



Northern
Ireland
Office

Policy on the Provision of Hospitality and Gifts

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1. INTRODUCTION

1.1. Purpose

1.1.1. The Northern Ireland Office (NIO) has a responsibility to ensure the regularity and propriety of the public finances for which it is accountable. To maintain the NIO's integrity and reputation, there is a need for transparent practices which withstand public scrutiny and meet expectations in terms of the efficient use of available resources and avoidance of extravagance.

1.1.2. The purpose of this guidance is to set out the Department's policy on the provision of hospitality and gifts by NIO officials and Ministers. The updated guidance restates the importance of ensuring the appropriateness of hospitality offered in the NIO and will be reviewed annually to ensure that it remains fit for purpose.

1.1.3. The guidance also acknowledges that the relationships between the NIO and other public bodies may make a degree of entertainment necessary or desirable in furthering the delivery of our objectives, notwithstanding the accepted practice that public money should not generally be used for entertaining public servants.

1.1.4. This guidance complements the Department's "Gifts, Hospitality and Awards Received: Guidance" is also in place which outlines the responsibilities of staff to exercise judgement and propriety regarding offers received for gifts and hospitality.

1.1.5. If you have any questions about either the provision or acceptance of gifts and hospitality, please contact Richard Logan in Financial Services Division on **028 9054 4073** or **Richard.Logan@nio.x.gsi.gov.uk**.

1.2. General Principles

1.2.1. Providing hospitality at public expense is naturally a sensitive issue and staff must always take care to ensure that their actions do not leave the Department open to

criticism. Expenditure should be kept as low as possible, compatible with the occasion and the standing of the guests. It is important that the Accounting Officer can defend the Department against all charges that the level of hospitality offered is excessive and therefore the facility to offer hospitality should always be used sparingly.

1.2.2. The following general principles should be applied in all circumstances:

- As with all public expenditure, hospitality expenditure should provide value for money and be incurred in accordance with the principles of regularity and propriety;
- Any hospitality offered should further the NIO's or taxpayers' interests and involve no reasonable suspicion that personal judgement or integrity has been compromised (**i.e. a common sense test**); and
- Consideration should be given to the central importance of propriety and correctness in line with Nolan principles (**Annex 1**).

1.2.3. The Civil Service Management Code indicates that civil servants should conduct themselves with honesty and impartiality in the exercise of their duties. As a consequence, they should never provide benefits of any kind which might reasonably be thought to compromise either their own personal judgement and integrity or that of others. In this field, **perception is as important as reality**.

1.2.4. It is not practical to draw up guidance for everything that may fall within the umbrella of hospitality and therefore this guidance does not pretend to cover every eventuality. Some events will justify a greater outlay than others and judgements on the scale of provision should be based on common sense considerations.

1.2.5. Finally, whilst it can be difficult not to offer hospitality as a gesture of reciprocity, this should not be the sole reason for justifying the expenditure.

1.3. Scope

1.3.1. This guidance applies to the **Core Department, Executive Agencies, Public Prosecution Service, Crown Solicitor's Office, NDPBs and other Arms Length Bodies (excluding grant funded voluntary bodies).**

1.3.2. As Civil Servants, our standards of conduct are determined by what the Government and the public as taxpayers expect and not by what may be common practice in the private sector. This applies to those listed below:

- Staff within the NIO – including Northern Ireland Civil Servants and Home Civil Servants;
- Non-Executive Directors;
- Probationers;
- Employees on secondment to and from the NIO; and
- Casual staff.

1.3.3. External people acting on behalf of the NIO (for example, consultants, contracted staff etc) must also abide by the policy. If a line manager believes that an external person may have breached the policy, they should report it to their Head of Division, who will take the matter forward with the individual or his/her company. **This requirement should be notified to external staff before they start work within the NIO.**

1.3.4. This guidance should also be seen as applying to spouses, partners or other associates of staff.

1.3.5. Any breach of the rules of conduct can lead to disciplinary action and in some circumstances can be a criminal offence.

1.4. Ministerial Guidance

1.4.1. The guidance contained within this policy is applicable to Ministers and Private Office in respect of any Ministerial hospitality which is to be provided on behalf of the NIO.

This includes hospitality for the representatives of political parties, business, voluntary, religious and community sectors in Northern Ireland attending events with Ministers as part of their official duties.

