

Ethical Business: Gifts and Hospitality Policy

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POLICY

**HERIOT-WATT UNIVERSITY
ETHICAL BUSINESS: GIFTS AND HOSPITALITY POLICY**

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POLICY

1. INTRODUCTION

Heriot-Watt University values its reputation for ethical business practice, honesty, financial probity and reliability.

We recognise that the University's good reputation is a significant asset. In our determination to protect our reputation, the University is committed to the Nine Principles of Public Life in Scotland (see Appendix 2).

In the conduct of our business the University aims at all times to:

- act with honesty, integrity, equality and transparency;
- act in an ethical and lawful manner;
- act in compliance with all relevant laws and regulations: in the UK and in other countries in which we carry out business activities;
- foster an ethical and sustainable business culture within the University and communicate this to others with whom we engage and associate; and
- demonstrate our zero-tolerance towards bribery.

The University shall only give and accept gifts or hospitality for business purposes. Permissible hospitality and gifts will include, for example, ceremonial or promotional gifts, mementos or low value gifts which are proportionate to circumstances and not of a scale or frequency that these might reasonably be judged inducements to undertake or award business, or to influence business decisions. For the purposes of this Policy, a low value gift should have a monetary value of not more than £50.00.

2. PURPOSE

This Policy, informs staff, students, agents, and Members of the Court on what actions should be taken in the following circumstances:

- when offered gifts by students;
- when offered gifts and/or hospitality by external organisations;
- they have personal, financial, or other beneficial interests in any transaction between the University and a third party; and
- they are in a position which requires them to offer gifts/hospitality.

In the case of third parties, such as international recruitment agents, acting on the University's behalf, all contracts and agreements make explicit reference to the University's requirement under the Bribery Act to ensure that no-one associated with it tries to obtain, award or retain business for the University through bribery. Agents acting on behalf of the University are required to confirm that they will not engage in any corrupt practice, and in particular will not try to influence any person for the University's benefit by offering money or any other advantage.

3. SCOPE

This Policy applies to all University staff, third parties acting on behalf of the University, and students accepting gifts and/or hospitality whilst undertaking business on behalf of the University.

This Policy also applies to all members of the governing body (the Court) and those serving on its committees.

For the purposes of all guidance set out in this Gifts and Hospitality Policy, all such persons are described as 'persons in the scope of this policy'.

The University recognises that what is considered customary and appropriate may vary significantly from country to country and from one area of University business activity to another. The recipient must always be entitled to receive the gift or hospitality under the law of the recipient's country.

4. GUIDANCE FOR ACCEPTING GIFTS AND HOSPITALITY

The following paragraphs provide guidance regarding the acceptance of gifts and hospitality. We include examples of situations where gifts and hospitality are deemed acceptable and unacceptable. The examples below are not exhaustive so if you have a specific query please contact the relevant Head of School / Director of Professional Service or the University Secretary.

Accepting Gifts and Hospitality: Monetary gifts

4.1 Gifts

- Personal gifts of money (or monetary instruments) must never be accepted regardless of amount.
- Gifts of money to the University should only be received if they are clearly charitable donations, co-ordinated through the Development and Alumni Office (see below).
- Personal gifts with a value of less than £50.00 (or equivalent outside the UK) may be accepted if appropriate. For the avoidance of doubt, for some staff, including those in Procurement roles, acceptance of gifts with more than a nominal value will not be appropriate. If there is any doubt as to whether the acceptance of such an item is appropriate, staff should decline the gift or refer the matter to their line manager.
- If unsolicited gifts of a value of more than £50.00 arrive from contractors, they should be returned with a polite explanation that the University's Policies do not allow their acceptance. If staff have any doubts about whether an offer of a gift should be refused on the grounds that refusal may cause offence, they should consult their line manager, who in turn should discuss the matter with the University Secretary to determine whether the gift should be accepted and on what terms.
- Should receipt of a gift of a value of more than £50.00 be unavoidable, the gift should then normally be regarded property of the University and used or retained accordingly. Such gifts should be considered for inclusion in the University's Museum Collection. The Archivist can advise whether a gift is in accordance with the Collection Development Policy. If the gift is sold the proceeds will go into general University funds.
- It is expressly prohibited for a member of staff to accept any gift, hospitality or benefit from an organisation that is actively involved in a tender process at the University. This prohibition commences at the point that an invitation to tender is published and extends to a period 3 months after a contract has been awarded. Any offers of gifts, hospitality or benefits during this period must be refused and the offer should be reported to the Head of Procurement Services. Where a gift or inducement is offered to the University corporately (rather than to an individual employee) in the course of a purchase negotiation, the representative in the negotiations should refer to the Financial Regulations / Purchasing Regulations for guidance. Staff must avoid any perception of influence by those with vested interests.

