

Corporate Hospitality & Catering Expenditure Policy

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| Policy Number | F10 |
| Responsible Officer(s) | Chief Executive Officer; Manager People & Governance. |
| Policy Adopted | November 2023 |
| Minutes reference | 2023/11-17 |
| Next review date | November 2027 |
| Applicable Legislation | <i>Local Government Act 1999.</i> |
| Related Policies | <i>Procurement (Purchasing) Policy</i> |

1. POLICY PRINCIPLES

Wakefield Regional 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 public funded body, 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 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 (Purchasing) Policy*.

2. POLICY OBJECTIVE

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

3. 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 existing internal controls.

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

4. POLICY DETAIL

4.1 Approval Authority

All employee expenditure must be approved in line with financial delegations prior to being incurred. Approval Authority refers to:

- an employee's Manager;
- the CEO in the case of Managers;
- the Mayor in the case of the CEO.

If expenditure is likely to vary according to this Policy, prior approval in writing is required from the CEO, or in the case of the CEO, by the Mayor.

Any requests for approval must clearly explain how the principles are met including those attending, expected benefits to Council and relevant budget costings in line with any expenditure limits prescribed.

If approval is not obtained in accordance with the above, the funds will need to be reimbursed by the employee.

TABLE 1: Hospitality and Employee related expenditure funded/not funded checklist

| Expenditure Type (limits apply) | Funded |
|---|--------|
| Advocacy/strategic relationships on or off premises | ✓ |
| Alternate transport (e.g. ride share) or accommodation linked to conferences & training | ✓ |
| Meetings with external clients/stakeholders on or off premises (refer to Table 2 limits) | ✓ |
| Employee Reward/Recognition (refer to Table 2 limits) | ✓ |
| Council Meeting Sustenance | ✓ |
| Staff Sustenance/Refreshments – Coffee, Tea, Milk, Sugar, Purified Filtered Water | ✓ |
| Food and Refreshments for Community gatherings | ✓ |
| Sustenance for working meetings over 4 hours or over lunch period – no alcohol or entertainment | ✓ |
| Cabcharge voucher or reimbursement for Taxi/Rideshare (e.g. Uber) – provided to employees if necessary for attendance at approved interstate conferences & other approved functions | ✓ |
| Venue hire only with approval | ✓ |
| Any other event approved by the CEO | ✓ |
| Staff Retirements/Corporate Farewells >= 20 years of service | ✓ |
| Years of service recognition >= 20 years of service | ✓ |
| Other recognition/celebration events (birthday, new employee) | ✗ |
| Party decorations of any kind | ✗ |
| Parties and employee social functions | ✗ |

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| Employee only business lunches including coffee meetings (on or off premises) including takeaway coffee | | × |
| Staff Retirements/Farewells (less than 20 years service) | | × |
| Employee only meetings – regular section, team or 1:1, team meetings including in coffee shops or takeaway coffee | | × |
| Social functions – e.g. Melbourne Cup, employee achievement | | × |
| Wedding anniversary/birthday, farewell cards etc. to employees | | × |
| Staff gift cards and loyalty programs | | × |

TABLE 2: Types of Employee expenses and expenditure limits

Employee expenses will be based on the following maximum expenditure levels described in Table 2 below:

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| Recognition of Achievement and team and culture building Event (Annual) | Maximum total sustenance spend \$30 per head. The supply by Council of alcohol is prohibited. |
| Employee Reward/Recognition approved by Manager | Maximum catering for morning or afternoon tea: \$6.00 per person. |
| One Team/All Staff Monthly Meeting | Maximum catering for morning or afternoon tea: \$8.00 per person. |
| Corporate Farewells/Retirement >= 20 years of service | Maximum catering for morning or afternoon tea: \$6.00 per person. |
| Years of Service Recognition >- 20 years of service | Maximum catering for morning or afternoon tea: \$6.00 per person. |
| Working meetings over lunch period and greater than four (4) hours of duration (approved by Manager) | Sustenance/light refreshments maximum spend \$25 per Employee. |

4.2 Appropriate Expenditure

4.2.1 Catering for working meetings and events

Expenditure on a working meal during a formal meeting at which official business is being conducted may be acceptable where the purposes 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:

- 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.

Expenditure on catering should be reasonable. The funding of alcohol is prohibited.

4.2.2 Catering as Recognition

This Policy recognises reasonable expenditure on catering to celebrate and recognise achievement.

The organisation may fund an annual staff and/or Council Member event to recognise and assess organisation achievements against corporate strategy. The funding of alcohol is prohibited. Refer to Table 2.

The organisation may fund an annual event for volunteers to recognise their contribution to our community.

Managers may also approve catering to recognise team achievements. This may involve the provision of light refreshments. Refer to Table 2.

The Chief Executive Officer may approve funding for monthly one team meeting to review Council agenda, strategy and community feedback. This may involve the provision of light refreshments. Refer to Table 2.

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.

4.2.3 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 Council Members (does not include a spouse or volunteers), and must be within the requirements of the relevant conferences, seminars, and training or development policies. Where appropriate Council owned vehicles should be used.

4.2.4 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 Wakefield Regional Council to others external to the council. In such circumstances provisions 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 Wakefield Regional 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 or a small gift or gift basket.

The funding of alcohol is prohibited.

4.2.5 WRC Branded Gifts

As a marketing strategy, Council may provide small gifts at events which are branded as the Wakefield Regional Council.

4.2.6 Employee Reward/Recognition

Employee recognition acknowledges the positive contributions a person makes to their team, organisation or community. This can include their unique contribution, expertise, character, efforts and dedication to their work or achieving results.

An employee who feels appreciated/valued is more likely to be engaged and perform their job well, often exceeding expectations. An engaged and productive council workforce supports the delivery of excellent outcomes for the community in the conduct of council's functions. In addition, effective employee recognition will assist with employee retention, resulting in lower recruitment costs. These impacts demonstrate a clear correlation between reasonable employee recognition practices and benefit to the public of the related expenditure.

An organisational culture or employee reward and recognition develops engaged and loyal employees, recognition can range from something as simple as a thank you, to something more formal like an award or certificate of appreciation. It should be timely and clear how the performance exceeded expectations in a request which also details the community benefit. Given that ratepayers fund the operations of Council, the use of public funds for any reward or recognition must be carefully considered as to whether this is appropriate and defensible.

4.2.7 Bereavement, Significant Illness or Life Event

Where a staff member or Council Member experiences a significant life event such as the birth of a child, significant illness or loss of an immediate family member, well wishes or condolences are to be expressed through a card.

4.2.8 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 and preferably community based.

4.3 **Inappropriate Expenditure**

Corporate hospitality should not provide a personal benefit to staff, Council Members or their family or friends. This principle aligns to the Behavioural Management Framework.

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 with Council's *Procurement (Purchasing) Policy*.

The funding of alcohol is prohibited. Inappropriate hospitality expenditure will be managed under the relevant Behavioural Management Framework.

5. REVIEW

This Policy shall be reviewed every 48 months, or more frequently if required by legislation or Council.

Document history:

| Version | Adopted | Description of Change |
|---------|---------------|---|
| 1.0 | January 2023 | New Policy adopted as recommended by Auditor. |
| 2.0 | November 2023 | Reviewed to acknowledge the Ombudsman recent enquiry. |