

Gifts and Hospitality Policy 2019

| | |
|----------------------|-----------------------------|
| Policy Owner: | People & Capability Manager |
| Date approved: | April 2019 |
| Next review date: | April 2022 |
| Document number: | 2457263 |
| Engagement Required: | Internal |

1 Introduction

Council recognises that receiving a gift is not strictly an issue of sensitive expenditure because it does not involve expenditure on the part of the organisation or individual receiving a gift. However, as set out by the Office of the Auditor General, receiving a gift from external suppliers or contacts is nevertheless a sensitive issue, and one that needs to be managed carefully. It is especially important that receiving a gift does not alter decision making, as this could be perceived as acting without impartiality or integrity, and therefore a conflict of interest.

2 Purpose

The objective of this policy is to provide clear parameters for Council staff and elected members to ensure they are not open to influence or public criticism in relation to the receipt of gifts, hospitality and other personal benefits.

3 Application

The policy applies to all staff and elected members (including community board and community committee members) of Waikato District Council.

The following principles shall apply to staff and elected members.

In all circumstances, Council staff must structure purchasing arrangements that result in the best value to Council. Where incentives, gifts and hospitality are offered by suppliers, these should be restructured into purchasing discounts wherever possible.

While it is not unusual for staff and elected members to receive offers of gifts, hospitality and other personal benefits from time to time, and the acceptance of such offers can be useful to Council in terms of networking, information gathering and relationship building, staff and elected members must be aware that there are risks associated with accepting benefits of this nature.

Council recognises that staff or elected members may be invited to 'hosted' sporting or artistic events. It is generally acceptable to attend such events provided that:

- a. The value of such benefit, including entry, meals and drinks, is less than \$100;
- b. There is clear benefit in building relationships;
- c. The event does not alter impartiality; and
- d. The host is not in an "active" or soon to be active tender situation.

To prevent any misunderstanding, any invitation issued to staff or elected members to attend such hosted events must be referred to their manager or the Mayor respectively for clarity prior to acceptance. If further guidance is required the Chief Executive should be consulted.

Any gift or hosted event in excess of \$100 in value must be declared on Council's relevant Interests register.

Major prizes, incentives or offers associated with Council procurement practices, which are unable to be taken as purchasing discounts, should be declined or returned to the supplier, or directed to the staff Social Club to be used as prizes for funding charities.

Any offer of gifts, hospitality or other personal benefits of any value, prior to or during a tender or negotiation that the supplier may be involved in, should be declined immediately. The period prior to a tender or negotiation is defined as when the planning for the tender or negotiation starts.

Any offer of gifts, hospitality or other personal benefits of any value, prior to or during any known consent application and/or pre application process, by a party involved in that process should be declined immediately.

For elected members, working meals and social occasions must be undertaken in an appropriate manner.

4 Policy statements

- 4.1 In consideration of the above principles, Council's policy on receiving gifts and hospitality is as follows:
- 4.2 Offers of gifts, hospitality and other personal benefits must not be accepted by staff or elected members if they:
 - a. Are offered on a frequent basis; or
 - b. Are of significant consumable nature; and/or
 - c. Are of a value greater than \$100, unless they are disclosed on the relevant Interests register.
- 4.3 Gifts, hospitality and other personal benefits may be accepted if they:
 - a. Comply with the above parameters;
 - b. Contribute to the Council's overall business objectives;
 - c. Can be structured into purchasing discounts;
 - d. Are not offered in response to soliciting by the staff member; and
 - e. Are not a subsidy on goods and services unless offered to all Council staff and elected members through the staff purchasing scheme.
- 4.4 Offers of gifts, hospitality and other personal benefits of any value **shall not** be accepted if they:
 - a. Are offered immediately prior to or during a tender or procurement negotiation that the supplier may be involved in; or
 - b. Are offered immediately prior to or during a consent application and/or pre application process by any party involved in that process; or
 - c. Can be seen as an inducement or reward which might place the staff member or elected member under an obligation to a third party; or
 - d. Compromise, or might be seen to compromise, their own or Council's integrity, or create an obligation to a third party.

- 4.5 When it is difficult for the staff member or elected member to decide if an offer of gifts, hospitality or other personal benefits meets the parameters for acceptance as outlined in 1) and 2) above, or the value is greater than \$100, they should either decline the offer or seek advice from their Manager or the Mayor respectively.
- 4.6 Staff and elected members must not solicit, demand, or request any gift, reward or benefit by virtue of their position.

5 Policy review

This policy shall be reviewed at five yearly intervals or as otherwise required by the Chief Executive or Chief Operating Officer.