4.2 Gifts to the University

- The Court shall act as the trustee for any property, legacy, endowment, bequest or gift in support of the work and welfare of the University in accordance with the Statement of Primary Responsibilities.
- Philanthropic gifts from individuals, trusts and foundations and corporate donors play a vital role in university life and such support enables universities to do more – to provide more scholarships, to fund more research and to enhance university facilities for students, staff and the public.
- Heriot-Watt University seeks and accepts philanthropic gifts in accordance with the Ethical Business: Charitable Gifts Acceptance Policy.

4.3 Gifts from students

Students are discouraged from making gifts to members of staff. However, there may be occasions when students make token gifts to staff of low value, in appreciation of support received during their studies, which staff may feel unable to refuse. Staff may accept such gifts but must declare then in accordance with this Policy and procedures.

- If a student offers or delivers a gift to a member of staff which could be misinterpreted by others or which could lead to allegations of impropriety, staff are advised to politely refuse and return the gift immediately, explaining this Policy as the reason.
- See also Unacceptable Gifts / Hospitality (below)

4.4 Hospitality

This section of the Policy should be read in conjunction with Section 6 of the Travel and Expenses Policy, which details when entertaining is an allowable business expense for tax purposes.

It is accepted that, in the course of their normal duties, persons included in the scope of this Policy will sometimes receive conventional hospitality including, but not limited to:

- Working meals including meals taken in the course of meetings or training schemes.
- Meals provided by other organisations during fact finding or information sharing events.
- Attendance at formal functions as a representative of the University; a formal function is an event promoted by an organisation, usually ceremonial in nature, for which an official invitation is issued to and accepted on behalf of the University.
- Attendance at formal social functions in relation to which invitations have been issued to a number of staff members.
- Attendance at information gathering or sharing events such as meetings with representatives of other universities and organisations for the purposes of sharing good practice.
- Governors and staff may accept meals and equivalent hospitality only in the normal course of business and only when the hospitality is appropriate and proportionate. What is reasonable should take into account the nature of the event and the University representative should ensure the hospitality does not compromise them in any way. In general, a meal, moderate associated activity and refreshment would be regarded as

acceptable. The frequency and scale of hospitality should not normally be greater than the University would be likely to provide in return.

- Particular care should be taken when offered any form of hospitality from a person or organisation which has, or is hoping to have, a contractual relationship with the University. A member of staff **must not** accept hospitality from an organisation that is actively involved in a tender process at the University, except where this is provided as part of a fact finding visit or meeting. If staff have any doubt about whether to accept any hospitality offered to them, they should refer the matter to their line manager, who in turn may discuss it with the University Secretary.

4.5 Unacceptable Gifts/Hospitality

The types of gift/hospitality below are unacceptable and acceptance of such gifts/hospitality could result in disciplinary action being taken against the member of staff involved:

- Personal gifts of money (or monetary instruments) must never be accepted regardless of amount.
- Gifts/hospitality which are lavish or expensive, particularly where received on a frequent basis from the same source. Frequent acceptance of meals, tickets and invitations to sporting, cultural or social events.
- Travel or accommodation which does not have a clear business purpose.
- Holidays.
- Offers of items or services for personal use at trade or discounted price other than discounts generally available to all or most members of staff.
- Receiving payment or other reward from an external organisation/company for work undertaken in an individual's official capacity as an employee of the University. (See the Additional Payments Policy).
- Acceptance of gifts/hospitality which could be deemed as influential in the award of a contract or business to an external organisation – note that the perception of others is critical.
- Inducements that could lead to a contractual position between the University and a supplier, contractor or consultant.
- Acceptance of 'gifts in kind' such as professional expertise which would normally incur a fee.
- It is unacceptable to ask for gifts and/or hospitality.
- This also applies to staff in relation to the timing of student gifts. Some staff could be perceived as being able to influence student marks and grades, progression and awards.

