

## Sheffield Hallam University - Staff Entertaining Guidance Note

The aim of this note is to provide guidance for the provision of staff entertaining across the University. It draws from policies already in use such as the Financial Regulations the Expenses policy and the Hospitality policy and acts as a useful reference point and reminder.

This will ensure that we:

- Apply consistency across all areas of the University
- Appropriately manage University resources and expenditure funded by student fees
- Consider what is reasonable, proportionate and appropriate

### Background

The University recognises the importance of and supports celebrating success, building strong teams and encouraging a culture of collaboration.

However, current practice across the University is inconsistent; largely dependent on local practice, managers' discretion and availability of budgets. This leads to a feeling of unfairness and inequality of staff experience and recognition practice. This guidance aims to improve equity and transparency by providing clearer, practical guidance.

In addition, we need to ensure compliance with HMRC regulations, by being clear in our policies as to what is and is not allowable expenditure for staff entertaining purposes and that the correct expenditure route and procedure is followed.

### Staff Events - Policy Statement reminder

#### Interpreting Para 8.2 of the University Expenses Policy (Appendix1)

#### Guidance for budget holders

It is important that there is a consistent approach across the University and the following guidance is intended to ensure this.

Business - related	Events should advance an aspect of university business e.g. celebration event, team building, "away-day", staff development session. It is not permissible to fund personal events such as staff leaving/retirement, birthdays etc.
Modest	Expenditure should be modest and appropriate. A guideline maximum of £20 per head should be applied to any single event.
Inclusive	Events should reflect the diversity of staff, so that no individual is excluded.
Monitored	Each business unit should monitor expenditure on staff events and ensure that the overall expenditure is proportionate.

Pre-approved	Events must be approved in advance by the relevant budget holder including the overall cost of the event. There must be a clear business need and the expenditure should be good value for money.
No alcohol	Alcohol should not be funded for staff only events. The exceptions to this are cross university events such as long service awards or inspirational teaching awards if these occur in the evening, with a guideline maximum of 2 glasses of wine or equivalent.

### **Hospitality policy interpretation - Guidance for budget holders**

Hospitality should only be provided in limited circumstances. These are:

4 hours + No onsite facilities	Meetings or training events with duration of 4 hours+ AND where there are no local or onsite catering facilities (catering outlets or kitchens) available for staff to use. (also see Away days guidance below)
External visitors	Meetings with external visitors of the University where no local or onsite catering facilities are available or appropriate.
Open or corporate events	University events such as Course Open Days, recruitment or profile-raising events

### **Hospitality - SHU Cards**

- Hospitality accounts on SHU cards should not be used for 1:1 internal meetings or team meetings.
- Budget holder approval needs to be obtained before SHU card hospitality balances can be topped up.
- Any unspent balances may be wiped annually with re-approval required for further top up
- Regular reporting of hospitality card usage and balances will be available from January 20.

The use of Hospitality accounts on SHU cards is being reviewed and further guidance will be issued.

### **Away Days - further guidance**

On campus	If you need to go to an external venue, you are encouraged to seek value for money from any external venue procured, which would preferably be a non-commercial venue such as a church or community hall. A list of local venues which have been used previously by the University, which offer good value for money, is available.
Lunch breaks	If a break of 45 minutes or more is provided for lunch, then lunch should not be provided.
Venue hire & Hospitality	If at an external venue, value for money should be sought and should aim to be comparable to, and no more than 25% more than our internal hospitality service charge (currently £4.50 per

Day rates head for a premium sandwich platter or £7.50 per head for a working lunch). It is recommended that you seek an inclusive "day delegate" rate as these tend to offer better value for money

### **Working lunches - further guidance**

External stakeholders	Working lunches within University locations are allowed where there are external stakeholders in attendance.
4 hours +, no onsite facilities	Where there are no external attendees for a meeting at a University location - working lunches will not be allowed unless it is for an event in excess of 4 hours AND there are no local or on site catering facilities (catering outlets or kitchens) available for staff to use.
Health and Safety	These should be booked through the University hospitality service only, who have the facilities and infrastructure to deliver this and can guarantee appropriate food hygiene standards. Externally procured food will not be reimbursed,
Minimum numbers	There is a minimum order number depending on the service required. Where minimum numbers for delivery are not reached, the group should bring their own lunch or break to enable time to visit the catering outlet.
Office refreshments	Teas, coffees and other refreshments for staff in the office will not be funded.

