



Gifts & Hospitality Policy

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thesovereigntrust.uk

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3.0		Include no VAT is claimable on Gifts and staff refreshments Official School Funds should not be used for gifts unless performance related. Reminders when distributed.	CFO	Approved 27/06/2023
2.0/2.1		Included guidance on expenditure Included Roles and Responsibilities Alcohol is not an acceptable purchase – Audit requirement Level increased from £20 to £25 Forms and Flowchart updated	CFO	To be approved May 2022
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BACKGROUND

Gifts, hospitality and other favours offered to individual staff, whether accepted or not, in the course of their work for the Trust are a form of income and should be reported. They may sometimes also be offered to those associated with staff, including family and relations which need to be declared. Records should be kept for audit purposes. They may also be provided to third parties and subject to requests under the Freedom of Information Act 2000.

This procedure aims to ensure there is no improper conduct and that gifts and hospitality do not influence decisions, judgements and integrity. The procedure stands alongside the Trust's Financial Instructions & Procedures Manual, Anti-Fraud Policy, Conflicts of Interest Procedures and the Annual Declaration of Interests, and forms part of the Trust's ethical framework which is underpinned by the Trust's Code of Conduct. Charitable and philanthropic donations received by the Trust are subject to separate procedures.

This procedure applies to all Sovereign Trust staff, irrespective of location of employment, and applies to activity anywhere across the Trust.

This document is also intended to ensure

- The MAT funds are used only in accordance with the law, its articles of association, its funding agreement and the latest Academy Trust Handbook.
- The trust and those associated with it operate in a way that commands broad public support.
- The trust has due regard to propriety and regularity, and ensures value for money, in the use of public funds.
- Trustees fulfil their fiduciary duties and wider responsibilities as charitable trustees and company directors.
- Members, trustees and staff are aware of what constitutes acceptable gifts and hospitality, and the process that must be followed if they are presented with any of the same.

Roles and Responsibilities

Members, trustees and staff

- Must not give or accept gifts or hospitality to or from a third party where it might be perceived that their personal integrity has the potential to be compromised, or that the trust might be placed under any obligation as a result of acceptance
- Must not use their official position to further their private interests or the interests of others
- Must not solicit gifts or hospitality
- Must record any gifts or hospitality offered to them or the trust with a value of over £25 on the gifts & hospitality Received register (see [Appendix 2](#)) within 7 working days, even if declined
- Must record any gifts or hospitality organised for any individual over £25 on the gifts & hospitality register Given register (See [Appendix 3](#)) within 7 working days.
- Must consult the Chief Executive Officer before accepting or offering any gifts or hospitality with a value of over £25.

Academy trustees

Academy trustees will ensure that the trust's funds are used in a way that commands broad public support, pays due regard to propriety and regularity, and provides value for money.

The Chief Executive Officer

Will ensure that decisions to accept or offer gifts or hospitality with a value of £25 and over are in line with this policy.

The Headteacher / Head of School

The Headteacher / Head of School is responsible for ensuring that staff are aware of and understand this policy, and that it is being implemented consistently.

The Headteacher / Head of School will act with the utmost integrity on all matters relating to gifts and hospitality, ensuring that they set a good example to the rest of the Academy and The Trust and to those outside the organisation.

They will also ensure, alongside the Chief Executive Officer, that decisions on whether individuals or The Trust can accept or offer gifts or hospitality with a value of £25 and over are in line with this policy.

The Chief Financial Officer

The Chief Financial Officer will ensure that:

- The Trust maintains a gifts and hospitality register
- Figures for transactions relating to gifts made by the trust are disclosed in the trust's audited accounts, in accordance with the Academy Trust Handbook
- The academy trustees and Headteacher / Head of School are provided with information on gifts and hospitality received and given, as appropriate
- They will also ensure, alongside the Headteacher / Head of School that decisions on whether individuals or the trust can accept or offer gifts or hospitality with a value of £25 and over are in line with this policy.

The Financial Controller

The Financial Controller is responsible for the register of gifts made and received by the Central Team. They are responsible for completing annual audits of the Trust wide registers, providing all information to the Chief Executive and auditors. They can support with the estimation of value of gifts.

Finance Officers

The Finance Officer is responsible for maintaining the gifts and hospitality registers on a day-to-day basis for their Academy.

