

Appendix 2: Process surrounding Commercial Practices – Gifts, Hospitality, Private Transactions and Transactions between the Employee and the Council

1. Commercial Practices - Gifts

- 1.1 The Prevention of Corruption Acts 1889 - 1916 automatically assumes that gifts or considerations are corrupt and where public sector contracts are concerned it is for the individual to prove otherwise.
- 1.2 It is good practice for individuals and managers to keep a simple record of any instances which might later be open to misinterpretation, e.g. the return of an unsolicited gift or offers of excessive hospitality etc.
- 1.3 It should be noted that offers of inducements of gifts include promotions such as:
 - a) competitions where entries are based on the School purchasing items or services as a qualification;
 - b) other free gifts associated with the placing of orders;
 - c) gifts based on attendance at exhibitions or seminars on behalf of the School.

For example, free gifts based on the collection of coupons or vouchers from the packaging of items purchased with Council/School funds would not be acceptable unless the gifts were clearly applicable to the establishment or the Council/School and not the individual.

- 1.4 Although casual gifts offered by contractors or others, for example at Christmas time, may not be in any way connected with the performance of duties so as to constitute any offence under the Prevention of Corruption Acts, such offers should be politely but firmly declined and the Headteacher/Chair of Governors informed.
- 1.5 The only gifts which may be accepted are calendars, diaries and other simple items of equipment of modest value, and then only if they bear the company's name or insignia.
- 1.6 In any case of doubt, the Headteacher/Chair of Governors should be informed. In the case of Headteachers/Chair of Governors, the Divisional Manager School Improvement should be notified.

2. Commercial Practices - Hospitality

- 2.1 The utmost discretion should be exercised in accepting offers of hospitality from contractors, potential contractors or their representatives, or from other organisations or individuals involved in commerce.
- 2.2 Generally speaking all hospitality, including reciprocal hospitality, should be such as would be seen to be reasonable and appropriate. Those in contact with contractors and third party suppliers should not accept hospitality which might later lay them open to allegations of a lack of independence and impartiality.

2.3 In all cases of doubt advice should be sought from the Headteacher/Chair of Governors. Where a Headteacher/Chair of Governors is personally involved, he or she should inform the Divisional Manager School Improvement.

2.4 Headteachers/Chair of Governors should maintain a record of all gifts or hospitality offered to or received by them and their staff. Headteachers/Chair of Governors should register such instances with the Council's Monitoring Officer, the Head of Legal & Democratic Services.

3. Commercial Practices - Private Transactions and Transactions between the Employee and the Council/School

3.1 Those having official dealings with contractors and other suppliers of goods or services should avoid transacting any kind of private business with them by any means other than normal commercial channels.

3.2 No favour or preference as regards price or otherwise which is not generally available should be sought or accepted. For example, Cash and Carry Cards obtained for use by the School must not be used for private purchases.

3.3 The purchase of goods or services for private purposes through Council/School funds or using official order forms, School headed paper or any other formal Council/School documentation is not acceptable.

3.4 Sales and purchases of goods and services between employees and the Council/School should, as a matter of principle, be avoided.

3.5 If there are special reasons for such a transaction to take place, then the prior approval of the Headteacher/Chair of Governors should be obtained and the Authority's Standing Orders as to Contracts should be adhered to strictly. *(insert link)*

3.6 In all such cases the Headteacher/Chair of Governors will ensure that the terms of any arrangement are established in open competition and represent the best terms available for the School.

3.7 If it comes to the knowledge of any employee that a contract in which they have any personal or prejudicial interest, whether direct or indirect, has been or is proposed to be entered into by the Council/School, they should, as soon as practicable, give notice in writing to the Headteacher/Chair of Governors. Where a Headteacher/Chair of Governors is involved, he or she should inform the Divisional Manager School Improvement.

3.8 Employees should declare to their Headteacher/Chair of Governors a potential conflict of interest if they or their spouse are employed by or have a financial interest (such as directorships or significant share holding) in an organisation having or potentially having a contract with the Council/School.

3.9 Where a decision is to be made concerning a purchase or sale of goods and/or services involving an employee, it must be seen to be the case that no favour or advantage accrues to the employee. The individual concerned must take no part in the discussion or decision on the issue.

- 3.10 In certain circumstances employees may be asked to sign a declaration not to disclose information obtained as a result of their employment prior to terminating their employment with the Council/School. This might apply, for example, to an employee previously negotiating a contract with a company they subsequently join.
- 3.11 If an employee is uncertain about a particular circumstance they should seek further advice from their Headteacher/Chair of Governors or Business Manager where appropriate.
- 3.12 A breach of the provisions of the Prevention of Corruption Acts 1889-1916 renders those involved liable to disciplinary action where appropriate and/or possible prosecution and dismissal. A breach of this Code by an employee may also result in disciplinary action being taken including the possibility of dismissal. The Divisional Manager School Improvement must be informed of any suspected breach.