

REPORT FOR DECISION

Agenda Item	
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MEETING: Audit Committee
DATE: 23rd September 2008
SUBJECT: Gifts & Hospitality
REPORT FROM: Head of Strategic Finance
CONTACT OFFICER: Stephen Kenyon

TYPE OF DECISION: NON KEY DECISION

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

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 to January to June 2008.

OPTIONS AND RECOMMENDED OPTION (with reasons):

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

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 Yes No
Considered by Monitoring Officer: 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 & e-Government

Chief Executive/ Management Board	Executive Member/ Chair	Ward Members	Partners
Scrutiny Commission	Executive	Audit Committee	Council
		23/9/08	

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 19th April 2007, and has received regular updates at subsequent meetings.
- 1.4 This report summarises declarations made for the period from January to June 2008.

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 A “web based” mechanism for Members to record declarations has recently been developed jointly by Internal Audit and the Corporate HR Division, and implemented with effect from September 2007.
- 2.4 A separate mechanism applies for teachers; registers are maintained at school buildings, reported to Boards of Governors, and examined by Internal Audit under the FMSIS audit arrangements.
- 2.5 Since the last report, the system has been further developed to record potential “conflicts of interest”, for example where a member of staff may be related to contractors working for the Council.
- 2.6 Analysis of registers completed for the period reveals the following;

Department	Number of Declarations	Average Value
EDS	11	£54
Childrens Services	5	£12
Adults Services	58	£15
Chief Executives	6	£73
Members	0	0
Conflicts of Interest	5	n/a
Total	85	£25

- 2.7 The number of declarations is higher than previous reports; examination of individual submissions highlights that this is attributable to the receipt of minor gifts at Christmas time.

3. ISSUES

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

4. RISKS

- 4.1 The system only picks up declarations made by staff; clearly it is the items that are not being declared that are potentially inappropriate.
- 4.2 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.

5. FUTURE ACTIONS

- 5.1 Departmental managers are responsible for the operation of the register in their area, however compliance with the declaration process will be continually monitored by the Internal Audit Section.

6. RECOMMENDATIONS

6.1 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.

List of Background Papers:-

Individual Gifts & Hospitality Registers (available at meeting)

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