Parents

The Trust doesn't want to discourage Parents from showing gratitude to our staff, we know that their gifts are always greatly appreciated by everyone.

It is hoped that the following will support parents should they wish to show their gratitude to our staff.

- Gifts of small value and no more than £25 in total should be spent on any individual over the academic year.

When gifts and hospitality can be arranged by the Trust

The Trust and its Academies will not normally give gifts to other individuals or organisations. If gifts are given, staff must ensure that the decision is fully documented in the Gift and Hospitality Register ([Appendix 3](#)) and has regard to the propriety and regularity of the use of public funds.

Exclusions: This does not apply to:

- the award of gifts, prizes, etc related to the achievement of pupils e.g. attainment or merit awards, nor Trust-wide staff recognition events or activities.
- recognition awards/gifts to staff for specific areas of work or activity.

Expenditure on staff wellbeing (flowers, leaving gifts, etc) should be recorded in the template on [Appendix 3](#) and posted as staff hospitality or staff wellbeing in the accounting system.

Charitable donations e.g. instead of flowers for a funeral or matching amounts raised by students, should be of a de minimis level (£10) in order to comply with the Trust's objects.

Where **hospitality** is provided by the Trust or individual Academies this should be approved in advance by the Chief Executive Officer or Headteacher /Head of School. In approving hospitality, the Chief Executive Officer or Headteacher / Head of School should ensure it is not in breach of the UK Bribery Act 2010 and also that the costs are appropriate for a publicly funded organisation.

Hospitality such as working lunches, coffees, catering on training courses and modest hospitality in the form of meals, etc are perfectly acceptable where it is appropriate to offer or receive these in support of good relationships with visiting staff or business colleagues (but not for their family or friends). These would not be added to the register but would be approved by the Chief Executive Officer or Headteacher / Head of School to ensure they are of a reasonable level. Hospitality provided above this level should be recorded in the register.

Staff – meals and other refreshments - As for academy visitors above, working lunches are perfectly acceptable.

In exceptional circumstances it may be appropriate for the Trust or its Academies to provide a celebratory meal or event. This would be sanctioned by the Chair of Governors (Academy Advisory Committee) or Chair of the Audit and Risk Committee (central Trust).

In approving such an event consideration will be given to both rules on personal taxation from HMRC and the requirement to properly utilise public funds.

VAT **will not** be claimed on gifts and refreshment purchases.

Circumstances when it may be considered to give a gift or organise hospitality -

- When organising a meeting for stakeholders, visitors and staff should have access to hot drinks and drinking water.
- Light refreshments at meeting such as morning/afternoon biscuits are acceptable when professional bodies are meeting or training is being undertaken. Should meetings be longer than 2 hours then providing a snack could be considered. Academies should consider using their own kitchen provision for refreshments.
- Flowers can be organised for staff and trustees at times of bereavement, long term illness, becoming a parent or long service awards at Headteachers discretion.

Any gifts or hospitality provided by the trust, such as a working lunch for visitors, must not be extravagant. A maximum value of £10 per head should be used as a guideline and MUST have the authority of the Headteacher / Head of School.

Procedure For Arranging Gifts & Hospitality for Stakeholders

All expenditure must have the authority of the Headteacher / Head of School.

Expenses should be claimed and receipts must always be provided. Transactions should be recorded on the financial system.

The Chief Executive Officer must be consulted about any proposal to provide gifts or hospitality with a value of over £25 and these should be recorded on the Register for the Declaration of Gifts – GIVEN - [Appendix 3](#)

Acceptable gifts and hospitality

Members, trustees and staff can accept gifts and hospitality that have a value of up to £25. These do not have to be pre-approved or recorded on the gifts and hospitality register.

Generally, gifts of nominal value, such as small tokens of appreciation, may be accepted.

Similarly, hospitality such as working lunches may be accepted in order to maintain good relationships with key contacts, provided the hospitality is reasonable in the circumstances

If in any doubt, members, trustees and staff must consult the Chief Executive Officer.

Any gifts or hospitality offered with a value of £25 and over must be recorded on the gifts and hospitality register within 7 working days, even if declined. Any member, trustee or member of staff who is offered such gifts or hospitality must consult the Chief Executive Officer before accepting.

If the Chief Executive Officer is the recipient, or intended recipient, of any offer of gifts or hospitality, they must inform the chair of the board of trustees and record the offer on the gifts and hospitality register.

