

CITY OF CAPE TOWN



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THIS CITY WORKS FOR YOU

COUNCILLORS' ENTERTAINMENT POLICY (POLICY NUMBER 12471)

APPROVED BY COUNCIL : 31 JULY 2013
C46/07/13

1. Policy title

COUNCILLORS' ENTERTAINMENT POLICY

2. Reference codes

C 46/07/13

Document control

Director	
Version	
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Review date	
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Contact Details (Dept)	

3. Definitions and abbreviations

For the purpose of this policy:

'Entertainment' means:

- the provision of any food, beverages, accommodation, entertainment, amusement, recreation or hospitality to Persons
- or the provision of diversions or amusements (which could include shows, films, or other performances or activities related to the natural heritage, culture or history of the City) for Persons,

Neither of which are part of a City arranged event nor form part of a City workshop or meeting;

'Persons' includes guests of or official visitors to the City, business associates, stakeholders, potential stakeholders and potential business investors to the City. This excludes any City official.

4. Problem statement

4.1 The Speaker has a statutory and delegated role to implement the Code of Conduct for Councillors and, as such, should provide oversight of entertainment for councillors where there are no existing rules or procedures. The intent of this policy is to provide proper control of expenditure through the provision of clear limitations and guidelines when reasonable expenditure may be incurred for the business purpose of entertainment and hospitality. Whilst acknowledging the necessity and benefit of this expenditure in maintaining and increasing support for City partnerships and potentially enhancing efficient and effective operations or improved service delivery, it is critical to remember that Councillors have the responsibility of being accountable stewards of public funds and any funds expended for entertainment and hospitality purposes are resources not available for other important purposes.

5. Desired outcomes

5.1 This policy is only for official entertainment of Persons as defined above where there is a clear benefit or potential benefit that is in alignment with the vision of the City. Expenditure for entertainment is permissible only when clearly necessary to advance the City's working relationship with significant external persons in accordance with the City's mandate and the objectives of the City's IDP. As the City is accountable for the use of all public funds, due consideration must be taken of the amount to be expended.

6. Strategic intent

Strategic focus area 5 – The well run City of Cape Town

Objective 5.1: Ensure a transparent and corruption-free government

7. Policy parameters

7.1 This Policy applies to all Councillors.

8. Role players and stakeholders

Executive Mayor: Authorises entertainment for Mayoral Committee members.

Speaker: Authorises entertainment for all other Councillors.

Mayor/Speaker may consider a deviation from the criteria subject to motivation of exceptional circumstances.

9. Regulatory context

9.1 Section 15 of the Local Government: Municipal Finance Management Act, a municipality may only incur expenditure within the limits of the amounts appropriated in an approved budget.

9.2 In terms of Section 6 of Schedule 1 (Code of conduct for Councillors) of the Local Government: Municipal Systems Act a Councillor may not use the position or privileges of a Councillor for private gain or to improperly benefit another person.

10. Policy directive details

10.1 This policy is only for official entertainment of Persons as defined above and therefore is not for the entertainment of employees or Councillors of the City, unless accommodated within the "exceptions" outlined in paragraph 10.3 below.

10.2 Various other policies must be utilised for other occasions and this policy should not be seen to duplicate or overlap in any way. Examples of other policies are:

- The Catering Policy – for meals during workshops/meetings when accommodating persons from outside the City in these meetings and workshops;
- The Events Policy – for City events;

- The Grants-in-Aid Policy – for grants provided to various outside organisations furthering the objectives of local government;
- Travel and Subsistence Policy - to cover the flights, accommodation and subsistence of potential employees that the City is interviewing;
- The Gift Policy for receiving of gifts;
- The Gift Giving Policy for guidance on the giving of gifts, flowers, greeting cards.

10.3 Exceptions

10.3.1 While this policy is predominantly to provide for the regulation of expenditure when entertaining non-Council persons, it can, under exceptional circumstances and with the approval of the Executive Mayor or Speaker, be used to fund a function for the benefit of Councillors for the:

- Retirement of a Councillor;
- Resignation of a Councillor, where the Councillor has been in the service of the City for a period of 10 years or longer;
- An employee or employees accompanying a Councillor when entertaining Person/s may be included in the claim.

10.4 General Guideline

10.4.1 Entertainment may be given or accepted only when it does not obligate, appear to obligate or inappropriately influence the recipient.

