

Gifts and Hospitality Policy



Version 4.0

Owner: Transparency, Ethics and Data
Protection

Date issued: December 2016

Approved by: Executive Committee

Version	Date	Comment
3.1	08/10/15	Addition of duty passes. Section 4 Policy Statement
3.2	22/02/16	Reclassification Policy. Introduction
3.3	24/05/16	Significant conference fees. Section 4 Policy Statement
4.0	01/12/16	Exemptions process amended and alliance partnerships added. Section 7

1. Introduction

Examples of gifts and hospitality include items ranging from diaries, mugs, and boxes of chocolates, to free travel and accommodation. Accepting gifts and hospitality can help to develop working relationships however it is important to consider whether there is a clear business justification, whether the timing is appropriate and how an acceptance might look to the outside world.

Routine external offering of gifts and hospitality is not considered to be an acceptable business practice within the public sector and in line with our [Reclassification Policy](#) Group Finance should be notified if you are planning on offering any form of gift or hospitality externally¹.

Any gift or hospitality that is offered or accepted with the intention of influencing a relationship to gain an unfair advantage (e.g. awarding a contract, giving someone a job or buying materials), is considered to be bribery and is a criminal offence under the [Bribery Act 2010](#). Even if you haven't done anything wrong, perception can give rise to questions of impropriety or suspicion. It is therefore extremely important that you follow the guidelines set out in this policy.

2. Scope

This policy applies to everyone that works for or on behalf of Network Rail in every wholly-owned Network Rail company and in every joint venture company under Network Rail control. This includes, but is not limited to, employees (full and part time), contractors, secondees, agency staff, suppliers, consultants and agents. It applies in situations where employees are offered gifts and hospitality by others outside Network Rail and when Network Rail employees want to offer those outside Network Rail gifts or hospitality.

¹ Group Finance - reclassificationgroupfinance@networkrail.co.uk

Joint venture companies not under Network Rail control and joint venture partners should adopt a similar policy.

3. Speaking Out

It is everybody's duty to speak out about any concerns that you might have or any breach of this policy that you become aware of. In the first instance you should speak to your line manager or the Ethics team ethics@networkrail.co.uk. Alternatively you can report it through Network Rail's confidential and anonymous Speak Out line (0808 143 0100 or www.intouchfeedback.com/networkrail).

Network Rail has a strict policy of zero tolerance of retaliation against people who speak out. For more information about speaking out, read our Speak Out (whistleblowing) policy.

4. Policy statement

You must declare all offers of gifts and hospitality, made to or by you (the sole exception being token items as outlined below) whether accepted or declined.

You should never offer or accept gifts or hospitality either directly, or through a third party (e.g. a family member or friend) that would, or might appear to place you under any obligation to an individual or organisation, compromise your impartiality or otherwise be improper.

Gifts or hospitality with an approximate value of **below £15 can be accepted or offered without line manager approval** e.g. a normal working lunch/refreshments during a meeting and promotional items.

For anything with an approximate value of **above £15, you must register the gift or hospitality on [iEthics](#)² and wait for approval from your line manager**. Examples include networking events, tickets for industry events, inexpensive gestures on special occasions or instead of speaking fees. If you wish to accept or offer the gift or hospitality the following principles must be applied:

- You must have clear a **business reason** rather than it being for personal benefit
- The gift or hospitality should be **timed appropriately** (e.g. not before or during a tender or contract renewal)
- You should consider the **intentions** behind the offer (e.g. would accepting this gift or hospitality influence, or appear to influence, any business decisions I make?)

The following are **not acceptable under any circumstances** but still need to be **registered on [iEthics](#)** for transparency and audit purposes:

- Gifts or hospitality at times when business decisions are being made (for instance on tenders, contract renewals or during project evaluation phases)
- Cash, cash equivalents (e.g. gift vouchers) or loans

² iEthics can be found in the Oracle E-Business Suite, within 'Employee Self-Service (incl. LOA) NR'.

