



Entertainment and Hospitality Policy

1. Policy Statement

The purpose of the policy is to assist Council employees and Councillors in the proper utilisation of funds allocated to Entertainment and Hospitality to meet legislative requirements and community standards.

2. Principles

Section 196 of the Local Government Regulation 2012 (the Regulation) requires that Council adopt a policy about Council's spending on entertainment or hospitality (an Entertainment and Hospitality Policy).

The following principles apply to all entertainment and hospitality expenditure by Council.

- a) All entertainment and hospitality expenditure must be incurred in the public interest. This means that the Councillor or council employee authorising the expenditure must demonstrate that the expenditure will benefit the public generally or facilitate Council business.
- b) The amount spent on entertaining and hospitality must be reasonable, having regard to the benefit to the Council or the public.
- c) The expenditure must be provided for in a budget and must be authorised in accordance with the Council's normal accounting procedures and with the specific additional requirements in this policy.
- d) Expenditure incurred by Council which is not reasonable and appropriate (private expenses) must be invoiced to the person who consumed and/or authorised the benefit.
- e) Entertainment and hospitality expenses may only be charged to a corporate credit card must be authorised by a superior as per clause 6.3 of the policy.

Scope

The policy applies to all Councillors and Council employees when incurring expenditure relating to entertainment and hospitality.

3. Responsibility

The Chief Executive Officer and Directors are responsible for ensuring compliance with this policy. The Manager Finance Services is responsible for checking and reporting on compliance with this policy.

4. Definitions

Examples of Entertainment or Hospitality—

- entertaining members of the public in order to promote a local government project
- providing food or beverages to a person who is visiting the local government in an official capacity
- providing food or beverages for a conference, course, meeting, seminar, workshop or another forum that is held by the local government for its councillors, local government employees or other persons
- paying for a councillor or local government employee to attend a function as part of the councillor's or employee's official duties or obligations as a councillor or local government employee.



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5. Policy

51 Authorisation of Expenditure

Councillors and employees must not authorise their own expenditure. Expenditure by the CEO must be authorised by the Mayor or the Director Finance & Corporate Services.

Expenditure by a Director must be authorised by the CEO. Expenditure by a Manager or other officer must be authorised by the CEO or relevant Director. The person approving the expenditure must ensure that:

- The expenditure is in accordance with this Policy; and
- The cost is available in the relevant budget item and meets the usual requirements for expenditure approvals;
- And within financial delegation.

52 Types of Entertainment or Hospitality Services

The following are the types of entertainment or hospitality services that Council considers appropriate for use of its funds:

Type of Function	Definition	Guidelines
Civic Reception	Formal Functions hosted by Council generally for: -Visiting dignitaries -Recognition of significant achievement(s) of individual (s) and group(s) -Economic development and furthering business links in the community -Citizenship ceremonies.	Receptions that meet the guiding principles are supported by this policy subject to: -Authorisation by the CEO -Availability of funds during the Financial Year Expenditure may include hospitality; Anzac Day Wreaths; flowers for condolences for gifts for visiting delegates
Council Function	Entertainment provided by Council generally for: - Visiting dignitaries -Recognition of significant achievement(s) of individual (s) and group(s) -Economic development and furthering business links in the community	Those functions that meet the guiding principles are supported by this policy subject to: -Authorisation by the CEO. -Availability of funds during the Financial Year.
Employer Function	A formal function hosted by Councillors and Employees (may include members of	Those functions that meet the guiding principles are supported by this policy subject



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	<p>immediate family) generally for:</p> <ul style="list-style-type: none"> -Staff Breakfast -Length of service -Christmas celebrations 	<p>to:</p> <ul style="list-style-type: none"> -Authorisation by the CEO. -Availability of funds during the Financial Year.
Sponsored Meal	<p>Food and beverage provided by Council to Councillors, Employees and agents of Council on a working day at a venue other than Council Premises.</p>	<p>It is allowable for Councillors and Employees to be provided with entertainment during the course of their daily business, e.g. business lunch at an off-site venue subject to:</p> <ul style="list-style-type: none"> -Authorisation by the CEO; and -Authorisation is limited to \$35/head.
Training and Working meals	<p>Food and beverage provided by Council to Councillors, Employees and agents of Council on a working day at Council Premises</p>	<p>A light meal may be provided for Councillors and/or employees who are required to work during a meal time and an alternative meal break is not available. This includes committee, working groups, conferences, seminars, training and workshops where the cost is met by Council.</p> <p>Authorisation by the CEO or Director</p>
Travel Meals	<p>Food and drink provided by Council to Councillors, Employees and agents of Council on a working day whilst travelling for work related matters.</p>	<p>Provision of entertainment to Councillors and Employees during the course of their daily business, e.g. a lunch whilst traveling during the course of a working day, is supported subject to Australian Tax Office Taxation Determination "What are the reasonable travel and overtime meal allowance expense amounts."</p> <p>Refer also to the Councillor Expenses Reimbursement Policy</p>
Other events	<p>Alcoholic drinks may not be provided for employees except as approved by the CEO.</p>	<p>Consuming of alcoholic drinks on Council premises may be approved by the CEO in accordance with Council's Drug and Alcohol Policy. Eg. Staff Farewell.</p>
Other Hospitality	<p>Other types of expenditure considered</p>	<p>May be authorised by an officer with</p>



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Expenses.	reasonable as official hospitality includes the provision of tea, coffee, sugar, milk, and morning or afternoon tea for official visitors and appropriate staff.	appropriate financial delegation
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5.2 Not reasonable and appropriate

Examples of expenditure which is generally considered not to be reasonable and appropriate and are therefore to be treated as private expenditure are:

- Tips or gratuities – tipping is not customary in Australia, however when travelling overseas and tipping is the custom, these will be considered official expenditure;
- Dinners/functions at the private residence of a Councillor or Council officer;
- Morning/afternoon tea outside Council premises, where only Councillors or Council officers are attending;
- Stocking of bar;
- Mini Bar expenses;
- Staff working on Council premises where food and beverages are on sale are not entitled to charge food and beverages to Council in the normal course of their duties.

6.2 Fringe Benefits Tax

Fringe Benefits Tax may be payable on some of the official hospitality expenditure that is attributable to Councillors and employees of the Council. All Councillors and employees should be aware of FBT rules and of their application for official hospitality functions. The use of the entertainment register maintained by the Manager Finance Services in Finance & Corporate Services is considered mandatory to record details and costs associated with official entertainment for all hospitality subject to FBT.

6.3 Credit Card Payments

The Chief Executive Officer with the Director Finance & Corporate Services may restrict the ability of holders of Council credit cards to pay for expenditure in the nature of entertainment or hospitality.

6. Legal Parameters

Local Government Act 2009

Local Government Regulation 2012

Public Sector Ethics Act 1994

Fringe Benefits Act 1986

7. Associated Documents

Councillor Expenses and Reimbursement Policy



Entertainment and Hospitality Policy

Procurement Policy

Community Engagement Policy

Corporate Credit Card Policy

Councillor Expense and Provision of Facilities Policy

Drug and Alcohol Policy

FBT form

Financial Delegations Register

All entertainment expenditure is to be charged to account 0205-2205-0000