Failure to declare any offer of gifts or hospitality on the register in line with this policy will be treated as a staff disciplinary matter.

Unacceptable gifts and hospitality

Thought should be given as to appropriate gifts, those that will not offend and that are ethically correct. The following must never be offered or accepted:

- Monetary gifts
- Gifts or hospitality offered to family members, partners or close friends of members, trustees or staff
- Gifts or hospitality from a potential supplier or tenderer in the immediate period before tenders are invited or during the tendering process
- Lavish or extravagant gifts or hospitality, even if they relate to activities the recipient undertakes in their own time
- **Alcohol** – Is not an acceptable gift and should NEVER be purchased or claimed as an expense,
- **Avoid Personal Items** – Perfume, Clothing, Jewelry or any items not allowed in the workplace.

See [Appendix 4](#). This list is not intended to be exhaustive.

Procedure For Accepting Gifts & Hospitality

It is accepted that, in the course of normal duties, staff will sometimes receive conventional hospitality including working meals and refreshments taken during meetings or training and invitations to formal functions, networking or training events to attend on behalf of the Trust. Offers of hospitality that appear to exceed the norm or convention within the Trust and the education sector should be considered especially carefully before a decision is made to accept them or not. Where in doubt, staff should seek professional advice, consideration of the Trust's Policy on Fraud and Bribery should also be given.

Gifts and hospitality are sometimes offered to The Sovereign Trust staff in the course of carrying out their official duties to promote good working relationships but should only be accepted if the staff member to whom the offer is made is satisfied that:

- The offer has been made for a proper purpose associated with official Trust business;
- Acceptance is consistent with the ethical framework in which the Trust operates, as detailed in the Code of Conduct;
- The offer is appropriate and its value is reasonable and proportionate to the circumstances;
- Acceptance accords with all applicable Trust policies, legislation and guidance applicable to academy trusts;
- Acceptance does not constitute an actual or perceived conflict of interest;
- Acceptance does not create a specific or general obligation which the Trust is required to fulfil; and
- Acceptance does not constitute an actual or perceived inducement in respect of a decision the Trust is due to take.

If acceptance creates an actual or perceived conflict of interest in respect of a decision the Trust must make, whether immediately or some time after acceptance, the person should absent themselves from the decision-making process.

A non-exhaustive list of parties who may offer gifts and hospitality includes:

- suppliers or their agents, current or potential, direct and subcontractors;

- pupils (including current, prospective and former), and their relatives;
- other academy trusts or third-party organisations;
- potential or current employees, donors or their relatives.

No money or monetary token of any value should be accepted. If you are offered money you should immediately inform your line manager and record the refusal.

Acceptance by individuals of gifts or hospitality with a value of between £25 and £50 (whether known or estimated by the recipient) may be recorded by the recipient themselves. Gifts under £25 need not be recorded. Gifts or hospitality with a known or estimated value over £25 should be disclosed to the Chief Executive Officer, as well as recorded locally.

Staff should seek to obtain approval from the Chief Executive Officer in advance of accepting gifts or hospitality over £50. Gifts or hospitality for the Chief Executive Officer shall be approved by the Chair of Finance & Risk Committee. Where it is not possible to do so in advance, retrospective approval shall be sought and reporting and recording completed as soon as practicably possible.

Acceptance of gifts or hospitality with a known or estimated value below £25 need not be declared or recorded, unless:

- they amount cumulatively over time to more than £25, in which case they should be approved and recorded as outlined in this procedure; or
- they occur with a frequency of more than once a year, in which case they should be approved and recorded as outlined in this procedure; or
- the intended recipient chooses to do so if s/he feels it appropriate and/or s/he is more comfortable doing so than not. Where there are any concerns or reservations, or the gift or hospitality seems unusual, approval should be sought from the Chief Executive Officer.

It is expressly prohibited for a member of staff to accept gifts or hospitality from an organisation that they know to be actively involved in a tender process with the Trust, except where hospitality is provided as part of a fact-finding visit or meeting. If an individual accepts hospitality which could be construed as giving them a conflict of interest in respect of procurement or other decision that they make in the course of their work, they should declare it and exclude themselves from the decision-making process.

Flow Chart is provided – See [Appendix 5](#).

