

SCR Local Enterprise Partnership

Gifts and Hospitality Policy

Document Properties

Change Record

Version	Revision	Author	Description	Date
2	0	C James	Amendments made to meet requirements of National Local Growth Assurance Framework Jan 19	March 2019
2	1	C James	Changes accepted further to review by Statutory Officers 19/03/19	26/03/19

Document Approval

Approving Body or Person	Role (review, approve)	Date
LEP Board	Approve	This policy was approved by the LEP Board on 20/05/19.

Introduction

- 1.1 This policy does not prohibit normal and appropriate hospitality (given and received) to or from third parties. However, hospitality is an area in which LEP Board Members must exercise careful judgement. There is a need to distinguish between low cost hospitality of a conventional type, for example, a working lunch, compared with more expensive and elaborate hospitality. Hospitality should not extend to a 'relevant person' e.g. spouse, partner, unless the circumstances fully justify this and it is authorised by the SCR Managing Director.
- 1.2 LEP Board Members may accept "incidental" hospitality, such as light refreshments, lunch and drinks, as offered at a visit, conference, meeting or promotional exercise.
- 1.3 There may be instances where Members receive invitations to events in their capacity as a LEP Board Member, offered as part of normal working life – for example, opening celebrations, receptions, luncheons, annual conferences and dinners. If attendance at such events is considered important in building and maintaining relationships with these sectors and the hospitality received is likely to be reasonable, then these may be acceptable subject to SCR Managing Director approval. In these instances, the 'Declaration of LEP Engagement' form must be completed.
- 1.4 Invitations to any types of hospitality that are of no benefit to Sheffield City Region LEP must not be accepted. If it is unclear whether a benefit would or would not accrue, please ask for confirmation in writing from the SCR Managing Director.
- 1.5 You should inform the SCR Managing Director in writing of all offers of hospitality, other than incidental to gain approval and to ensure the SCR Executive Team can support you in ensuring you are fully briefed and in completing the relevant documentation.
- 1.6 As some of the LEPs operations are of a commercial nature it is recognised that business is conducted where the provision of hospitality by the LEP is a necessity. In the majority of circumstances this will be managed directly by an Officer of the SCR Executive. However, where a LEP Board Member offers hospitality in the conduct of LEP business the LEP Board Member must act in the best interest of Sheffield City Region LEP, having regard to their accountability and provide hospitality on a modest scale within a pre-approved allocated budget
- 1.7 In accordance with national guidance hospitality over the value of £50 should be entered into the relevant section of the Members Register of Interest with 28 days of being received. The revised register must then be published on the SCR website.

Gifts

- 1.8 LEP Board Members should discourage third party individuals and organisations from offering gifts. LEP Board Members may, however, accept token items of very low value (less than £50), for example stationery, diaries, calendars, chocolates etc, usually distributed by companies as a promotional exercise. This **does not**, however, extend to gifts offered by third parties who are involved in active tenders.
- 1.9 This type of gift should be distinguishable from more expensive or substantial items which cannot on any account be accepted. If there is any doubt as to whether the acceptance of such an item is appropriate or the value exceeds £50, you should consult with the SCR Managing Director.

- 1.10 If gifts have a higher value than £50, LEP Board Members should tactfully refuse them. If gifts are offered as part of a business event where cultural protocols may lead to the offer of a gift and would cause offense to decline, these should be accepted and passed to the SCR Executive who will retain such gifts in the SCR Executive office.
- 1.11 **All** gifts offered (whether accepted or declined) should be registered on the appropriate form. Gifts with a value of £50 or over must be entered onto the Members Register of Interest with 28 days of being offered. The revised register must then be published on the SCR website. (Annex A) and sent to LEPBoard@sheffieldcityregion.org.uk. Gifts of cash or cash equivalent (vouchers, for instance) should not be accepted in any circumstances.

What is not acceptable?

- 1.12 It is not acceptable for you (or someone on your behalf) to:
- (a) give, promise to give, or offer, a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given;
 - (b) give, promise to give, or offer, a payment, gift or hospitality to a government official, agent or representative to "facilitate" or expedite a routine procedure;
 - (c) accept payment from a third party that you know or suspect is offered with the expectation that it will obtain a business advantage for them;
 - (d) accept a gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a business advantage will be provided by us in return;
 - (e) threaten or retaliate against another worker who has refused to commit a bribery offence or who has raised concerns under this policy; or
 - (f) engage in any activity that might lead to a breach of this policy.

Facilitation payments and kickbacks

- 1.13 Acceptance, facilitation payments or "kickbacks" of any kind will not be made or accepted. Facilitation payments are typically small, unofficial payments made to secure or expedite a routine government action by a government official. They are not commonly paid in the UK, but are common in some other jurisdictions in which the SCR LEP may operate.
- 1.14 If you are asked to make a payment on behalf of Sheffield City Region LEP, you should speak to the SCR Managing Director who will take appropriate action.
- 1.15 Kickbacks are typically payments made in return for a business favour or advantage. All LEP Board Members must avoid any activity that might lead to, or suggest, that a facilitation payment or kickback has been made.

Potential risk scenarios: "red flags"

- 1.16 The following is a list of possible red flags that may arise during the course of your appointment and which may raise concerns under various anti-bribery and anti-corruption laws. The list is not intended to be exhaustive and is for illustrative purposes only.

If you encounter any of these red flags during your appointment, you must report them promptly to the Managing Director:

- (a) you become aware that a third party engages in, or has been accused of engaging in, improper business practices;
- (b) you learn that a third party has a reputation for paying bribes, or requiring that bribes are paid to them, or has a reputation for having a "special relationship" with foreign government officials;
- (c) a third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business;
- (d) a third party requests an unexpected additional fee or commission to "facilitate" a service;
- (e) a third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services;
- (f) you are offered an unusually generous gift or offered lavish hospitality by a third party.

Your responsibilities

- 1.17 You must ensure that you read, understand and comply with this policy.
- 1.18 The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those appointed to the LEP Board. All LEP Board Members are required to avoid any activity that might lead to, **or suggest**, a breach of this policy.
- 1.19 You must notify SCR Managing Director as soon as possible if you believe or suspect that a conflict with this policy has occurred, or may occur in the future. For example, if a client or potential client offers you something to gain a business advantage with us, or indicates to you that a gift or payment is required to secure their business.
- 1.20 Any LEP Board Member who breaches this policy will have their appointment terminated.

Record-keeping

- 1.21 You must declare (using Annex A) to the SCR Executive within 28 days who keep a written record of all hospitality or gifts accepted or offered, which will be subject to review. Any gifts or hospitality, over £50, accepted must be added to your Register of Interests form and published online.
- 1.22 You must ensure all expenses claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with the LEP expenses policy and specifically record the reason for the expenditure.

How to raise a concern

- 1.23 You are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage. If you are unsure whether a particular act constitutes bribery or corruption, or if you have any other queries, these should be raised with the SCR Managing Director.

What to do if you are a victim of bribery or corruption

- 1.24 It is important that you tell the SCR Managing Director as soon as possible if you are offered a bribe by a third party, are asked to make one, suspect that this may happen in the future, or believe that you are a victim of another form of unlawful activity.