



DERBYSHIRE COUNTY COUNCIL

GOVERNANCE, ETHICS AND STANDARDS COMMITTEE

26 October 2023

Report of the Director of Legal and Democratic Services and Monitoring Officer

Register of Gifts and Hospitality 1 April 2022 – 31 March 2023

1. Purpose

- 1.1 To inform CMT of gifts and hospitality offered during 2022- 2023 (1 April 2022 - 31 March 2023).

2. Information and Analysis

- 2.1 It is important that the Council has a robust policy and procedures in place to ensure compliance with the following statutory obligations which employees are subject to:
- a) Section 117(2) of the Local Government Act 1972 provides that an officer of a local authority shall not, under the colour of his or her office of employment, accept any fee or reward whatsoever other than his or her proper remuneration. The expression 'any fee or reward' includes such things as unauthorised commissions, gifts or presents. Any person who contravenes this commits a criminal offence.
 - b) The Bribery Act 2010 makes it an offence to seek, accept or agree to accept a financial or other advantage as an inducement or reward to perform a function improperly. In simple terms, it is a criminal offence for employees to seek or accept a financial or other advantage in return for asking a decision, granting an award or performing any other public function, regardless of what decision is made. The maximum sentence for a bribery offence is 10 years imprisonment. The Bribery Act 2010 also makes it an offence for the Council to offer or pay bribes and both the individual and the organisation may be prosecuted.

Employees

- 2.2 The Financial Regulations and Code of Conduct for employees require all offers of Gifts and Hospitality, whether accepted or refused, to be reported to a Line Manager and/or Executive Director (Relevant extracts are included in Appendix 2). In addition the Code of Conduct for Adult Social Care Employees who have a direct working relationship with clients includes specific provisions relating to legacies in wills. This separate Code of Conduct applies during 2022-2023, but has now been incorporated into the new revised Code of Conduct for Employees which was recently approved by Council.
- 2.3 Each Department has an officer responsible for maintaining the departmental gifts and hospitality register. Historically the registers were held in paper form within departments which did not support consistency and corporate oversight. An online reporting solution in the form of a Microsoft Teams form was therefore introduced in October 2021 in order to ensure consistency and accurate recording of all relevant information. Initially this was launched across Corporate Services and Transformation and rolled out to other departments. Regular reminders are now sent to employees to ensure that they register offers of gifts and hospitality, whether accepted or not. Reports can now easily be generated from the new online system and quarterly reports are provided to enable reporting and monitoring by Departmental Management Teams.
- 2.4 During 2022-2023, across the Council, 254 offers of gifts and hospitality were reported totalling an estimated value of £4,378. There were 196 offers of gifts (191 accepted and 5 refused) and 58 offers of hospitality (47 accepted and 11 refused).
- a) Across Adult Social Care and Health, 111 offers of gifts or hospitality were reported totalling an estimated value of £1647. There were 96 offers of gifts (95 accepted and 1 refused) and 15 offers of hospitality (15 accepted and 0 refused). The majority of the gifts are boxes of chocolates, biscuit and alcohol and the majority of the offers were from members of the public.
 - b) Across Children's Services, 14 offers of gifts or hospitality were reported totalling an estimated value of £198. All 14 were gifts and all were accepted. The majority of the gifts were chocolates, flowers and candles and the majority of the offers were from members of the public.

- c) Across CST, 32 offers of gifts or hospitality were reported totalling an estimated value of £717. There were 9 offers of gifts (7 accepted and 2 refused) and 23 offers of hospitality (17 accepted and 6 refused). The gifts consisted of stationery, flowers, chocolates and a candle offered by both members of the public and organisations. The hospitality was offered by organisations at networking events, working lunches and conferences.
- d) Across Place, 94 offers of gifts or hospitality were made totalling an estimated value of £1737. There were 77 offers of gifts (75 accepted and 2 refused) and 17 offers of hospitality (13 accepted and 4 refused). The majority of gifts were boxes of chocolates, biscuits and bottles of alcohol offered by both members of the public and organisations. The hospitality was offered by organisations during meetings, training and events.
- e) The Managing Director reported 3 offers all of which were hospitality totalling an estimated value of £80. Two offers of hospitality were accepted and 1 refused. The 3 offers were all from Deloitte but do not raise any specific cause for concern.

2.5 The following areas have been identified and, where required, steps have been taken during the year to address the issues arising:

- i. There are a number of officers who have reported more than one offer which is positive and in general does not create cause for concern. This demonstrates an understanding that any offer should be reported, whether accepted or not.
- ii. There are multiple offers of hospitality from Newton Europe, Granicus, 39 Essex Chambers, Deloitte, Browne Jacobson, Derby University, Premier Surfacing and Aggregate Industries however these do not give cause for concern.
- iii. A number of entries relate to a number of different gifts from different individuals. To ensure there is openness and transparency, these should have been reported separately.
- iv. There are a several entries from care home employees, demonstrating that there is an understanding of the requirements of the code of conduct and Financial Regulations.
- v. Fourteen entries on the face of it appear to be a low number for Children's Services. Whilst regular reminders are provided, consideration is being given as to whether further activity needs to

take please to ensure officers are not accepting gifts and hospitality without reporting them in accordance with the Code of Conduct.

