

**SWAFFHAM TOWN COUNCIL****GIFTS & HOSPITALITY POLICY****Introduction and scope**

This policy applies to all employees of Swaffham Town Council. It also applies to those who receive fees for their work for Swaffham Town Council, including contractors and Non-Executive Directors.

From time to time, employees will be offered gifts or hospitality by Swaffham Town Council's customers or business associates. Similarly, an employee may wish on behalf of the company to offer gifts or hospitality to Swaffham Town Council's customers, residents, volunteers or business associates.

A gift is given without expectation of receiving anything in return and may include hospitality or services.

Employees must never make improper use of their position within Swaffham Town Council to request or obtain gifts and/or favours from any individual or company that does or might do business with Swaffham Town Council. The policy applies even if the gift or hospitality is offered outside of the workplace and applies regardless of whether employees are potential donors or recipients. This also applies to requesting or obtaining building materials and services.

**Policy aims**

This policy aims to:

- Ensure that all employees are aware of Swaffham Town Council's gifts and hospitality policy.
- Ensure that ethical business practices are followed in relation to gifts and hospitality.

**Gifts & Hospitality**

It is important that the recipient of any offers of hospitality or gifts should not allow themselves to be influenced or be perceived by others to have been influenced in making a business decision as a consequence of accepting the gift/hospitality. The frequency and scale of gifts/hospitality accepted should be managed openly to avoid any claims of bribery.

For the purpose of this policy, gifts include (but are not exclusive to) items such as bottles of wine, hampers, building materials and/or services, branded gifts and gift vouchers.

For the purpose of this policy, hospitality includes (but is not exclusive to) meals, overnight stays, sailing trips and sporting events (e.g.: golf days, rugby, cricket and football matches.)

If an employee feels that a gift would be significantly more generous than anything Swaffham Town Council would be likely to provide in return (e.g.: a weekend abroad) they should consult the Town Clerk or Deputy Town Clerk before deciding whether to accept such a gift. As a general principal, these gifts or hospitality should be declined.

If the employee or the line manager considers that the gift might constitute a bribe or other inducement, the employee will be asked to forward the gift to their line manager, who will return it to the sender together with a suitable letter explaining the company's policy and asking that it be respected in future.

For senior management roles where it is appropriate to attend events in a business capacity (e.g.: speaking for professional institutions and industry organisations), accommodation/meals offered do not constitute a gift or hospitality but should nonetheless be recorded.

Any personal interest that may affect or be seen by others to affect an employee's impartiality in any matter relevant to his or her duties should be declared to their line manager.

### **Acceptance of a gift or hospitality**

Where a gift or hospitality is offered, employees should consult the tables below in Appendix A to determine, initially, whether it can be accepted and if in doubt, should consult with the Town Clerk or Deputy Town Clerk for advice.

As a general principal, employees must decline a gift or hospitality that is on a scale significantly more generous than anything which Swaffham Town Council would be likely to provide in return.

Where it is agreed that a gift or hospitality can be offered or accepted, the details should be recorded in the Gifts/Hospitality – Bronze/Admin/Gifts & Hospitality record

A record should be maintained of any offers - whether the gift/hospitality has been accepted or not.

No more than two gifts should be accepted from any one donor in any financial year.

### **4.1 Team Gifts/Hospitality**

Where a group of employees benefit from a gift or hospitality, the most senior employee should record this on the appropriate form. This should note the names of all employees in attendance.

### **4.2 Third party gifts**

In order for Swaffham Town Council to comply with HMRC guidelines, employees accepting gifts must adhere to the following guidelines and procedures;

Goodwill gifts (such as a bottle of wine) can be received without an income tax charge where all of the following conditions are met;

1. The cost to the donor (client) is less than £250 (including the cumulative cost of all gifts within the same tax year)
2. The gift is a good or a voucher to acquire the goods
3. The donor is not connected to the employer, or anyone connected with him; and
4. The gift is unsolicited and not given in return for the employer's service.

If one of the above conditions is not met, there are two options;

**Option 1:** The third party must provide the employee with information about the amount of the benefit which the employee must then include as assessable income on their tax return, or;

**Option 2:** The third party supplying the gift/hospitality can be asked to confirm that they will account for the tax due on the gift or hospitality, thereby removing the requirement for the employee to include it on their tax return.

### **4.3 Promotional gifts**

This policy does not apply to promotional gifts, such as stationery or pens that bear the logo or company name of another organisation, provided that these have no significant value. However, as it is likely that such gifts will be received by only a limited number of employees, these items should be shared amongst other employees where appropriate.

### **Offering gifts or hospitality on behalf of Swaffham Town Council**

From time to time, employees may find themselves in a role where they offer gifts or hospitality to third parties. These may include, but are not exclusive to; suppliers, builders, charities, professional organisations and Members of Parliament.

When making these offers, employees should be confident that these gifts or events are offered in the interests of good business relationships and are not being offered with any expectation of receiving anything in return.

Any employee who has concerns that a gift or hospitality has been offered with an expectation of something in return (a bribe), should refer to the Whistle blowing policy.

### **Frequency**

Unless it is considered to be in Swaffham Town Council's commercial interest, no more than two non-trivial (items which do not require further approval) gifts or hospitality events per financial year can be offered to or accepted from the same individual or organisation.

### **Non-Compliance with Swaffham Town Council policy**

Failure to comply with the Swaffham Town Council policy on gifts and hospitality will be considered to be a disciplinary matter and subject to the Swaffham Town Council disciplinary procedure. Failure to comply includes accepting gifts or hospitality of any value without declaring them to the company.

### **Conclusion**

The above policy provides a general outline of Swaffham Town Council's Gifts and Hospitality.

### **Distribution**

The current version of this policy is available in Silver/General/Policies

### **Effective date**

This policy, which may be subject to amendment from time to time, is effective from **July 2017** and reviewed in July 2018. It supersedes any such earlier dated policy, procedure, agreement or arrangement.

### **Guidelines**

Approx. value of gift	Classification	Rules	Record	Examples
Less than £50	Trivial	Approval required from Town Clerk/Deputy Town Clerk and must be recorded on Gifts and Hospitality form.	Yes	Bottles of wine, branded gifts
Between £50 and £250	Non-trivial	Does not need to be declared to HMRC unless total gifts from this donor amount to more than £250 in any financial year	Yes	Hampers, meals, tickets to lower league rugby, football or cricket match
Over £250	Non-trivial	Approval required from Town Clerk/Deputy Town Clerk and must be recorded on Gifts and Hospitality form.  Check with donor if tax has been declared, otherwise, include in personal tax return.	Yes	Weekend Hospitality, major sporting event

**Example Register of Gifts & Hospitality** – held in Silver/General/Admin

## Swaffham Town Council Register of Corporate Hospitality Received & Gifts

Prior approval from the Town Clerk or Deputy Town Clerk is required for all gifts & hospitality offered.  
All gifts & hospitality offered must be recorded below.

Date gift/hospitality received	Name of recipient	Name the organisation and / or the individual providing the hospitality or gift	Describe the hospitality or gift and its monetary value.	Outcome H (hospitality received) GRD (gift received and then donated) GD (gift declined)	Authorising officer (Town Clerk / Deputy Town Clerk)