

REVIEW OF POLICY AND BEST PRACTICE RE: NOTICE OF MOTION NM2014-37

EXECUTIVE SUMMARY

This report presents the results of the work the City Auditor undertook to address Notice of Motion 2014-037 passed September 22, 2014. We compared current City of Calgary policies regarding use of alcohol during work hours and expensing of alcohol against those of a sample of public sector agencies and private sector companies.

Our analysis of the City to the private sector showed that we are consistent with them in not allowing alcohol use during work hours. Overall alcohol expense policy direction for employees and Members of Council at the City are similar to the direction provided by the majority of government bodies and agencies. However, we noted that the majority of public sector agencies prohibit reimbursement of alcohol for travel meals while the City is silent.

The recommendations within this report are aimed at strengthening the City's policies related to alcohol use and expenses. We raised four recommendations to further mitigate associated safety, financial, and reputational risks.

RECOMMENDATION

That the Priorities and Finance Committee recommend:

1. That Council receive this report for discussion.

**RECOMMENDATION OF THE PRIORITIES AND FINANCE COMMITTEE, DATED
2015 JANUARY 20:**

That Council:

Direct Administration to amend Policy Number CC042, Ethical Conduct Policy for Members of Council, as well as Policy Number PAC007, Councillors' Expenses – Out of Town Travel Policy and Policy Number PAC008, Office of the Councillors Expenditure Authorization Policy, to provide guidance on alcohol use as follows:

1. To not allow the expensing of alcohol for meals incorporating the direction from Revised NM2014-37, Workplace Alcohol and Business Expenses of City of Calgary Elected Officials (Councillor Colley-Urquhart), including travel meals and returning to Council as soon as possible;
2. Refine the policy on substance use for Members of Council, to be similar to that of City employees, with clarification as needed; and
3. For Recommendation 2 above, to return to Council in conjunction with changes to the Whistleblower process.

Oppositions to Recommendations 2 and 3

Opposed: A. Chabot, W. Sutherland

REVIEW OF POLICY AND BEST PRACTICE RE: NOTICE OF MOTION NM2014-37

Excerpt from the Minutes of the 2015 February 03 Regular Meeting of Priorities and Finance Committee:

“CONFIRM MINUTES, AS AMENDED, Moved by Councillor Sutherland, that the Minutes of the 2015 January 20 Regular Meeting of the Priorities and Finance Committee be confirmed, **as amended**, as follows:

On Page 3 of 6, Item 3.1, Review of Policy and Best Practice Re: Notice of Motion NM2014-37, PFC2015-0077, in the Priorities and Finance Committee Recommendation 2, as follows:

- “2. Refine the policy on substance use for Members of Council, to be similar to that of City employees, with clarification as needed; and”

PREVIOUS COUNCIL DIRECTION / POLICY

On 2014 September 22, Council passed Notice of Motion 2014-037. This Notice of Motion directed the City Auditor to work in consultation with Administration to review both current policies regarding use of alcohol during work hours and expensing of alcohol for all city employees.

BACKGROUND

The City has a Substance Use policy that addresses alcohol use at the workplace for employees, volunteers, and contractors. This policy does not apply to Members of Council.

The City has a number of policies that provide guidance on acceptable expenses for travel, business meetings, and hosting third parties. Some of these policies give clear direction regarding alcohol expensing in specific situations. At the time of the Notice of Motion in September 2014, Council expense policies (PAC007/008) did not restrict Council members from expensing alcohol.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Our approach included a review of existing expense and alcohol use policies at the City of Calgary, evaluation of policies at other government bodies and agencies, survey of private sector company practices, best practice research and communication with relevant Administration staff and Members of Council.

Stakeholder Engagement, Research and Communication

We performed online research of other government bodies and agencies as well as a number of private sector companies. We conducted an email survey across a sample of private sector companies. We also communicated with some of the private and government organizations directly.

Strategic Alignment

Not applicable to this report.

Social, Environmental, Economic (External)

Not applicable to this report.

REVIEW OF POLICY AND BEST PRACTICE RE: NOTICE OF MOTION NM2014-37

Financial Capacity

Current and Future Operating Budget:

Not applicable to this report.

Current and Future Capital Budget:

Not applicable to this report.

Risk Assessment

There are potential impacts to safety, financial, and reputational risks should these recommendations not be implemented.

REASON FOR RECOMMENDATION:

This report responds to Council's Notice of Motion NM2014-37. The recommendations in the report mitigate safety, financial, and reputational risks associated with the use of alcohol in the workplace and expensing of alcohol.

ATTACHMENT

PFC2015-0077 – REVIEW OF POLICY AND BEST PRACTICE RE: NOTICE OF MOTION
NM2014-37