- vi. There are three offers of Gift Cards. The Code of Conduct makes it clear that “In no circumstances should you accept a monetary gift (including gift vouchers).” One voucher was correctly refused, however one employee accepted two separate gift vouchers (£5 and £10) given to them on their birthday. This is in contravention of the Code.
- vii. £20 cash was given to be used to purchase sweets and cakes for staff as a thank you. The Code is clear that money should not be accepted under any circumstances and therefore this offer should have been politely declined.
- viii. Tickets to festivals and concert were incorrectly accepted as a gift of token value. Tickets to events should be treated as hospitality and can only be accepted if there is a genuine need to impart information or to represent the Council.
- ix. Three entries incorrectly declare offers of Hand soap & Candle, Box of Quality street and Chocolates Mince Pies Crackers and Scotch Eggs as hospitality, whereas they should have been reported as gifts.
- x. There were a number of instances where the form had not been completed correctly. For example, there were occasions where the officer who submitted the form has inserted ‘Unknown’ or ‘N/A.’ This occurred even after the form had been amended to make it clear what information should be inserted. If the form is not completed correctly there is insufficient information to ascertain whether the offer presents a concern. In addition, fifteen of the Library Service entries were allocated to Performance & Engagement with another being recorded as Managing Director.

Elected Members

2.6 The Council’s Code of Conduct for Elected Members includes the following obligation:

“As a councillor:

- 10.1 I do not accept gifts or hospitality, irrespective of estimated value, which could give rise to real or substantive personal gain or a reasonable suspicion of influence on my part to show favour from persons seeking to acquire, develop or do business with the local

authority or from persons who may apply to the local authority for any permission, licence or other significant advantage.

10.2 I register with the Monitoring Officer any gift or hospitality with an estimated value of at least £50 within 28 days of its receipt.

10.3 I register with the Monitoring Officer any significant gift or hospitality that I have been offered but have refused to accept.”

2.7 The Monitoring Officer sends an email to all Elected Members on a quarterly basis reminding them of the need to declare any changes to their interests and offers of gifts and hospitality. All gifts and hospitality reported is included in the Register of Members’ Interests published on the Council’s website through mod.gov.

2.8 During 2022-23 a total of 4 offers of hospitality were reported totalling an estimated value of £320, which were all accepted. The offers related to the “Official opening of Long Eaton Rugby Club’s Clubhouse” and tickets to sporting events. There are no specific issues of concern identified.

3. Consultation

3.1 No consultation is required.

4. Alternative Options Considered

4.1 Not to report information relating to offers of gifts and hospitality to the Governance, Ethics and Standards Committee; however the role and function of the Committee includes the receipt of reports from the Monitoring Officer on the operation of the system of declarations from time to time.

5. Implications

5.1 Appendix 1 sets out the relevant implications considered in the preparation of the report.

6. Background Papers

6.1 None identified.

7. Appendices

7.1 Appendix 1 – Implications.

7.2 Appendix 2 – Relevant extracts from the Financial Regulations and Employee Code of Conduct

8. Recommendation

That Committee notes the Annual Gifts & Hospitality register for 2022-2023.

9. Reasons for Recommendation

9.1 To ensure that the Committee is aware of the operation and effectiveness of the system of declaration of offers of gifts and hospitality.

Report Author: Helen Barrington

Contact details: helen.barrington@derbyshire.gov.uk

Implications

Financial

1.1 None directly arising.

Legal

2.1 The role and function of the Governance, Ethics and Standards Committee includes “To be responsible for written advice and guidance on the operation of gifts and hospitality for both Elected Members and Officers and to receive reports from the Monitoring Officer on the operation of the system of declarations from time to time”.

Human Resources

3.1 None directly arising.

Information Technology

4.1 None directly arising.

Equalities Impact

5.1 None directly arising.

Corporate objectives and priorities for change

6.1 None directly arising.

Other (for example, Health and Safety, Environmental Sustainability, Property and Asset Management, Risk Management and Safeguarding)

7.1 None directly arising.

Financial Regulations

GIFTS

d.6 You may accept 'token' gifts from customers, contractors or service users up to the value of £50. Acceptable examples are calendars, diaries, pens or chocolates. All gifts should be reported to your manager.

You must not accept gifts worth more than £50 and you must report such offers to your Executive Director.

You must refuse any offer of a gift where you suspect that an improper motive may exist – i.e. the giver is seeking to influence your decisions or actions and you must report such offers to your Executive Director. This is the case regardless of the monetary value of the offer.

In no circumstances should you accept a monetary gift (including gift vouchers) and again, you must report such offers to your Strategic Director.

Hospitality

d.7 You should only accept hospitality (meals/refreshments) if there is a genuine need to impart information or to represent the Council. You should also ensure that accepting the hospitality does not create a conflict of interest and is not likely to cause embarrassment to the Council.

You should report the offer of hospitality, whether accepted or not, to your line manager, and should ensure that all such offers are recorded in the appropriate hospitality register.

Responsibilities of Executive Directors

d.8 To maintain an appropriate register detailing secondary employment for staff within the Department and ensure that this register is subject to periodic review.

d.9 To maintain an appropriate register of gifts and hospitality including details of any offers which have been declined and ensure that this register is subject to periodic review.

Code of Conduct for Officers

“13 Corruption

13.1 You must be aware that it is a serious criminal offence for you to corruptly receive or give any gift, loan, fee, reward or advantage for doing or not doing anything or showing favour or disfavour to any person in your official capacity.

14 Hospitality and Gifts

14.1 You should only accept hospitality if there is a genuine need to impart information or to represent the Council. You should also ensure that accepting the hospitality does not create a conflict of interest and is not likely to cause embarrassment to the Council.

14.2 You should report the offer of hospitality, whether accepted or not, to your line manager.

14.3 Gifts should only be accepted if they are of nominal value (under £50) and reported to your line manager.

14.4 If gifts of more than nominal value (£50 and over) are offered or you suspect that an improper motive exists, you should always decline the offer and report it to your Executive Director. This includes any preferential rates offered for goods and services. Officers should report the offer to your Executive Director.”