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| <b>Policy Name</b>                  | <b>Corporate Hospitality and Catering Expenditure</b>   |
| <b>Policy Number</b>                | CS38  |
| <b>Responsible Section</b>          | Governance  |
| <b>Responsible Department</b>       | Corporate Services  |
| <b>Date Last Adopted</b>            | May 2020  |
| <b>Date of Next Review</b>          | May 2024  |
| <b>Applicable Legislation</b>       | Local Government Act 1999   |
| <b>Related Governance Documents</b> | Code of Conduct Elected Members<br>Code of Conduct Staff (legislative and council policy)<br>Procurement Council Policy |
| <b>City Plan Theme</b>              | Leadership  |

### OBJECTIVES

- To ensure that any use of public funds for corporate hospitality is reasonable, meets community expectations and represents value for money;
- To give clear direction to Elected Members and staff in relation to catering and hospitality expenditure whilst conducting official council business.

### PRINCIPLES

Council is committed to the efficient and responsible use of public resources.

We recognise there are occasions when it is appropriate and legitimate to provide corporate catering, hospitality or gifts. As a publicly funded body however, Council must ensure that public sector standards of accountability are maintained and that there is consistency in the way hospitality and catering expenditure is administered.

Expenditure for hospitality and catering must be properly documented and available for independent scrutiny.

Expenditure for hospitality and catering will only be incurred if it:

- Is for official purposes;
- Will advance the objectives of Council;
- Is in the public interest and of benefit to the Council or community;
- Is reasonable for the circumstances and publicly defensible;
- Has been approved by a Manager with appropriate delegations and in accordance with Council's Procurement Policy.

Whenever an Elected Member or employee claims for reimbursement or payment of hospitality and catering expenses, the Elected Member or employee must be able to clearly identify the benefit the Council or community derived from the expenditure.

## **SCOPE**

This policy addresses corporate hospitality and catering in the conduct of the management of business or community relationships, in hosting community and civic events and for training or development that continues for an extensive period of time.

This policy provides a guide for decision making regarding any form of corporate hospitality and catering that Council provides in the conduct of business. It is designed to complement Council's existing internal controls.

Corporate hospitality may extend to the provision of gifts in limited circumstances outlined within this policy.

This policy is not intended to address hospitality received by Council or employees in the context of that defined in the relevant Code of Conduct.

## **POLICY IMPLEMENTATION**

### **Appropriate Expenditure**

#### **Catering where work occurs across meal breaks**

Expenditure on a working meal during a formal meeting at which official business is being conducted may be acceptable where the purpose of the meal is to enable participants to continue working longer than the standard work hours, and/or is attended by people outside of the Council, with the purpose of enabling official business to continue to be progressed.

Catering for business meetings is permitted in the following circumstances:

- working meetings
- meals prior to council meetings
- workshops/seminars
- network meetings
- conferences
- official events
- community forums
- training or development which spans several hours over a normal meal period.

This does not include catering for team or section meetings, or offsite meetings between council staff.

Expenditure on catering should be reasonable, not excessive and within the ATO recommended travel and overtime meal allowances.

#### **Travel & Accommodation**

Council recognises that at times training and development or Council business may incur travel and/or accommodation costs. The approval of such expenses can only occur for employees or Elected Members (does not include a spouse or volunteers), and would only be approved under necessary circumstances and must be within the requirements of the relevant conferences, seminars, and training or development policies.



## **Corporate Gifts as Recognition**

The provision of gifts can play an important role in building a sense of community by acknowledging key contributions within the community, cultural exchange of gifts, building strategic relations or as part of good business practices.

Expenditure is acceptable on ceremonial gifts, gifts of gratitude or other formal gifts or benefits to be given by Port Adelaide Enfield Council to others external to the Council. In such circumstances provision of gifts should form a direct part of an official Council arrangement and be in accordance with the principles outlined in this policy.

A gift on behalf of the Port Adelaide Enfield Council may be given to community members or volunteers at the discretion of the CEO and, where appropriate, in consultation with the Mayor. This may be in the form of recognition for a significant achievement or milestone, expressing Council's appreciation or other sentiment as determined appropriate. Gifts of appreciation may be provided to presenters at a Council event who have provided their services at no charge. This type of acknowledgement is usually in the form of a card, donation to charity, certificate, plaque, flowers or a small gift or gift basket.

## **PAE Branded Gifts**

As a marketing strategy Council may provide small gifts at events which are branded as the City of Port Adelaide Enfield. This may include City of Port Adelaide Enfield branded pens, magnets, calendars etc.

## **Bereavement, significant illness or life event**

Where a staff member or Elected Member experiences a significant life event such as the birth of a child or loss of an immediate family member, well wishes or condolences are to be expressed through a card personally signed by the Mayor and CEO on behalf of the Council. Staff or Elected Members may elect to purchase a gift through private donations.