10.5 Prohibitions

10.5.1 The following will not be covered:

- Tobacco products;
- The hiring of sporting hospitality suites, although tickets to such suites are permissible;
- Entertainment at the home of the Councillor;
- Events, workshops, conferences and training sessions (these are all covered by the catering policy);
- Staff parties or any similar such braais, meals, functions with snacks, etc.
- Entertaining employees only (including meals where only employees are present)
- Entertainment for only spouse/partners or family of councillors or staff

10.6 General

10.6.1 The Executive Mayor or Speaker is responsible to communicate this policy to Councillors on an annual basis.

11. Implementation programme

11.1 Approval Process

11.1.1 Authority for the approval of entertainment expenditure is with the Executive Mayor for Mayoral Committee members or the Speaker for all other councillors.

11.1.2 No funding for entertainment will be provided in advance.

11.1.3 The Executive Mayor or the Speaker is therefore responsible for ensuring that:

- The potential benefits justify the expense;
- Budgeted funds are available to meet all entertainment commitments;
- Planned expenditure falls within those expenses permitted by the funding if the funding is from a donor source;
- The proposed entertainment is taking place within the City boundaries (except when the Councillor is officially away from the office – see 11.1.6 below);
- Total entertainment expenditure on the particular Person will not exceed the limits per 3 months as specified in par. 11.1.8 below ;
- All claims are supported by a valid detailed itemised receipt when the re-imburement claim is submitted;

11.1.4 A tip to a maximum of 10% of the bill will be covered, but this must be within the limits set out in paragraph 11.1.8 below.

11.1.5 When submitting a request for entertainment, the official form must be submitted and must contain at least the following information:

- The date, time and venue of the entertainment;
- The business purpose of the occasion;
- The names and affiliations of the Persons entertained;
- The names of officials and of the spouses/partners of those officials expected to be present;

11.1.6 Pre-approval BEFORE going overseas must be obtained for any potential entertainment that may take place. This pre-approval does not entitle the Councillor to claim for meals that ordinarily are covered as part of the official functions being attend and must also be reconciled to the travel and subsistence claim to ensure that duplication of payments does not take place.

11.1.7 Claims will not be considered in the following instances:

- The original invoice and receipts are not submitted;
- Insufficient funding is available within the cost centre;
- A period of 3 months has elapsed since the entertainment took place.

11.1.8 The following limits on entertainment (including VAT and tips) for any one particular Person per quarter shall apply, within the overall limit of funds available on the budget:

Executive Mayor	R 500 per person
Deputy Mayor	R 500 per person
Speaker	R 500 per person
Mayco Member	R 500 per person
Chief Whip	R 500 per person
Councillor	R 500 per person

12. Monitoring, evaluation and review

12.1 The Speakers Office is responsible for the monitoring and evaluation of this Policy.

12.1.2 A register must be kept by the Executive Mayor's office and the Speaker office, detailing the dates, the persons being entertained and the cumulative amount per annum being spent on each person, to ensure that the maximum amount per person not be exceeded.

12.1.3 The Policy must be reviewed annually by the Speaker.

CITY OF CAPE TOWN



Councillor Entertainment and Gift Giving Approval Form 2013/1

ENTERTAINMENT/GIFT DETAILS

Please complete the information below pertaining to the proposed function/gift and reasons for the request to entertain. **Supporting documents must be attached – quotation, list of staff etc.**

(a) IN RESPECT OF RECEIVING A GIFT

State nature of proposed Gift: _____

Business purpose: _____

Approximate cost of gift: _____

(b) IN RESPECT OF ENTERTAINMENT

State nature of proposed function: _____

Business purpose: _____

Date and Time of proposed function: _____

Approximate cost of function: _____

Approximate number of officials attending: _____

Name of Company: _____

Has the above company been entertained in the last 12 months?

YES

NO

REQUESTED BY ALDERMAN/COUNCILLOR

Print Name: _____ Signature: _____

VERIFICATION OF FUNDS (FINANCE: MANAGER/HEAD)

Directorate: _____ Department: _____

Cost Center: _____ Finance Manager/Head: _____

Available Balance

Entertainment: _____ Signature: _____

RECOMMENDATION BY OFFICIAL

Recommended: YES NO

Signature: _____ Date: _____

APPROVAL BY MAYOR/SPEAKER

Comments: _____ Recommended: YES NO

Signature: _____ Date: _____

CAPTURED IN ENTERTAINMENT REGISTER

Approved/Not Approved: YES NO

Signature: _____ Date: _____