1.4.2. However, in recognition of the status of the office and the representative role that is played, Ministers and Private Office will be afforded discretion in their interpretation of the guidance to reflect the nature of the occasion or the standing of the guests. Therefore, prior approval need only be sought from the relevant Director or Accounting Officer as per Annex 3 when the cost of the ministerial hospitality is expected to exceed either **£1,000 for normal day-to-day hospitality or £3,000 for receptions - provided that costs are kept within the range of costs outlined in 3.7.**

1.4.3. Large scale events where the costs exceed the above limits, for example garden parties, will still need to be separately costed and approved using the approval form in **Annex 2. It is the responsibility of the business area organising the event** on behalf of the Minister to obtain the necessary approval and expenditure should not be incurred until this formal approval has been received.

1.4.4. Expenditure incurred on hospitality by the NIO includes general living costs for Ministers and officials in lieu of hotel costs when in Northern Ireland. The Hospitality and Gifts policy is not intended to cover such circumstances. Separate guidance is available from Office Services for the use of Hillsborough Castle and Stormont House.

1.4.5. In all other aspects the guidance outlined in this policy should be followed.

1.5. Definition of Hospitality

1.5.1. For the purpose of this guidance, hospitality refers to:

“Meals, beverages, light refreshments and entertainment of any type provided out of public funds to anyone, be they a public servant or official, representative of a public or private body or organisation, or a private individual”.

1.5.2. NICS and HCS Staff Handbooks contain separate rules for the payment of subsistence, lodging and other similar allowances, which are designed to meet the extra cost incurred by officers, including Ministers, away from home or office on official duty. The policy for the provision of Hospitality and Gifts is intended to complement the standard subsistence rules rather than replace them.

1.5.3. Expenditure for hospitality normally falls within one of the following main categories:

- **Official hospitality** – for people outside the civil service and where consideration must be given as to whether the function is in the interest of the NIO;
- **Management hospitality** – strictly limited hospitality for fellow civil servants is allowed only when it meets certain specific criteria whereby management advantages are to be gained - costs must be no more than **£4.25 per head**; and
- **Miscellaneous hospitality** – for general meetings, workshops, conferences etc.

2. ROLES AND RESPONSIBILITIES

2.1. Permanent Secretary

2.1.1. The Permanent Secretary, as Accounting Officer, has a leadership role as regards propriety - his or her actions and behaviour should set a high standard for the organisation. The essence of an Accounting Officer's role is a personal responsibility for the propriety and regularity of the public finances for which he or she is answerable; for the keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of the available resources.

2.2. Director of Resources

2.2.1. The Director of Resources has the lead advisory role on hospitality in the Department. He or she should ensure that guidelines are in place in respect of the provision of hospitality, any possible conflicts of interest are identified and that appropriate action is taken to resolve them.

2.3. Core Directors (including Agencies and other Arms Length Bodies (ALBs) within their remit)

2.3.1. Responsibilities will include taking decisions affecting the provision of hospitality within their Directorates and ALBs. They should ensure that local systems are established in order to demonstrate and monitor compliance with this guidance.

2.4. Line Managers

2.4.1. Line Managers should be satisfied that any expenditure on hospitality incurred is in the best interests of the organisation, provides value for money and complies with current policies and guidelines. Line Managers should ensure that all staff are familiar with current guidance.

2.5. Employees

2.5.1. Employees must not use public resources for personal benefit or provide services to a third party which may be seen to compromise their judgement or integrity. Care should be taken to avoid actual, or potential conflicts of interests, real or perceived, when employing consultants and procuring goods and services.

2.6. Approving and Authorising Officers

2.6.1. Approving Officers are reminded of their responsibility for ensuring adherence to these guidelines.

2.6.2. It is important that the Accounting Officer has a defence against charges that the level of hospitality is excessive or that the department's staff are being entertained at the taxpayer's expense. Where there is doubt about any particular event, Approving Officers should seek advice or err on the side of caution and reject the request.

2.6.3. Officers authorising payments are reminded of their responsibility to ensure that the hospitality extended be properly approved.

2.7. Internal Audit

Internal Audit's role in the monitoring of compliance against policy and guidance forms part of the overall assurance that management will seek to obtain. Additionally Internal Audit is available to provide advice and guidance on matters relating to the provision of hospitality.