5. PRESENTING GIFTS AND/OR PROVIDING HOSPITALITY

As part of the University's everyday work, there will be circumstances where it is appropriate to provide gifts or hospitality. Where this is deemed appropriate, prior approval should, wherever possible, be obtained from the relevant line manager.

The University has developed an appropriate range of corporate gifts which can be used for such purposes as marketing, overseas, etc.

The HWU Cultural Guide to Malaysia provides guidelines on the relevant Gift Giving Etiquette.

Appropriate and proportionate costs for entertaining third party business contacts will be reimbursed on production of receipts provided they are reasonable.

The claimant must provide the following information:

- a) the names of all third party guests;
- b) the organisation which they represent;
- c) the nature of the entertainment;
- d) the purpose of the entertainment; and
- e) the date and place of the event.

It is illegal and unacceptable for any person included in the scope of this Policy, or any third party acting on the University's behalf, to:

- 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.
- 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.

6. REGISTRATION OF GIFTS AND HOSPITALITY

The University maintains a register in respect of the acceptance/refusal of offers of gifts and hospitality, which is held in the Office of the Principal, each School and Professional Service.

- Members of the Court and Committees of the Court should record receipt of gifts in their annual Register of Interests submission to the University Secretary, via the Register of Interest Form which forms part of the Conflict of Interest Policy.
- Staff or any third party acting on behalf of the University are required to record gifts and hospitality with a value in excess of £50.00 on the form within 28 days of receipt and return this to the Office of the Principal, Head of School or Director of Professional Service as appropriate.
- Any series of gifts or hospitality accepted by or offered to the same person and where the cumulative total value exceeds (or is estimated to exceed) £100 in any 12-month period should also be recorded.
- The disclosure form is available as an appendix to this Policy and will be implemented via Microsoft Teams going forward.
- The information from the forms will be collated and entered on to the Register.

The register will be open to inspection by the internal and external auditors and may be released and/or published in accordance with Freedom of Information (Scotland) Act requirements.

It is the responsibility of each person in the scope of this Policy to ensure that they comply with this Policy.

7. LINES OF RESPONSIBILITY

The University Secretary has overall responsibility for the Ethical Business: Gifts and Hospitality Policy and its implementation. Other officers with particular responsibilities include:

- Global Chief Financial Officer, in relation to Financial Regulations and associated processes.
- Chief Operating Officers Dubai and Malaysia in respect of gifts to Professional Services staff on their respective campuses.
- Director of Governance and Legal Services, in relation to compliance with legislative requirements.
- Director of HR, in relation to employee awareness, training and discipline.
- Deputy Principal (Enterprise and Business) in relation to enterprise related activities.
- Director of Marketing and Communications in relation to corporate gifts
- Head of Student Recruitment in relation to recruitment related activities and recruitment agents.
- Heads of Schools, in relation to their respective staff at all campus locations.
- Head of Procurement Services, in relation to procurement regulations and associated Processes.
- The Archivist in respect of Collections.

8. MONITORING AND EVALUATION

This Policy will be reviewed every three years.

The University's record of hospitality and gifts, signed off, as required, by the relevant Heads of School/Professional Service, will be reviewed annually.

The University Secretary will provide the Audit and Risk Committee with an annual report on the register of gifts and hospitality.

9. IMPLEMENTATION

The University Secretary is responsible for ensuring the effective implementation of this Policy, delegating authority as appropriate to the senior officers set out in 7 above.

The University **will ensure** that implementation of this Policy is supported by effective procedures guidance and appropriate generic and role-based communications, training, and awareness-raising measures, applicable to all individuals and bodies referred to in 6 above.

