

**REPORT FOR DECISION**

Agenda Item	
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**MEETING:** Audit Committee  
**DATE:** 19<sup>th</sup> September 2007  
**SUBJECT:** Gifts & Hospitality  
**REPORT FROM:** Head of Strategic Finance  
**CONTACT OFFICER:** Stephen Kenyon

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**TYPE OF DECISION:** NON KEY DECISION

**FREEDOM OF INFORMATION/  
STATUS:** For Publication

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**SUMMARY:**

This report presents Members with an update on the system to declare, monitor & report gifts and hospitality offered to / received by staff.

The report presents a summary of declarations made for the period March to July 2007.

**OPTIONS AND RECOMMENDED OPTION (with reasons):**

Members are requested to note the contents of the report and endorse the approach outlined.

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**IMPLICATIONS -**

**Corporate Aims/Policy  
Framework:**

Do the proposals accord with the Policy  
Framework?  Yes No

**Financial Implications and  
Risk Considerations**

An effective process to record, monitor, and report offers of gifts and hospitality serves to protect both staff and the Authority against allegations of improper conduct.

**Statement by Director of Finance and E-Government:**

A robust mechanism to control offers of gifts and hospitality is a fundamental aspect of the Council's corporate governance / ethical framework

**Equality/Diversity implications Considered by Monitoring Officer:** Yes  No   
 Yes  No

Are there any legal implications? Yes  No

**Staffing/ICT/Property:** No

**Wards Affected:** No

**Scrutiny Interest:** Scrutiny may wish to examine registers of Gifts & Hospitality received

**TRACKING/PROCESS**

**DIRECTOR:** Finance & eGovernment

Chief Executive/ Management Board	Executive Member/ Chair	Ward Members	Partners
13/8/07			
Scrutiny Commission	Executive	Audit Committee	Council
		19/9/07	

**1. INTRODUCTION**

- 1.1 A robust mechanism to control offers of gifts and hospitality is a fundamental aspect of the Council's corporate governance / ethical framework.
- 1.2 The Council's Local Code of Corporate Governance reinforces this through the core principle of "Promoting the values of the authority and demonstrating the values of good governance through behaviour".
- 1.3 The Audit Committee approved a report outlining the "web-based" system for declarations at its meeting of 19<sup>th</sup> April 2007. The same report outlined declarations made for the period to February 2007.
- 1.4 This report summarises declarations made for the period March to July 2007.

**2. PROGRESS TO DATE**

- 2.1 Comprehensive guidance relating to gifts and hospitality is included within the "Employee's Code of Conduct"; issued to every member of staff and available on the intranet.

- 2.2 Guidance on the “Corporate HR” area of the intranet has been revised to make it more readily accessible.
- 2.3 Monitoring reports are now being produced on a quarterly basis in accordance with the timetable agreed by Audit Committee (April 2007).
- 2.4 A “web based” mechanism for Members to record declarations has recently been developed by the Democratic Services division.
- 2.5 As more results are obtained, future reports will provide evidence of trends in the level and frequency of declarations made.
- 2.6 Analysis of registers completed between March and July 2007 reveals the following;

<b>Department</b>	<b>Number of Declarations</b>	<b>Average Value</b>
EDS	22	£28
Childrens Services	6	£7
Adults Services	13	£12
Chief Executives	5	£33
<b>Total</b>	<b>46</b>	<b>£21</b>

- 2.7 It is encouraging to note the diverse range of staff completing the register; this evidences the fact that knowledge of the procedure is widespread.
- 2.8 Directors have been requested to examine their departmental register in detail, and consider whether declarations are appropriate.
- 2.9 Directors have also been requested to follow up any areas where there are no declarations, yet where they might have been expected.

#### **4. ISSUES**

- 4.1 Whilst the use of a web based register is efficient, managers must ensure a procedure is in place for staff without access to intranet.

#### **5. RISKS**

- 5.1 The system only picks up declarations made by staff; clearly it is the items that are not being declared that are potentially inappropriate.
- 5.2 The overall internal control framework, the anti-fraud strategy, the Council’s Whistleblowing Policy, and the work of Internal Audit all offer additional assurance in this respect.

#### **6. FUTURE ACTIONS**

- 6.1 Operation of the declaration process will be continually monitored by the Internal Audit Section.

6.2 As the process develops and more data is gathered, reports will be presented to this Committee analysing the trend in declarations, and identifying service areas which are susceptible to offers of gifts and hospitality.

## 7. **RECOMMENDATIONS**

7.1 Members are requested to;

- (a) affirm their support for the importance of registering gifts and hospitality
- (b) endorse the current approach for declaring offers of gifts / hospitality
- (c) note the declarations made to date.

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### **List of Background Papers:-**

Individual Gifts & Hospitality Registers (available at meeting)

### **Contact Details:-**

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