3. GUIDANCE ON THE PROVISION OF HOSPITALITY AND GIFTS

3.1. Official Hospitality

3.1.1. The Permanent Secretary has delegated responsibility for authorising expenditure on official hospitality to the Director of Resources. The Director of Resources has authorised all Directors to approve and incur expenditure on official hospitality as appropriate in line with this guidance. They in turn may authorise official hospitality recommended by their Heads of Division.

3.1.2. **Annex 3** provides details of the situations when prior approval needs to be obtained from the relevant Director or Accounting Officer – an example of this would be when the cost is likely to exceed £300. It is the **responsibility of the individual business unit organising the activity** to obtain the necessary approval.

3.1.3. When considering requests for official hospitality of people outside the civil service, the Authorising Officers should apply the following considerations:

- the function must be in the **direct** - though not necessarily the immediate - interests of the NIO and/or its ALBs;
- where NIO officials participate in the entertainment as hosts, **their numbers should be kept to the minimum necessary**. Normally the outside (non-Civil Service) **guests should outnumber the hosts**, though occasionally equal numbers of officials and guests may be appropriate. Where exceptionally it is proposed that the number of officials present should exceed the number of outsiders, prior approval must be obtained from the relevant Director or Accounting Officer as per Annex 3.

3.2. Management Hospitality

3.2.1. Strictly limited hospitality for fellow civil servants at public expense is allowed on special occasions or for special purposes. Authorising Officers at a level not below Grade 5 or equivalent may approve expenditure on management hospitality **up to a limit of £4.25 per head**. Prior approval must be sought from the relevant Director or Accounting Officer as per Annex 3 for any expenditure outside this delegated limit.

3.2.2. Approval should only be given only when it is regarded as conducive to good management and examples might include:

- working lunches to carry forward departmental business either internally or with representatives of other Government Departments;
- meetings with outside bodies and agencies or overseas visitors and guests; or
- the provision of refreshment to enable a Minister or senior official to meet junior staff informally in the interests of better communication.

3.2.3. Management hospitality must always be used sparingly and at modest cost, using Civil Service facilities whenever possible.

3.3. Approval form for Hospitality

3.3.1. A pro-forma approval form is included in **Annex 2** of this guidance - this should be completed for all events where the cost is expected to exceed **£100**. The pro-forma must be approved at a level not below Grade 5 or equivalent prior to any expenditure being incurred and retained by the business unit organising the event for the purposes of subsequent audit inspection.

3.3.2. The business unit will also need to obtain approval from the relevant Director or Accounting Officer for situations outlined in **Annex 3**.

3.3.3. This pro-forma approval form is not required in circumstances where the cost of meals or refreshments is already built-in to the price for a training course, conference etc provided by a third party.

3.4. General meetings

3.4.1. It is sometimes necessary for officials to host morning or afternoon meetings to which representatives of other Departments, civil servants in an unofficial capacity (e.g. Trade Union representatives) or persons outside the NIO are asked to attend. The provision of tea/coffee and biscuits/scones at Departmental expense at meetings of this kind is permissible.

3.4.2. Modest hospitality may also be provided at internal meetings to facilitate business needs if it is considered to be cost effective and in the interests of efficiency.

3.5. Working Lunches

3.5.1. Where it is simply not possible to accommodate urgent meetings, other than during lunchtime, staff at Grade 5 and above may consider it cost effective and in the interests of efficiency to provide a modest snack/lunch for staff with costs kept to a minimum. This might typically involve sandwiches/finger buffet, fruit/yoghurt and tea/coffee.

3.5.2. Where lunchtime meetings require the provision of refreshments the cost per person should not exceed the daily subsistence allowances.

3.6. Training Courses/Away Days/Seminars/Work Shops/Conferences

3.6.1. In general, the provision of meals and refreshments in these circumstances should be reasonable and within the daily subsistence allowances.

3.6.2. Where it is convenient, the staff canteen should be used to allow a break for participants – in these instances the participants should pay for their own refreshments.

3.6.3. Where the staff canteen is not available, refreshments provided at morning or afternoon sessions should be limited to tea/coffee and scones/biscuits. Lunch may be provided if it facilitates the running of the course.