Declining gifts and hospitality

Any members, trustee or staff member who is offered any of the unacceptable gifts or hospitality outlined above should politely decline the offer.

If they feel it would not be appropriate for them to decline, they should refer the matter to the Chief Executive Officer who may decline the offer, or donate the gift or hospitality to a worthy cause, and must also record the offer on the gifts and hospitality register.

Disciplinary action will be taken against anyone who fails to decline gifts or hospitality the trust has deemed unacceptable.

Failure to declare any gifts or hospitality offered on the gifts and hospitality register, in line with this policy, will be dealt with as a staff disciplinary matter.

Reporting and Record-Keeping

Registers of gifts and hospitality offered (whether accepted or not) shall be kept locally (but see paragraph 14 below for special registers). This is to ensure local responsibility and oversight. Each local register shall have a nominated person who is responsible for it. The responsible person shall:

- ensure that a register is kept in their academy and that staff are made aware of it;
- ensure that the register is completed as fully and accurately as possible;
- monitor entries routinely and regularly (e.g. monthly) and bring any concerns to the attention of the Chief Financial Officer as soon as possible;
- review and sign off the register annually, at the end of the academic year in August;
- bring any concerns arising from the annual review to the attention of the Chief Financial Officer by the end of September each year.

A separate register shall be held for the Trust Central Office, owing to their profile and/or responsibility for high-level purchases, and the responsible person is the Financial Controller:

- The Chief Executive
- The Chief Financial Officer

The Financial Controller is responsible for reviewing and updating the register annually for audit purposes.

A template Gifts and Hospitality Form and Gifts and Hospitality registers are set out in [Appendix 1](#), [Appendix 2](#) and [Appendix 3](#). The Academies and the Trust Central Office shall record details on the register, and individuals may use the form to submit entries to the register, according to what works best in practice in each area.

Each member of staff to whom an offer of gifts or hospitality above the £25 threshold is made is responsible for declaring the offer on their local register (or central office register). It is the responsibility of the person who holds the local register, Finance Officers, to ensure that it is completed on each occasion.

Registers shall be reviewed annually by the Financial Controller. They should be provided if requested for review by auditors.

Registers should be kept for six years beyond the end of the year to which they relate.

Appendix

[Appendix 1](#) – Pro Forma for the Declaration of Gifts & Hospitality

[Appendix 2](#) – Register for the Declaration of Gifts & Hospitality - RECEIVED

[Appendix 3](#) – Register for the Declaration of Gifts and Hospitality - GIVEN

[Appendix 4](#) – Acceptable and Unacceptable Gifts & Hospitality

[Appendix 5](#) – Process Flow Chart for Receiving of Gifts & Hospitality

[Appendix 6](#) – FAQ's

Appendix 1 - PRO FORMA FOR THE DECLARATION OF GIFTS AND HOSPITALITY

Before completing this form, staff should ensure that they have read the Sovereign Trust Gifts and Hospitality Policy.

This form is to be completed by any individual member of staff who has been offered gifts or hospitality (whether accepted or not) over the value of £25 during the course of their duties.

Please complete all appropriate fields.

It shall be signed by the individual member of staff and the person responsible for the local register.

Is this Declaration to Receive or Give A Gift?	RECEIVE or GIVE a Gift <small>Please circle</small>
Complete the following when receiving or giving a gift or hospitality	
Name of intended recipient (i.e. person completing form) and any other beneficiaries	
Academy or Department	
Brief description of gift or hospitality	
NOTE – Alcohol is not to be GIVEN as a Gift	
Reason for gift or hospitality offered (e.g. relationship management; thank you; recognition of achievement, collaboration etc)	
Total value (known or estimated)	
Complete the following when receiving gifts or hospitality	
Provider/giver's organization (e.g. ABC Limited)	
Provider/giver's name (e.g. A Smith)	
Nature of business relationship	
Date of offer	
Date of receipt (if accepted)	
Date of rejection (if actively declined)	
For gifts: How has the gift been used?	

