A. Background

1. The whole LSE community, including all staff, students, and governors, are expected to act to the highest standards of ethical integrity in accordance with the ethical principles set out in the School’s Ethics Code.

2. This procedure aims to ensure there is no improper conduct and that gifts and hospitality do not influence decisions, judgements and integrity. Charitable and philanthropic donations received by the School are subject to separate procedures.

3. This procedure applies to all LSE staff and associated representatives, irrespective of country of employment, and applies to activity anywhere in the world. Failure to comply with this procedure may constitute misconduct and may result in disciplinary action being taken by the School.

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

B. Accepting Gifts and Hospitality

5. In the course of normal duties, staff will sometimes receive 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 School. Offers of hospitality that appear to exceed the norm or convention within LSE and the HE sector should be considered especially carefully before a decision is made to accept them or not. Where in doubt, staff should seek advice from the Ethics Manager. They should also consult the School’s Policy and Procedures against Fraud and Bribery.
6. Gifts and hospitality are sometimes offered to LSE 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 School business;
   - Acceptance is consistent with the ethical framework in which the School operates, as detailed in the Ethics Code;
   - The offer is appropriate and its value is reasonable and proportionate to the circumstances;
   - Acceptance accords with all applicable School policies and governmental legislation;
   - Acceptance does not constitute an actual or perceived conflict of interest;
   - Acceptance does not create a specific or general obligation which the School is required to fulfil; and
   - Acceptance does not constitute an actual or perceived inducement in respect of a decision the individual or School is responsible for, including academic assessment.

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

8. A non-exhaustive list of parties offering gifts and hospitality includes:
   - suppliers or their agents, current or potential, direct and subcontractors;
   - students (including current, prospective and former), and their relatives;
   - other universities or third-party organisations;
   - potential or current employees, donors or their relatives.

9. 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.

10. Any high value gifts and hospitality should be politely declined (or returned) where possible with the explanation that School policy does not allow acceptance. Schedule 3 provides guidance on acceptable and unacceptable gifts and hospitality.
11. Gifts and hospitality that meet the above standards may be accepted with the following approval thresholds

<table>
<thead>
<tr>
<th>Estimated value</th>
<th>Approver</th>
<th>Recording</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upto £20.00</td>
<td>Self-approval</td>
<td>no recording required</td>
</tr>
<tr>
<td>Between £20.00 and £50.00</td>
<td>Self-approval</td>
<td>Record on local Gift and Hospitality register</td>
</tr>
<tr>
<td>Between £50.00 and £250.00</td>
<td>Line manager approval or School Secretary for governors</td>
<td></td>
</tr>
<tr>
<td>Over £250.00 or which seem unusual</td>
<td>Chief Financial Officer</td>
<td></td>
</tr>
</tbody>
</table>

12. Where possible staff should seek to obtain approval prior to accepting gift and hospitality. Where it is not possible to do so in advance, retrospective approval shall be sought.

13. Acceptance of gifts or hospitality with a known or estimated value below £20 need not be declared or recorded, unless:
   i. they amount cumulatively over time to more than £20, in which case they should be approved and recorded as outlined in this procedure; or
   ii. 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
   iii. 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 CFO. Issues that cannot be resolved may be referred to the Ethics Management Group for consideration.

14. 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 School, 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.

15. Gifts from students may be perceived to be provided in order to influence assessment decisions. Therefore, only low value thank you gifts should be accepted.
C. Offering Gifts and Hospitality

16. Gifts and Hospitality may only be provided by staff to support professional and business relationships and to promote the School where:
   - The offer is made for a proper purpose associated with official School business;
   - The offer is appropriate and its value is reasonable and proportionate to the circumstances;
   - The offer is consistent with the ethical framework in which the School operates, as detailed in the Ethics Code;
   - The offer accords with all applicable School policies and governmental legislation. Gifts and hospitality should not be offered to public officials as they may be construed as a facilitation payment which is illegal under fraud and bribery legislation;
   - The offer is not made to influence or be perceived to influence an individual or organisation or to gain any advantage;
   - The offer made does not constitute an actual or perceived conflict of interest.

