT make private use of any flights/air miles**, which derive from flights paid for from the public purse.

Staff involved in the procurement or monitoring of a contract

- 2.14 Apart from trivial / inexpensive seasonal gifts, such as diaries, no gifts or hospitality of **ANY** kind from any source should be accepted by anyone involved in the procurement or monitoring of a contract. This will ensure that no criticism can be made regarding bias to a particular company or supplier.

Gifts received in recognition of work done

2.15 On no account should a gift or gratuity be solicited or requested. Where gifts by way of gratuities, vouchers or book tokens etc for lectures, broadcasts or similar occurrences are offered, then acceptance should be based on how much of the preparatory work for the event was done in the officer's own time, how much in official time and the extent to which Departmental/Agency resources, other than, for example, use of an officially issued lap-top at home, were used in the preparation. The following guidelines should be applied:

- a) If the preparation was carried out entirely in the individual's own time and the event took place outside normal working hours at no expense to the Department/Agency, it would be acceptable for the individual officer to retain the whole fee, token or other gift;
- b) If, however, the preparation was done wholly in Departmental/Agency time with use of Department/Agency resources, no gifts or fee should be accepted unless the event is carried out outside of normal working hours when a gift or token to the value of up to **£50** is acceptable; and
- c) If the preparation was carried out and the lecture etc, delivered in an officer's own time but Departmental/Agency facilities were used for typing, preparation of PowerPoint / overheads etc, then a gift or token to the value of not more than **£75** is acceptable.

2.16 In the case of either b, or c, Departments and Agencies can, if they so choose, charge the organisation or body a fee based on the salary costs of the individual and/or the use of resources. If a series of gifts from the same source exceed the monetary limits set out above the same rules apply.

Reporting Gifts and Approval Process to be followed

2.17 If gifts (apart from those trivial or inexpensive gifts for which approval is not required under Paragraph 2.10 of this Guidance) are received, the **approval of the Head of Division for staff up to Grade 6/7 and the Head of Department/Chief Executive for senior civil service should be sought using form A1 which is attached at Annex C.** In the case of Heads of Departments gifts may be accepted after discussion at the

Permanent Secretary Group. If the recipient has or will reject the gift, they only need to send details to their line manager for inclusion in the Departmental/Agency Register.

2.18 In each case submitted to him/her, the approving officer will decide in writing or email, whether to:

- a) allow the recipient to keep the gift;
- b) return the gift to the donor with a suitably worded letter explaining why the gift cannot be accepted. A template has been attached at **Annex B** which should be tailored to suit each individual circumstance;
- c) use or dispose of it, if possible, in or by the Department/Agency;
or
- d) donate the gift to a nominated Charity.

The approving officer will ensure that the details of the case and his/her decision are recorded in the Gifts and Hospitality register.

Hospitality

2.19 The handling of offers of hospitality is recognised as being much more difficult to regulate but it is an area in which staff must exercise careful judgement. In exercising this judgement it is acknowledged that there can be difficulty in distinguishing between a "gift" and "hospitality". It is also recognised that it can be as embarrassing to refuse hospitality, as it can be to refuse a gift.

2.20 The acceptance of what would be accepted as conventional hospitality, for example working lunches, should, in the main, cause no problem especially if there is some official means of reciprocity and provided that it is **limited to isolated occasions** and its acceptance is in the **interests of the Department/Agency**. Hospitality, which would not be acceptable, would include invitations to frequent or more expensive social functions where there is no direct link to official business (sporting events, the theatre, opera or ballet etc), particularly where these come from the same source, and those which involve travel,

hotel or other subsistence expenses. For further guidance refer to the checklist at **Annex D**.

2.21 It can be argued that if officers are to achieve the best value for money in dealings with suppliers or consultants then they need to build up contacts and that it is quite legitimate for them to have a close working relationship with organisations or individuals, which may involve a degree of hospitality. There may also be instances where staff receive invitations to events run by voluntary organisations such as Annual Conferences or Dinners. Attendance at such events is considered an integral element in building and maintaining relationships with these sectors and any hospitality received is likely to be reasonable and proportionate, and therefore acceptable. Additionally, very occasional acceptance of meals or tickets to public sporting, cultural or social events may be accepted if attendance is justified as being in the Department's or Agency's particular business interest. But it will be for the officer and his/her managers to demonstrate clearly that acceptance was in the departmental interest.

2.22 The main point is that in accepting hospitality staff need to be aware of and guard against, the dangers of misrepresentation or perception of favouritism by a competitor of the host.

2.23 To sum up, in deciding whether hospitality can be accepted, staff should consider if it:

- a) is likely to help business effectiveness;
- b) places no obligation or perceived obligation on the recipient;
- c) is not frequent, lavish or prolonged;
- d) is unconnected with any decision affecting the organisation or the individual offering it;
- e) can be justified; and
- f) provides benefits to the Department or Agency, which outweigh the risk of possible misrepresentation of the hospitality.