If Gift is being received this must be signed by the recipient –

Signed (intended recipient): _____ Date: _____

Signed (holder of register, if different): _____ Headteacher or Head of School or CEO

Name and position (print): _____ Date: _____



Appendix 2 - REGISTER FOR THE DECLARATION OF GIFTS & HOSPITALITY - RECEIVED

Please complete as many fields as possible

Academy / Department:		Financial Year:
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Name of intended recipient and any other beneficiaries	Brief description of gift or hospitality	Reason for gift or hospitality offered 1	Total value (known or estimated)	Provider/giver's organisation	Provider/giver's name	Nature of business relationship	Date of offer	Date of receipt (if accepted)	Date of rejection (if actively declined)	Declared to Chief Executive Officer (if over £50) Y/N	For gifts: How has the gift been used?

1 e.g. relationship management; thank-you, collaboration etc



Appendix 3 - REGISTER FOR THE DECLARATION OF GIFTS & HOSPITALITY - GIVEN

Please complete as many fields as possible

Academy / Department:		Financial Year:
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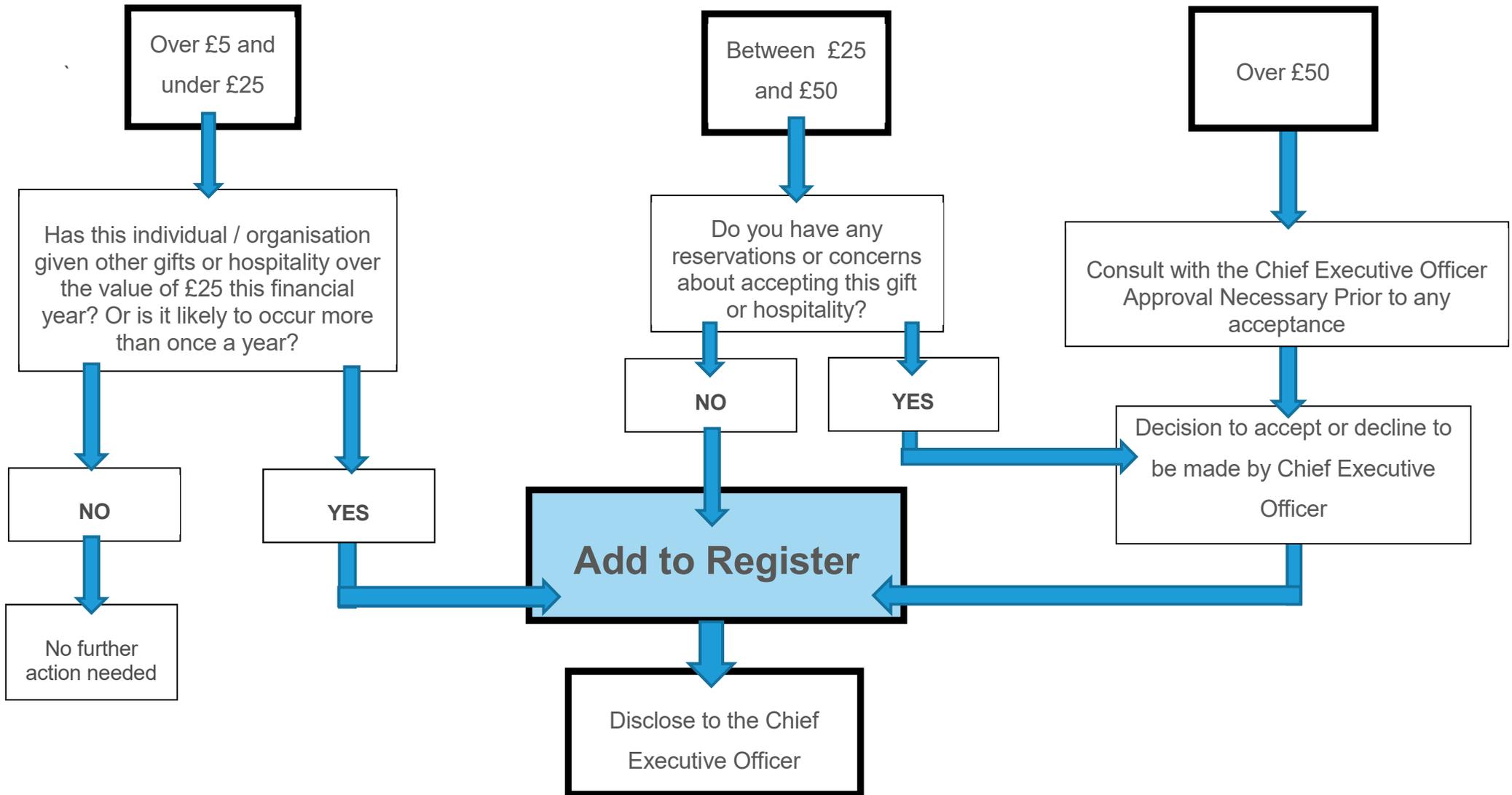
Name of intended recipient	Brief description of gift or hospitality	Reason for gift or hospitality offered 1	Total Expenditure	Approved by Headteacher / Head of School	Approved by Chief Executive Officer	Date of offer