3.7. Dining – internal and external venues

3.7.1. Internal conference and dining facilities should be considered as a first choice for entertaining guests, particularly when numbers are relatively small. For example conference rooms or boardrooms in Government buildings (including Stormont House or Hillsborough Castle) should be used if available, and consideration should be given to providing sandwiches or a snack meal from a Departmental canteen or local caterer.

3.7.2. In order to ensure value for money, services provided in-house should fall within the following standard and price ranges:

- management hospitality **£4.25 per head** ;
- training courses and conferences - finger buffet **£4.25 per head**;
- formal breakfast or lunch **£10.00 per head**;
- formal evening meal **£25.00 per head**

These figures do not include the cost of any drinks and the normal expectation is that alcoholic drinks should only be provided at Departmental expense for evening meals. If external contractors are used, the food provided will be of a similar standard to that which would be provided in-house but it is recognised that the cost per head will be greater to cover the cost of contractor staff.

For receptions held at Hillsborough, when services are provided in-house, the costs for food and drinks should be contained within **£15.00 per head**.

3.7.3. Unless there are compelling circumstances, such as the availability of particular facilities, expensive hotels and restaurants should be avoided when entertaining guests and, if available, a fixed or limited choice menu at a set price should be selected.

3.7.4. When guests are entertained at hotels, restaurants or similar venues, the total cost per head including meal, refreshments and any service charge or tip should be within the following financial limits:

- Lunch - up to a maximum of **£12.50 per head**; and
- Dinner - up to a maximum of **£35.00 per head**.

In normal circumstances reimbursement of expenditure for alcohol will only be permitted up to one-third of the total cost involved.

3.8. Promotion and Recruitment Board Panel Members

3.8.1. Light refreshments consisting of tea/coffee and biscuits/scones may be provided to recruitment or promotion board panel members. Separate written approval is not necessary in these circumstances.

3.8.2. It is recommended that members of panels should not normally be provided with lunch, but each case should be considered separately, taking into account factors like time constraints prohibiting the panel taking lunch or the panel including an outside assessor.

3.9. Farewell Parties

3.9.1. Farewell parties for civil or other public servants may not be funded from public funds and all such occasions should be treated as private ventures. This remains the position whether or not a proportion of the guests are “outsiders”.

3.10. Expenditure on Official Gifts

3.10.1. Gifts of a trivial or inexpensive nature (**not greater than £10**) can be provided and examples of this would include pens or other stationery provided at training events which promote the work of the NIO and/or its ALBs.

3.10.2. Official gifts should not be regarded as part of the normal conduct of Departmental business - gifts to members of staff or officials within the NIO family would not usually be deemed to fall within normal conduct. It may be the case though that some form of acknowledgement or recognition should be provided e.g. to a person outside NIO who has presented a seminar without charging a fee. In these circumstances, it may be appropriate to provide a modest gift up **to a maximum value of £50 per individual** but prior approval for doing so must be sought from the Director of the business area making the gift.

3.10.3. Prior approval should be obtained from the relevant Director or Accounting Officer as per Annex 3, where the cost of the proposed **gift exceeds £50 per individual or £300 in total for a group of individuals.**

3.11. General rules

3.11.1. **Tobacco** products should not be provided from public funds under any circumstances.

3.11.2. **Alcohol** should not normally be provided for lunches or other daytime activities. For evening dinner or events, it is permissible to provide alcohol at a reasonable level and cost. In normal circumstances reimbursement of expenditure for alcohol will only be permitted up to one-third of the total cost involved.

3.11.3. If no **service charge** is included in the restaurant or hotel bill, a tip of up to 10% is reasonable but this should be kept within the maximum costs specified at point 3.7.4.

3.11.4. **Procurement** guidance for expenditure on goods and services in respect of quotations etc applies equally to hospitality expenditure.

3.11.5. No **spouses, partners or other associates** of NIO officials should receive official hospitality other than in exceptional circumstances, e.g. Secretary of State's Christmas or Summer receptions, or with the specific agreement of the Director of Resources.

3.11.6. Staff should not claim any **subsistence allowance** where lunch, dinner, refreshment etc has been provided at public expense.

3.11.7. Speakers and distinguished guests at conferences and courses may be invited to lunch and/or dinner, including drinks, at NIO expense. However, an official who is attending other than as organiser or host will **not normally be reimbursed** for any hospitality which he/she offers at such a function.

3.11.8. **Public funds should not be used** to provide hospitality for visits to theatres, sporting events or other forms of public entertainment.