D. Reporting and record-keeping

17. Registers of gifts and hospitality offered to LSE staff, whether accepted or not shall be kept locally (Also see paragraph 17 below for special registers). This is to ensure transparency and local responsibility and oversight. Each local register shall have a nominated person who is responsible for it. The responsible person shall:
   i. ensure that a register is kept in their department, division or unit and that staff are made aware of it;
   ii. ensure that the register is completed as fully and accurately as possible;
   iii. monitor entries routinely and regularly (e.g. monthly) and bring any concerns to the attention of the CFO as soon as possible;
   iv. review and sign off the register annually, at the end of the accounting year in July;
   v. bring any concerns arising from the annual review to the attention of the CFO by the end of September each year;
   vi. supply their gift and hospitality register to the Ethics Manager annually.

18. Each member of staff to whom an offer of gifts or hospitality is made is responsible for declaring the offer on their local register (or personal register – see paragraph 20), including offers that have been declined. It is the responsibility of the person who holds the local register to ensure that it is completed on each occasion.
19. A separate register from those in their local area shall be held for each of the following, owing to their profile and/or responsibility for high-level purchases, and the responsible person shall normally be their EA or similar post-holder:
   • The Director
   • The CFO
   • The Director of Estates
   • The Director of Capital Development
   • The Director of IMT

20. The Ethics Manager shall hold a list of the registers and the responsible person for each. They shall also be responsible for reviewing and updating the register annually for audit purposes. The annual gift and hospitality audit is reported to the Ethics Management Group.

21. A template Gifts and Hospitality Form and Gifts and Hospitality register are set out in Schedules 1 and 2. The Division, Department or other Unit 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.

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

E. Further Information

23. Further guidance and information may be sought from the Ethics Manager by emailing ethics@lse.ac.uk.
Schedule 1: Pro Forma for the Declaration of Gifts and Hospitality

Before completing this form, staff should ensure that they have read the LSE Procedure for Accepting Gifts and Hospitality.

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 £20 (see paragraphs 10-12 of the Procedure) during the course of their School duties.

Please complete as many fields as possible.

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

| Name of intended recipient (i.e. person completing form) and any other beneficiaries |  |
| Division/Department/Unit |  |
| Brief description of gift or hospitality |  |
| Reason for gift or hospitality offered (e.g. relationship management; thank-you; recognition of achievement, collaboration etc) |  |
| Total value (known or estimated) |  |
| Provider/giver's organisation (e.g. HSBC) |  |
| 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: what has been done with them? |  |

Signed (intended recipient): ____________________
Date: ____________

Signed (holder of register, if different): ____________________
Name and position (print): ____________________
Date: ____________
Schedule 2

Register for the declaration of gifts and hospitality

Please complete as many fields as possible

<table>
<thead>
<tr>
<th>Division/Department/Unit:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Year:</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Name of intended recipient and any other beneficiaries</th>
<th>Brief description of gift or hospitality offered(^1)</th>
<th>Reason for gift or hospitality offered(^1)</th>
<th>Total value (known or estimated)</th>
<th>Provider/giver’s organisation</th>
<th>Provider/giver’s name</th>
<th>Nature of business relationship</th>
<th>Date of offer</th>
<th>Date of receipt (if accepted)</th>
<th>Date of rejection (if actively declined)</th>
<th>Declare to CFO (if over £250)</th>
<th>y/n</th>
<th>For gifts: what done with the gift</th>
</tr>
</thead>
<tbody>
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</tbody>
</table>

\(^1\) e.g. relationship management; thank-you; recognition of achievement, collaboration etc
### Schedule 3

#### Acceptable and Unacceptable Gifts and Hospitality

<table>
<thead>
<tr>
<th>Gifts</th>
<th>Acceptable/appropriate</th>
<th>Unacceptable/ not appropriate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small thank you gifts from students</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Small token items:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Box of Chocolates</td>
<td>• Personal gifts of money</td>
<td></td>
</tr>
<tr>
<td>- Flowers</td>
<td>• Gift vouchers</td>
<td></td>
</tr>
<tr>
<td>- Bottle of Wine</td>
<td>• Gifts of high value</td>
<td></td>
</tr>
<tr>
<td>- Stationery items such as pens</td>
<td>• Holidays (UK or abroad) or holiday travel</td>
<td></td>
</tr>
<tr>
<td>- Diary or calendar</td>
<td>• Goods or services at trade/discount prices</td>
<td></td>
</tr>
<tr>
<td>- Book</td>
<td>• Frequent gifts from the same source.</td>
<td></td>
</tr>
<tr>
<td>- Mug</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Ticket/s for events should be considered carefully as the value of tickets can vary greatly. For example sporting events, opera, theatre.*

