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Sponsor/Group:	Chief Executive

## Corporate Hospitality and Entertainment Policy

### Purpose and scope

1. The purpose of this Policy is to outline Council's roles and responsibilities around corporate hospitality, hosting and entertainment opportunities.
2. It is appropriate that from time to time, hospitality and entertainment is extended for official business, commercial and networking purposes and for building relationships which benefit the strategic aspirations of the city.
3. The Policy clarifies how these opportunities can be utilised for corporate hospitality and entertainment.
4. This Policy applies to:
  - a. All Council-owned facilities.
  - b. All complimentary tickets received as a result of Hamilton City Council (HCC) financial support.
  - c. All Council staff and elected representatives.

### Strategic alignment

5. This Policy assists in the delivery of Councils outcomes and goals as follows:

Prosperous and Innovative	Outstanding City Leadership	People Love Living Here
<ul style="list-style-type: none"> <li>• Hamilton has a strong, productive economy and we build on our economic strengths.</li> <li>• We have a thriving CBD.</li> <li>• It's easy to do business here.</li> <li>• Our city grows and prospers in a sustainable way.</li> </ul>	<ul style="list-style-type: none"> <li>• The city is led by effective, open and responsive governance.</li> <li>• Council's finances are sustainable for the long term.</li> <li>• We operate efficiently and provide exceptional service.</li> <li>• The city takes a leadership role regionally and nationally.</li> </ul>	<ul style="list-style-type: none"> <li>• Hamilton embraces the Waikato River and it is the focal point of our city.</li> <li>• We value, preserve and protect Hamilton's natural, green environment.</li> <li>• Our city is attractive, well-designed and compact with outstanding architecture and distinctive public spaces.</li> <li>• Our city is a fun place to live with a vibrant arts scene.</li> <li>• Hamilton is a safe city.</li> <li>• It's easy to get around.</li> <li>• We celebrate our people and many cultures.</li> </ul>

• = primary contribution

## Principles

6. The guiding principles for this Policy have been adopted from the Office of the Controller and Auditor-General's good practice guide as follows:
  - a. The dominant purpose for usage of Council facilities or expenditure for hospitality and entertainment must be a justifiable business purpose which can be understood along the following lines:
    - Building relationships.
    - Networking opportunities.
    - Representing the organisation.
    - Reciprocity of hospitality where this has a clear business purpose and is within normal bounds – acceptance of hospitality is expected to be consistent with the principles and guidance for provision of hospitality.
    - Recognising significant business achievement.
    - Advancing commercial objectives.
    - Building revenue.
  - b. It is recognised that elected representatives play an important role in building relationships, advancing commercial objectives and representing the organisation.
  - c. Decisions about expenditure and facility use for corporate hospitality and entertainment
  - d. must be transparent, impartial and made by the appropriate delegated authority.
  - e. As decisions are likely to be scrutinised, expenditure and use of facilities therefore needs to pass the test of what is reasonable by community standards.
  - f. Officers arranging the hospitality must exercise discretion and conservatism when determining the level of expenditure for official entertainment and hospitality.
  - g. Access to Council facilities (including the offering of free or complimentary tickets to events
  - h. and access to reception facilities such as the Clarke Lounge at Waikato Stadium) is not to be viewed as 'as of right' or 'perks' to staff or elected representatives.

## Policy

### Access to Council facilities for official hospitality and entertainment

7. A number of complimentary seats and/or tickets are set aside, by clients and hirers of Council facilities as part of their Venue Hire Agreement, for Council use.
8. The events and number of complimentary tickets which are available will be communicated to the Chief Executive's Office by the Events Facilities Unit, the Communication and Marketing Unit and the Community Services Group.
9. In recognising their unique role in governance and representing the organisation, four (4) tickets to events at Clarence St Theatre; two (2) tickets to events at The Meteor and up to nineteen (19) tickets to the Clarke Lounge at Waikato Stadium will be allocated to elected representatives and their guests depending on availability (e.g. where such tickets can be procured from the event promoter and/or are not required for commercial purposes).
10. The Clarke Lounge tickets may be substituted for seated stand tickets at Waikato Stadium.
11. Members of the Clarke family to be invited to the lounge for a Waikato National Provincial Competition (NPC) or equivalent game on one occasion each year.

12. The five district Councils (Waipa, Waikato, Matamata-Piako, Otorohanga and Hauraki) who contributed to the Stadium development will be invited to use the Clarke Lounge for one game each year. The occasion will be hosted by the Mayor or their delegate, or the CEO or their delegate.
13. Where tickets are allocated under the Access to Council Facilities for Official Hospitality and Entertainment section, for the Clarke Lounge the cost of any food and beverage for elected representatives and any guests will be paid for personally by the respective elected representatives.
14. Where elected representatives and their guests attend the Clarke Lounge to specifically further city and business opportunities, hospitality costs for themselves and their guests will be charged to the Group or Unit concerned with prior approval from the Chief Executive.
15. Complimentary seats and tickets (including those specifically allocated for Councillor use) will be allocated based on the guidelines of the Ticket Allocation Standard Operating Procedure D- 131730.
16. Access to Council facilities will be by ticket or valid entry pass only.
17. Council's corporate hospitality and entertainment requirements will take precedence for the utilisation of Council facilities.
18. The Chief Executive's Office will establish a Hospitality and Entertainment Register. This will outline the purpose of function, date of function, recipients of complimentary tickets and the event attended or facility used. The Events Facilities Unit will establish a register to document complimentary tickets utilised for advancing commercial purpose. This will include the number of tickets, recipients and reason for issuing of tickets.
19. Documentation must be adequate to satisfy internal and external audit requirements, including corporate, accounting and taxation requirements with the business purpose being identified.

#### **Official hospitality for business meetings and functions**

20. There must be a direct and demonstrable link between the provision of hospitality and the business of the Council. Managers must ensure that they know the reasons for and scope of the intended hospitality, including the intended participants.
21. The staff member arranging the hospitality should bear in mind Council's obligations to be financially prudent. Where a restaurant is involved, it should be of an appropriate standard but not unduly expensive with a reasonable balance between the cost of food and the cost of alcohol (if provided).
22. The staff member arranging the hospitality must ensure that:
  - a. arrangements for hospitality are fully detailed in respect of purpose, participants and costs, and approved by the relevant manager in advance
  - b. only those staff who are relevant to the business concerned should be included in a hospitality event.
23. Alcohol provision (if available) needs to be carefully managed in terms of the principles and strategic aspirations of this Policy. Responsible host principles also need to be followed therefore consideration needs to be given to:
  - a. the length and reason for the function

- b. safe transport options
  - c. provision of food/catering.
24. The cost of hospitality and entertainment for guests and visitors must be charged to the appropriate account code. Council finance policies must be followed.

### **Monitoring and implementation**

25. The Chief Executive's Office will monitor the implementation of this Policy.
26. The Policy will be reviewed every three years or at the request of Council or in response to triggers, legislative and statutory requirements.

### **References**

- Office of the Controller and Auditor-General. (2007). Controlling Sensitive Expenditure: Guidelines for Public Entities. Wellington. <http://www.oag.govt.nz/2007/sensitive-expenditure/docs/sensitive-expenditure.pdf>