However, where the working function of the office includes a significant requirement to host external visitors, a stock of refreshments for visitor and staff incidental use will be funded.

### **Review**

Staff entertaining expenditure will be routinely monitored to ensure that practices across the University are fair and consistent, and this guidance will be updated as necessary.

*If you have any query regarding how these principles should be applied in practice, please seek guidance from your Senior Finance Business Partner*

## Appendix A

### Para 8.2 of the Expenses Policy states as follows:

#### 8.2 Staff entertaining and staff events

Where any entertainment or event is provided for staff members only, costs will only be reimbursed where there is a clear business need, the expense is deemed necessary and it represents value for money for the University. The University may refuse to reimburse expenditure which is not considered appropriate and in the course of University business.

##### 8.2.1 Staff entertaining

The primary purpose of staff entertaining is to incentivise and reward teams who have carried out work over and above what is required of them and outperformed expectations. It does not include personal events or occasions, such as events for staff leaving, staff retiring, staff leaving on maternity leave and staff birthdays

Where entertaining is for staff members only, there is a Tax and National Insurance implication for the staff members. The University has agreed with HMRC that it will pay these costs of behalf of the staff member, via a PAYE Settlement Agreement (PSA), if the entertaining is deemed appropriate (see above) and the required information is provided. The associated costs payable to HMRC are 50-60% of the original cost of the entertaining costs.

Detailed guidance about the specific data that must be provided in support of these expense claims is outlined in the Staff Expenses Procedures. Any expenses claim for staff entertaining must attach budget holder approval.

Where external stakeholders are in attendance, please see 8.1.

##### 8.2.2 Staff events

Staff events or away days for the purposes of a briefing, training or a conference are generally not considered taxable. Any claim for costs incurred for a training or conference event should be clearly marked as such and coded to the relevant expense type and not staff entertaining.

Where a staff event or away day for the purposes of a briefing, training or a conference is held on site, any catering provided onsite is not taxable. Where an event or away day is held on site, any catering provided offsite is considered staff entertaining and a taxable benefit.

Staff events or away days that include an element of social activities are considered a taxable benefit.

Where a staff event or away day is considered a taxable benefit, there is a Tax and National Insurance implication for the staff members. The University has agreed with HMRC that it will pay these costs of behalf of the staff member, via the University's PSA, if the event/away day is deemed appropriate (see above) and the required information is provided. The associated costs payable to HMRC are 50-60% of the original cost of the event and must be taken into account when agreeing

the budget for an event. If clarification is required on whether an even is considered a taxable benefit, please contact Financial Accounts.

Detailed guidance about the specific data that must be provided in support of these expense claims is outlined in the Staff Expenses Procedures. Any expenses claim for staff events that are considered taxable must attach budget holder approval.

If there are external stakeholders attending, see 8.1.

## Appendix B

### Extract from the Hospitality Policy

#### **Hospitality should only be provided in limited circumstances. These are:**

1. Meetings or training events with duration of 4 hours+, and where no local facilities are available.
2. Meetings with external visitors of the University where no local facilities are available or appropriate.
3. University recruitment events such as Course Open Days.
4. Corporate or profile-raising events.