1 e.g. Get Well Gift, Sympathy Gift, Leavers Gift

Appendix 4 – Acceptable and Unacceptable Gifts and Hospitality

Gifts	Acceptable/appropriate	Unacceptable/ not appropriate
	<p>Small thank you gifts from pupils/parents Small token items:</p> <ul style="list-style-type: none"> • Box of Chocolates • Flowers • Stationery items such as pens • Diary or calendar • Book • Mug <p><i>Ticket/s for events should be considered carefully as the value of tickets can vary greatly. For example, sporting events, opera, theatre.</i></p>	<ul style="list-style-type: none"> • Personal gifts of money • Alcohol – Should NEVER be purchased as a gift • Gift vouchers • Gifts of high value • Holidays (UK or abroad) or holiday travel • Goods or services at trade/discount prices • Frequent gifts from the same source. • Gifts should NEVER be offered to family members, partners or close friends of members, trustees or staff. <p>Gifts from a company during the procurement process.</p> <p>All money that is offered to the Trust must be directed through The Sovereign Trust Central Finance Office.</p>
Hospitality	Acceptable	Unacceptable
	<ul style="list-style-type: none"> • Refreshments (tea/coffee) • Working lunches • Drinks receptions/book launches • Dinners at conferences • Modest entertainment from an existing supplier • Work related travel and accommodation such as when speaking at an academic / sector conference. 	<ul style="list-style-type: none"> • Attendance at lavish/extravagant social functions, even if they relate to activities the recipient undertakes in their own time. • Travel and accommodation not related directly to work related activities such as attendance at conference/required for role • Frequent invitations from the same individual or organisation. • Entertainment from a company during a procurement process. • Hospitality should NEVER be offered to family members, partners or close friends of members, trustees or staff.

Appendix 5 – Process Flow Chart for Receiving of Gifts & Hospitality



Appendix 6 – FAQ's

HOW DO I ESTIMATE THE VALUE OF THIS ITEM?

It may be difficult to estimate the value of an item that you have been given. To give a rough idea you could search the internet to find the value of a similar item. It might be useful to think about whether you believe the value of the item falls over the thresholds of £25, £50 and include an estimation of the value. If you would like another opinion, please seek advice from the Financial Controller.

WHAT IF A SUPPLIER OFFERS ME TRAINING?

Offers of hospitality from suppliers can sometimes be dressed up as networking, training, a seminar, event, product launch etc, often at high-profile venues. Staff should seek guidance from their line manager before responding to such invitations.

I AM CONNECTED TO MORE THAN ONE ACADEMY AT THE TRUST? WHOSE AUTHORISATION SHOULD I SEEK?

It doesn't matter which area you report to if you have line managers in different units. It makes sense to report to the one most closely linked to the circumstances in which the offer was made, but the important thing is that approval is sought where necessary and the offer is recorded in a register somewhere in the Trust.

WHAT IS THE TRUST'S POLICY ON BRIBERY?

The Trust has a Policy against Bribery and Fraud, named Anti Fraud Policy which can be found on the Policies Page of the Trust website.

I WAS UNABLE TO SEEK AUTHORISATION BEFORE ACCEPTING A GIFT OR HOSPITALITY ABOVE THE £25 THRESHOLD. DOES THIS MATTER?

You must inform the Chief Executive Officer as soon as practicable afterwards and ensure that it is recorded.

I HAVE BEEN OFFERED A "PRIZE"; CAN I ACCEPT IT?

You will need to consider if acceptance creates an actual or perceived conflict of interest. If in doubt, consult your line manager or relevant approver.

DO I HAVE TO PAY TAX ON GIFTS AND HOSPITALITY?

Accepting a gift may incur a personal tax liability, the HR central Team can advise on specific cases. Guidance can also be found at [HMRC's on Non Taxable gifts and hospitality](#)