- Personal services like use of another company's vehicles, use of holiday homes, home improvements, personal discounts, etc.
- Anything where the person offering the gift or hospitality is not present (e.g. tickets to an event where the person paying does not attend)
- Anything involving your partner or other family members (the sole standing exception to this is the Railway Ball, though exceptions for similar events will be considered on a case-by-case basis)
- Paying for a gift or hospitality personally so you avoid having to declare it
- Any gift or hospitality that involves significant conference fees, travel³ and/or accommodation. If you have a genuine business need to attend or stay overnight, Network Rail should meet all the costs involved (see the [Business Expenses and Travel policy](#))
- Any gift or hospitality involving a sporting event even if in a charitable or team-building context.

This policy cannot cover every situation that might arise. If you need to discuss a specific situation, please contact the Ethics team: ethics@networkrail.co.uk.

Line managers

If you are a line manager, you are responsible for considering submissions on iEthics from your direct reports and checking whether they are in line with this policy and any others that might apply, like the [Business Expenses and Travel policy](#). If you are not sure whether to approve a request relating to gifts or hospitality, or you come across something that doesn't look right, contact the Ethics team at ethics@networkrail.co.uk.

5. Doing business abroad

Gift and hospitality customs and practices are sometimes different in other countries. Where it is culturally inappropriate to decline an offer of a gift or hospitality, you may accept it as long as you are confident that it does not appear to place you under any obligation to an individual or organisation, compromise your impartiality or is otherwise improper. Similarly, in some cultures, you may be expected to offer a gift. In these cases, you may offer a token gift which is railway related and of nominal value.

In all cases, you should discuss with your line manager and register the gift or hospitality on [iEthics](#), or through the equivalent paper-based process if you work for Network Rail Consulting.

Extra care should be taken if the person being offered or offering the gift or hospitality is a government official. For further advice, contact the Ethics team ethics@networkrail.co.uk.

³ NB: This does not apply to duty passes that have been offered by train operators, to teams, for standard class business travel. If you have a query about duty passes please contact ethics@networkrail.co.uk

6. Sponsorship and charitable donations

Receiving sponsorship for Network Rail or personal for charitable initiatives (e.g. raffles), or social activities (e.g. prizes for our sports societies' competitions) doesn't strictly fall within the definition of gifts or hospitality however it is important that you bear in mind the principles set out in this policy if you are thinking of asking for or have been offered contributions by one of our business partners. Even if you are not personally benefiting, these sorts of gestures are often intended to improve business relationships and could at times affect your impartiality, or appear to do so. At the same time, asking for sponsorship from our business partners – even for a charitable cause – could create feelings of obligation for both sides, so as a general rule of thumb you shouldn't do it.

If you have any questions about organising raffles or charity events you should contact CharitableGiving@networkrail.co.uk for more information.

7. Exemptions

Where there are very clear, unique and compelling business reasons, one-off departures from this policy may be agreed by a functional or route managing director.⁴ Approval should be sought in writing by the line manager of the person who has received or intends to make the offer, setting out the reasons the policy should not apply. The gift or hospitality in question should not be accepted – or offered – until approval has been received. All correspondence relating to these instances should be attached to the declaration on [iEthics](#) and the 'departure from policy approved' option chosen. You should retrospectively update your submission to select this option if necessary.

8. Breaches

Compliance with this policy is audited and any suspected breaches will be investigated by the Business Integrity team in Internal Audit. Employees found to be in breach of this policy may be subject to disciplinary action which may ultimately result in their dismissal, legal proceedings and possibly imprisonment if they are involved in bribery and corruption.

9. Q&A

Q. What are gifts and hospitality?

A. Gifts and hospitality means any form of gift, entertainment, personal reward or favour, or anything of value, offered by or to an employee or representative of Network Rail. This could include:

- Tickets to industry events (e.g. awards ceremonies)
- Discounts
- Loans
- Favourable terms (or deals) on any product or service
- Services or products

⁴ The development of a 'one team' approach in alliance partnerships will in some cases be a significant factor in making decisions relating to gifts and hospitality. In certain cases the business benefit in accepting hospitality will result in an outcome different to the one that this policy envisages. An example of this might be a low value team building event between a core alliance partner and Network Rail. The approval process outlined in section 7 of this policy should be followed if such instances arise.