3.11.9. Gifts or hospitality of any kind should not normally be provided to companies or suppliers by anyone involved in the **procurement or monitoring of a contract**. However, where there is a long term relationship with a supplier on a partnership basis, it is acceptable to offer occasional hospitality where this can be justified in the interests of the Department.

3.12. Situations not covered by guidelines

3.12.1. It is recognised that there may be cases where, in the interests of the Department, flexibility in interpretation of the strict rules may be necessary. However, prior approval for such situations must be obtained in writing from the relevant Director or Accounting Officer as per Annex 3.

3.12.2. In addition to the normal information required, the request should clearly detail:-

- why the request falls outside the boundaries of what is normally allowable;
- why it is considered necessary to provide such hospitality;
- how it will directly benefit the Department; and
- the expected consequences of the request being refused.

3.13. Classification and Identification of Hospitality Expenditure

3.13.1. All hospitality invoices submitted for payment must include the following information clearly identified:

- whether it is official, management or miscellaneous hospitality as defined in point 1.5.3;
- the purpose of the event;
- the names of people who attended.

3.13.2. VISA receipts on their own do not represent adequate audit evidence to support the expenditure incurred. Invoices from suppliers must always be submitted to confirm the split between food and alcohol.

3.13.3. Hospitality expenditure must be separately identified in the Department's accounts for reporting purposes and therefore should not be coded to other areas such as general expenses. Expenditure will normally fall within one of the following expense codes used on the Core Department's Integra system - other Agencies and ALBs should record expenditure in a similar fashion on their respective financial systems:

- B1701 and S1701 - Conference Catering;
- B1702 and S1702 - Official Visitors Hospitality;
- B1703 and S1703 - General Hospitality;
- B1709 and S1709 - Citizenship ceremonies NI; and
- D1221 - Hospitality.

3.13.4. Additional budget codes for hospitality may be used if necessary but Financial Services Division should be contacted (regarding Core Department) in the first instance for confirmation of details.

ANNEX 1 – THE SEVEN PRINCIPLES OF PUBLIC LIFE

Below is a section from the First Report of the Committee on Standards in Public Life. These “Seven Principles of Public Life” (or Nolan principles) capture the key characteristics of propriety and is a reminder that issues of propriety and corporate governance are clearly linked.

Selflessness	Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.
Integrity	Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties
Objectivity	In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.
Accountability	Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.
Openness	Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.
Honesty	Holders of public office have a duty to declare any private interests relation to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interests.
Leadership	Holders of public office should promote and support these principles by leadership and example.

ANNEX 3 – PRIOR APPROVAL

For the Core Department, Public Prosecution Service and Crown Solicitor's Office, prior approval must be sought from the **Director of Resources** in the following circumstances before incurring expenditure.

For expenditure incurred by executive Agencies and executive NDPBs, prior approval must be obtained from the **respective Accounting Officer**, whilst all other NDPBs & other Arms Length Bodies (excluding grant funded voluntary bodies) must obtain approval from the **relevant Director in the Sponsoring Division**.

Guidelines applying to Officials

- I. **Official Hospitality** – this includes situations where :
 - the estimated cost for the function is greater than £300;
 - the number of NIO officials exceeds the number of guests; or
 - spouses, partners or other associates of NIO officials are to be invited but excluding Secretary of State's Christmas and Summer receptions.
- II. **Value for money** – where the proposed expenditure exceeds the recommended levels contained within the guidance e.g. £4.25 per head for management hospitality.
- III. **Gifts** - where the cost of the proposed gift exceeds £50 per individual or £300 in total for a group of individuals.
- IV. There is any **doubt** about the application of this guidance, **flexibility** in interpretation of the strict rules may be necessary or involves situations which are **not covered** by the existing guidelines.

Guidelines applying to Ministers

- I. Prior approval need only be sought when the cost of the ministerial hospitality is expected to exceed either **£1,000 for normal day-to-day hospitality or £3,000 for receptions provided that costs are kept within the range of costs outlined in 3.7.**

- II. Large scale events where the costs exceed the above limits, for example garden parties, will still need to be separately costed and approved using the approval form in **Annex 2**. It is the responsibility of the business area organising the event on behalf of the Minister to obtain the necessary approval and expenditure should not be incurred until this formal approval has been received.