10. RELATED POLICIES, PROCEDURES AND FURTHER REFERENCE

Charter and Statutes / Policies / Regulations:

University Charter and Statutes

<http://www1.hw.ac.uk/ordinances/charter-and-statutes.htm>

Court: Statement of Primary Responsibilities

<https://www.hw.ac.uk/uk/services/docs/secretariat/statement-of-primary-responsibilities.pdf>

Public Interest Disclosure (Whistleblowing) Policy

<https://www.hw.ac.uk/documents/public-interest-whistleblowing-policy.pdf>

Ethical Business: Bribery Prevention Policy

<http://www.hw.ac.uk/documents/ethical-business-bribery-prevention-policy.pdf>

Ethical Business: Charitable Gifts Acceptance Policy

<https://www.hw.ac.uk/documents/ethical-business-charitable-gifts-acceptance-polic.pdf>

Ethical Business: Conflict of Interest Policy (Governors)

<https://www.hw.ac.uk/uk/services/docs/ethicalbusinessconflictinterestpolicy-1.pdf>

Travel and Expenses Policy

<https://www.hw.ac.uk/documents/travel-expenses-policy.pdf>

University Financial Regulations

<http://www1.hw.ac.uk/reference/financial/regulations.pdf>

HWU Cultural Guide to Malaysia

[http://www.hw.ac.uk/documents/HWU_Malaysia_Cultural_awareness_document_190315\(1\).pdf](http://www.hw.ac.uk/documents/HWU_Malaysia_Cultural_awareness_document_190315(1).pdf)

Further reference:

Scottish Code of Good Higher Education Governance

<http://www.scottishuniversitygovernance.ac.uk/wp-content/uploads/2016/08/Scot-Code-Good-HE-Governance-A4.pdf>

Charities and Trustee Investment (Scotland) Act 2005

<http://www.legislation.gov.uk/asp/2005/10/contents>

Ethical Standards in Public Life etc (Scotland) Act 2000

<http://www.legislation.gov.uk/asp/2000/7/contents>

Model Code of Conduct for Members of Devolved Public Bodies

<http://www.scotland.gov.uk/Publications/2014/02/4841>

Freedom of Information (Scotland) Act 2002

<http://www.legislation.gov.uk/asp/2002/13/contents>

Committee on Standards in Public Life

<http://www.public-standards.gov.uk/>

The Bribery Act 2010

<http://www.legislation.gov.uk/ukpga/2010/23/contents>

The Chartered Institute of Procurement and Supply Code of Conduct

<http://www.cips.org/en-GB/aboutcips/CIPS-Code-of-Conduct/>

The UK Corporate Governance Code (Financial Reporting Council)

<https://www.frc.org.uk/Our-Work/Publications/Corporate-Governance/UK-Corporate-Governance-Code-September-2012.pdf>

Companies Act 2006

<http://www.legislation.gov.uk/ukpga/2006/46/contents>

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11. POLICY VERSION AND HISTORY

Version No	Date of Approval	Approving Authority	Brief Description of Amendment
V.4	27 June 2016	The Court	N/A
V.5	20 November 2020	The Court	Benchmarked against Scottish HEIs Reviewed and updated. Primary changes are to reflect updates to University structures and responsibilities. Change to Nine Principles of Public Life in Scotland, 2017 Code. Changes to recording to collect better MI (will be implemented through Microsoft Forms)

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APPENDIX 1**PRO FORMA FOR THE DECLARATION OF GIFTS AND HOSPITALITY**

Notification of gifts and hospitality with a value in excess of £50.00 (or equivalent) must be formally registered using this pro-forma within 28 days of the date of offer, **whether the offer is accepted or declined**.

Name of the Person who is offered the gift / hospitality	
Office of the Principal / School/ Professional Service	
Date of offer of Gift/ Hospitality	
Person or Organisation offering the Gift/ Hospitality	
Reason for the Gift / Hospitality	
Description of Gift/ Hospitality	
Estimated or Actual Value of Gift/ Hospitality	
Gift/ Hospitality accepted Y/N	
Gift / Hospitality retained by the individual Y/N	
Location of Gift	

APPROVED BY:

Signed:

Date:

Completed forms should e-mailed to xxxxxx

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APPENDIX 2

THE NINE PRINCIPLES OF PUBLIC LIFE

PUBLIC SERVICE

Holders of public office have a duty to act in the interests of the public body or which they are a board member and to act in accordance with the core tasks of the body.

SELFLESSNESS

Holders of public office should act 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 seek to 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 AND STEWARDSHIP

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 relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

LEADERSHIP

Holders of public office should promote and support these principles by leadership and example.

RESPECT

Holders of public office must respect fellow members of their public body and employees of the body and the role they perform, treating them with courtesy at all times.