- Prizes
- Transportation or travel
- Use of company vehicles
- Use of holiday facilities
- Meals and drinks
- Tickets
- Gift certificates or cash rewards.

Q. What happens when I log something on iEthics?

A. When you log an offer or request to offer a gift or hospitality, a notification goes to your line manager. It is your line manager's responsibility to consider requests and approve or reject them in accordance with this policy. You will receive a notification indicating their decision.

Q. A colleague in another part of the business has offered to buy me lunch. Do I need to register this on iEthics?

A. No – gifts or hospitality given to or by a fellow Network Rail employee are not considered corporate hospitality. The person offering the lunch should ensure that they do not breach the [Business Expenses and Travel policy](#).

Q. Is it ok to meet a supplier or a contractor for lunch to discuss a contract?

A. If a supplier or contractor has already been awarded a contract then it's reasonable to meet for lunch to discuss things – make sure that the value of the lunch is not excessive and that you record the invitation on [iEthics](#) and get your line manager's approval before accepting it if the likely value is over £15. If however, you are in the middle of a tendering exercise, then no – it is inappropriate, irrespective of who is paying for the lunch. Just being seen together in a social context may appear suspicious to other suppliers, contractors or the public. Please note that any invitations must be recorded on [iEthics](#) even if you don't intend to accept them.

Q. Should I register on [iEthics](#) the sandwiches a supplier or tenant offers me during a meeting at their premises?

A. No, you don't have to register modest hospitality of this kind, when it has a likely value under £15, or local currency equivalent. You should however, always be mindful of the intention and timing of the offer, whether it might appear to place you under any obligation to an individual or organisation, compromise your impartiality or otherwise be improper.

Q. Can I attend a supplier's golf day if it is being held for charity?

A. If you have been invited to attend a charity golf day at the expense of an external third party then no, you should not accept. If however you have been invited to an event in which there is a personal fee to participate (the fee should cover the actual cost of participation and shouldn't be a nominal amount) it may be ok to accept. If you are unsure you should contact CharitableGiving@networkrail.co.uk for further guidance.

Q. One of the tenants in a Network Rail managed station frequently offers you free products. Their rent review isn't taking place for another six months and the value of the products is very low. Can I accept the offer?

A. No. Although the rent review is not taking place for another six months, accepting offers of free products could cause feelings of obligation when the time comes. If you accept the offers, it could create the appearance of favouritism, bias and potential bribery.

Q. What if, after a meeting at the end of the day, a supplier or contractor and I decide to go for a drink at a nearby pub and I wouldn't be able to get my line manager's approval via [iEthics](#) – is that acceptable?

A. You should always try to get your line manager's approval before accepting an offer if the total likely value is over £15. However, in some circumstances that might not be possible, so you should be very careful when making a decision whether to accept it or not. If you're not sure, it's best that you err on the side of caution. Otherwise, you are able to make a log on [iEthics](#) after you've attended an event – it will be labelled as 'declared afterwards' by the system.

Q. I have been offered an inappropriate gift that I suspect was intended as a bribe. How do I report it?

A. The first thing you must do is let your line manager know and either contact the Ethics team at ethics@networkrail.co.uk or use the confidential 24/7 Speak Out service to report it (call 0808 143 01000 or log your report online: www.intouchfeedback.com/networkrail). Once you have raised your concerns you should also register the offer on [iEthics](#). If you suspect that something is a bribe, say no and explain that bribery is against the law and Network Rail's [Anti-Bribery policy](#).

Q. Can I organise a golf day for Network Rail employees, suppliers, contractors and other business partners, to raise money for Network Rail's charity of choice?

A. Our corporate hospitality policy says that you cannot accept invitations to sporting events from our business partners (even if they are for charity). This means it would be inappropriate for us to make this kind of offer to our suppliers, contractors or other business partners. For other fundraising ideas, see the [Charitable Giving and Community Investment information centre](#).

Q. I recently attended a work related event where all attendees were entered into a raffle. I won a printer which is being shipped to my office. I am unable to return the printer – what should I do?

A. In a situation like this, we would suggest that you auction the prize to raise money for Network Rail's nominated charity. For further guidance on organising such events, please have a look at the Raffles and Lotteries section on the [Community Investment](#) page on Connect.