<table>
<thead>
<tr>
<th>Gifts</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Ticket/s for events should be considered carefully as the value of tickets can vary greatly. For example sporting events, opera, theatre.</td>
<td></td>
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<table>
<thead>
<tr>
<th>Hospitality</th>
<th>Acceptable</th>
<th>Unacceptable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Refreshments (tea/coffee).</td>
<td>• Attendance at lavish/extravagant social functions.</td>
<td></td>
</tr>
<tr>
<td>Working lunches.</td>
<td>• Travel and accommodation not related directly to work related activities such as attendance at conference/required for role.</td>
<td></td>
</tr>
<tr>
<td>Drinks receptions/book launches.</td>
<td>• Frequent invitations from the same individual or organisation.</td>
<td></td>
</tr>
<tr>
<td>Dinners at conferences.</td>
<td>• Entertainment from a company during the procurement process.</td>
<td></td>
</tr>
<tr>
<td>Modest entertainment from an existing supplier.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Work related travel and accommodation such as when speaking at an academic conference.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Schedule 5 - FAQs

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 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 £20, £50 or £250 and include an estimation of the value. If you would like another opinion please seek advice from the Ethics Manager.

What if a supplier offers me training?
Offers of hospitality from suppliers can sometimes be offered 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.

Can I accept a cup of coffee from a student?
It is perfectly acceptable to accept a modest offer of hospitality, such as tea, coffee, etc, during the course of interaction with those that may offer hospitality as listed in paragraph 8, including students. Staff should use their judgment as to what might constitute an abnormal level of offers over any given period, and to consult their line manager if they have concerns.

A graduate has sent me a high value gift what should I do?
Where possible high value gifts should be politely declined. If you are sent a high value gift it should be returned where possible with an explanation of School procedures. In some instances, such as a food hamper or box of wine, it may be possible to seek approval to share the gift with colleagues. Approval may also be sought to include the item in a raffle.

What about a meal before a viva?
If you think that anything could be construed as bribery by a reasonable person and/or by anyone connected with the School, you should refuse it.

I am connected to more than one unit? 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 School.

What is the School’s policy on bribery?
The School has a Policy against Bribery and Fraud which can be found on the Policies and Procedures pages of the website at http://www.lse.ac.uk/intranet/LSEServices/policies/pdfs/school/fraPol.pdf.

I have been offered a “prize”: can I accept it?
Staff should not accept monetary gifts, however academic prizes may be acceptable if a fair and transparent process has been followed. If in doubt, consult your line manager or relevant approver.

Can students be given cash rewards?
Some Departments arrange student prizes where students receive vouchers or prize money in recognition of their achievements. The prizes and the process for awarding these should be fair and transparent and agreed by the Department.
Do I pay tax on gifts and hospitality?
Accepting a gift may give may incur a personal tax liability Finance Division can advise on specific cases. Guidance can also be found at HMRC's on Non Taxable gifts and hospitality
Review schedule

<table>
<thead>
<tr>
<th>Review interval</th>
<th>Next review due by</th>
<th>Next review start</th>
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</thead>
<tbody>
<tr>
<td>3 years</td>
<td>Jan 2022</td>
<td>Oct 2021</td>
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Version history

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<th>Date</th>
<th>Approved by</th>
<th>Notes</th>
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<tr>
<td>1.0</td>
<td>Dec 2014</td>
<td>Governance Legal and Policy Division</td>
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<tr>
<td>1.1</td>
<td>Dec 2016</td>
<td>Governance Legal and Policy Division</td>
<td>Minor updates to named officers</td>
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<tr>
<td>1.2</td>
<td>Jan 2019</td>
<td>Secretary’s Division</td>
<td></td>
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Related Policies

Policy
- Financial Regulations
- Policy against Bribery and Fraud
- Conflict of Interest Policy
- Staff Expenses procedure

Contacts

<table>
<thead>
<tr>
<th>Position</th>
<th>Name</th>
<th>Email</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethics Manager</td>
<td>Stephanie Allison</td>
<td><a href="mailto:ethics@lse.ac.uk">ethics@lse.ac.uk</a></td>
<td></td>
</tr>
</tbody>
</table>

Communications and Training

<table>
<thead>
<tr>
<th>Will this document be publicised through Internal Communications?</th>
<th>Yes/ No</th>
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<tbody>
<tr>
<td>Will training needs arise from this policy</td>
<td>Yes/ No</td>
</tr>
<tr>
<td>If Yes, please give details</td>
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