In the unfortunate circumstance of the loss of a staff member or Elected Member condolences are to be expressed to the deceased's family through a card personally signed by the Mayor and CEO and flowers/donation to a nominated charity up to the value of \$50 (to be indexed annually).

## **Alcohol**

In limited circumstances alcohol may be provided to staff or Elected Members, where approved by the CEO or Council. Where alcohol is served at an event, it will be undertaken in accordance with Responsible Service of Alcohol requirements, the relevant Liquor Licence, and the Council's Drug and Alcohol Policy.

## **Community Prizes**

A prize may be offered and given where it is approved as part of a defined program such as a community art or sport competition. The purpose of offering and giving a gift of this nature is to encourage better outcomes as a result of the gift. This may be used when seeking community engagement for example. Expenditure on individual prizes should be up to the value of \$50 (to be indexed annually). Where a community prize is recommended that exceeds this limit, formal Council approval is required

## **Venue Hire Expenses**

Priority is to be given to utilising Council owned facilities for any hospitality or entertainment. Where this is not possible external venues should be reasonably priced and appropriate for the event.

## **Catering as Recognition**

This policy recognises reasonable expenditure on catering to celebrate and recognise achievement forms part of team building and maintaining staff morale.

The organisation will fund an annual staff Christmas event to celebrate the end of year and recognise organisational achievements. The purchase of alcohol at the staff Christmas function is not to be funded by Council. Catering for individual work team Christmas celebrations are not to be funded by Council.

To recognise the significant contributions of volunteers Council funds an annual volunteer Christmas dinner.

An annual Christmas event attended by Elected Members and Senior Managers is funded by Council to celebrate and recognise achievements throughout the year. Spouses may also attend.

Section Managers may approve catering to recognise team achievements. This should involve the provision of light refreshments and expenditure should be in the order of \$5 per head (to be indexed annually).

Any expenditure on catering as a form of recognition must be reasonable for the circumstances and publicly defensible and align to the principles of this policy.

### **Inappropriate Expenditure**

Corporate hospitality should not provide a personal benefit to staff, Elected Members or their family or friends. This principle aligns to the relevant Code of Conduct.

Expenditure on corporate hospitality should not lead to a benefit or perceived benefit to a specific provider, or give rise to a perception about future preferences in using certain providers. This principle aligns to Council's Procurement Policy.

Inappropriate hospitality expenditure will be managed under the relevant Code of Conduct or Council Policy.

### **Monitoring and Reporting**

In line with Council's commitment to accountability and transparency, Council will proactively disclose on a quarterly basis, corporate hospitality expenditure on Council's website.

The CEO may instigate a review or audit of expenditure under this and related policies, to provide management with important insight into expenditure patterns and the effectiveness of internal controls. When conducted this activity will seek to ensure compliance with this policy and identify any abnormal activity.

Reporting on the use of credit cards for corporate catering and hospitality should clearly state the purpose of the expenditure.

### **Definitions**

ATO recommended travel and overtime meal allowances are provided within ATO document TD2018/11. Expenditure on catering should be reasonable and within the ATO guide

- breakfast - \$27.55
- lunch - \$31.00
- dinner - \$52.80.

*Civic Event* means an event involving the Mayor and/or Elected Members which is coordinated and funded by Civic Governance such as:

- Citizenship, Awards or Recognition ceremonies for members of the community
- Mayoral or Elected Member civic events
- Council funded/initiated event/activity



*Credit Cards* mean any type of corporate or organisational purchasing card, including credit, debit, EFTPOS and similar bank cards used for purchasing on behalf of the Council

*Corporate Hospitality* Primarily, this policy refers to the provision of food, beverages or entertainment (often at a Council facility or Council event) that is in conjunction with the Council carrying out necessary business activity.

*Employee* means all Council employees including the CEO, Directors and Managers, trainees, work experience students, and contract staff.

Inappropriate hospitality refers to the provision of food, beverages or entertainment, travel, accommodation or gifts that are not in line with Council's corporate activities.

*Other Corporate Events* refers to business activities which may be considered appropriate for hospitality to be provided, and includes:

- Meetings with clients / service providers / external stakeholders in pursuit of Council's City Plan outcomes
- Advocacy and or strategic relationship building
- Work meetings (Council, Committee, Panel or Team / Programs)
- Corporate event, Recognition of Service / Team Values Awards
- Employee training sessions coordinated by learning and development that runs for an extended period of time.
- Structured and approved team building activities/ team planning meetings
- Community event which has been authorised as part of an approved project or program. Examples include arts and youth events, community engagement activities to assist in Council's decision making.

*Third Party* means a person/entity who is not an employee of Council including clients, suppliers, contractors, community members or customers.