Reporting Hospitality and Approval Process to be followed

2.24 When in doubt about accepting hospitality or an invitation line management or the Establishment Officer should be consulted. In **all instances** where other than conventional hospitality (infrequent working lunches) is offered, the **approval of the Head of Division for staff up to Grade 6/7 and the Head of Department/Chief Executive for senior civil service should be sought using form A1 which is attached at Annex D.** In the case of Heads of Departments the hospitality may be accepted following discussion at the Permanent Secretary Group. If the recipient has or will reject the offer of hospitality, they only need to send details to their line manager for inclusion in the Departmental/Agency Register. It is particularly important to ensure that a Department or Agency is not over-represented at an event or function and care should be taken to ensure that this does not happen, for example, by enquiring from the host as to other staff who have received similar invitations. To guard against the multiple acceptance of invitations to the same event, each Department should make arrangements to ensure that corporate consideration is given to all invitations.

Awards or Prizes

2.25 Staff should consult with their line management if they are offered an award or prize in connection with their official duties. They will normally be allowed to keep it provided:

- a) there is no risk of public criticism;
- b) it is offered strictly in accordance with personal achievement;
- c) It is not in the nature of a gift nor can be construed as a gift, inducement or payment for a publication or invention to which other rules apply.

2.26 A process as outlined in Paragraph 2.17 should be followed.

Section 3

Monitoring arrangements

3.1 Departmental Registers of Gifts, Hospitality and Awards will be subject to the following monitoring arrangements.

- Heads of Divisions will be responsible for monitoring the Registers of their respective Business Units on an annual basis.
- Each Head of Department will be responsible for monitoring the Registers of Senior Civil Service colleagues within their Department on an annual basis.
- The Head of the NI Civil Service will monitor the Registers for Permanent Secretaries annually.

Section 4

Enquiries

4.1 Any enquiries about this guidance should be directed to Peter Houston, Central Personnel Group, tel. 02890572357; e-mail peter.houston@dfpni.gov.uk .

Template for Return of Offer of Gift/Hospitality

(The content of this template should be tailored to suit each circumstance)

Contact name	Name of Business
Name of company	Manager/Head of Division:
Address of company	Office Address
Date	
Dear	
<p>The Northern Ireland Civil Service operates a Gift and Hospitality Policy to ensure high standards of propriety in the conduct of its business.</p> <p>On account of public confidence, perception is as important as reality and because of this I am obliged to return your offer of <u>INSERT: Name of gift / hospitality.</u></p> <p>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 Northern Ireland Civil Service. I hope you will accept our response in that spirit and that we can look forward to continued effective working relationships.</p> <p>Yours</p>	

Annex C

(Part 1 to be completed by recipient – part 2 overleaf to be completed by approving officer)

GIFT/HOSPITALITY FORM A1 (Part 1) (AUTHORISATION/OFFER ACCEPTED/OFFER DECLINED)	
Name of recipient:	
Name of ultimate recipient if not as above (ie if gift or hospitality passed on to someone else):	
Date of offer:	
Who made the offer:	
Description of offer:	
Why was the offer made:	
Estimated/actual value of offer:	
State whether offer was declined:	
Is there a current/potential contract with the donor? If yes provide details:	
Signature of recipient:	Signed: Date:

PLEASE TURN OVER FOR PART 2 TO BE COMPLETED BY THE APPROVING OFFICER

GIFT/HOSPITALITY FORM A1 (Part 2)
(AUTHORISATION/OFFER ACCEPTED/OFFER DECLINED)

Reasons why approval has/has not been granted:	
Is gift being returned? If so, a letter should be issued (template at Annex B to be used)	
Has the gift been used or disposed of? If so give details:	
Has the gift been donated to a nominated charity?	
Has the Gifts and Hospitality register been updated?	
Signature of Approving Officer:	Signed: Date:

NB: FORM NOT VALID UNLESS BOTH PARTS 1 AND 2 HAVE BEEN COMPLETED

Offers of Hospitality Checklist

Type of gift/hospitality	Approval required	Guidance reference
1. Modest conventional hospitality (eg working lunch).	No	2.24
2. More formal lunch or dinner, by prior invitation.	Prior approval required from Head of Division or Head of Department/Chief Executive as appropriate.	2.19 to 2.24
3. Hospitality for a team	Prior approval required from Head of Division or Head of Department/Chief Executive as appropriate.	2.22
4. Commemorative or similar occasion organised by contractor, consultant or supplier (eg to celebrate an anniversary, opening or handover).	Prior approval required from Head of Division or Head of Department/Chief Executive as appropriate.	2.19 to 2.24
5. Trade promotion on company's premises with meals or drinks.	Prior approval required from Head of Division or Head of Department/Chief Executive as appropriate.	2.19 to 2.24
6. Annual dinner of Professional Institute or Association: <ul style="list-style-type: none"> • where the officer is a guest of the Institution or Association • where the officer is a guest of a particular consultant, contractor or supplier. 	Prior approval required from Head of Division or Head of Department/Chief Executive as appropriate.	2.19 to 2.24
7. Overseas visits to inspect manufacturers' products/premises.	Prior approval required from Head of Division or Head of Department/Chief Executive/Head of the Civil Service as appropriate.	2.19 to 2.25
Form A1: Gifts and Hospitality Approval Form and Gift and Hospitality Register must be completed on all occasions.		
Examples where hospitality may not be accepted (not a prescriptive list)		
*Leisure Events * Complimentary Tickets *Sporting Events *Weekend breaks or holidays, whether paid for or not. (very occasional acceptance of meals or tickets may be accepted - see paragraph 2.21)		