#### **Where hospitality is required, it will be delivered to key central locations:**

1. Hospitality will be serviced from key locations on City and Collegiate campuses and will service the majority of the estate.
2. Areas with current low usage will not be catered but hospitality will be accessed via a chargeable SHU card service.
3. Catering for events will be in close proximity of all areas of the University.
4. The total number of rooms that hospitality deliveries will be made to will be reduced at City Campus from 294 to 228 locations, and at Collegiate Campus from 106 locations to 36. These locations serviced over 85% of the 2017/18 deliveries.
5. The hospitality service will be based from 5 core buildings: Owen (also serving Surrey, Howard, Norfolk, Harmer); Stoddart; Cantor; Charles Street and Heart of the Campus.
6. Delivered hospitality will no longer be provided to RWB, peripheral Collegiate buildings, Oneleven, Aspect Court, Bryan Nicholson, The Science Park, Arundel building, Arundel Gate Court, Head Post Office, Sheaf, EMB and Adsetts.
7. There are some exceptions to the above. If you are planning an "event" (defined by a minimum catering spend of £350) in Head Post Office, the Hertha Ayrton STEM Centre, Aspect Court, RWB or Collegiate Hall, the hospitality service will be extended to that location to cover your event.
8. To ensure that hospitality pricing is competitive against external providers, a price match benchmark survey has again been completed.
9. Delivered hospitality, compared like-for-like against both local suppliers and in-sector peers, remains very well-priced and highly competitive.
10. The range has been extended to include significantly lower prices on entry-level sandwich lunches.

#### **Minimum numbers for delivered hospitality:**

1. The minimum numbers for delivered hospitality is now 10 guests/servings; for more substantive products, this is higher.
2. There will be a "refresh for 5 guests" package introduced at £25. This will comprise tea and coffee, biscuits, water, juice and tray-bakes. This product will also be available for pick-up from key retail catering outlets.

#### **Arrangements where delivered hospitality is no longer available:**

1. If a delivered hospitality service is required, staff will be encouraged to book a meeting venue in a location where the service is available. This may be for the whole day or just for

the part of your day when hospitality is required (i.e. moving to a building serviced by delivered hospitality for lunch).

2. Staff with smaller groups will be encouraged to use SHU hospitality cards or pre-purchased vouchers at our campus retail catering outlets.
3. Self-service vending is available at Aspect Court and Oneleven. This facility will accept payment in cash, credit/debit card or SHU cards.

**External catering companies will not be allowed to deliver onto campus**

1. If Catering Services is not able to support your event directly, they will liaise with external providers on your behalf. This is likely to be out of hours, weekends or Bank Holidays.
2. In cases where this applies, all supplier contact will be handled by Catering Services, and the appropriate internal transfer made.

**Purchase cards should not be used to procure hospitality on University grounds**

1. Catering Services will organise procurement of food and services from outside the University at weekends and out-of-hours, which will offer better value-for-money than overtime rates. Staff can organise credit onto a SHU card or book vouchers to enable flexibility.
2. In most circumstances, there is likely to be an internal solution. Where other items are required, it will be up to the local budget holder to determine such an external spend.
3. Local spends will be evaluated to establish spend patterns and future Hospitality portfolio.
4. SHU card hospitality purses can be easily used in any retail catering outlet.
5. For bulk purchases, vouchers in a flexible range of denominations can be purchased here and used in any retail catering outlet.

**Booking conferencing or banqueting events off-site in the Sheffield area:**

1. Budget holders will be expected to make enquiries internally for such activity to establish availability of space and relevant products on campus.
2. This must be done before any spending of SHU finances externally on these activities, which will be possible by exception only.

**Reducing food waste and catering sustainably**

1. Bookers will be encouraged to book accurately for the amount of food portions required.
2. As a service provider, Catering Services does not want to procure and process excess food, but neither does it want to leave a client short.
3. Final numbers are required 48 hours prior to an event. You are able to adjust your numbers up or down until this time. Please note that if numbers do increase significantly close to an event taking place, adjustments to the menu may be required.