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|  | <b>COUNCIL POLICY</b>                               |                                    |
|   | <b>Entertainment and Hospitality Council Policy</b> |                                    |
|   | Policy Number                                       | CP025                              |
|   | Directorate   | Organisational Services            |
|   | Owner   | Ken Diehm, Chief Executive Officer |
|   | Last Approved                                       | 24/01/2024                         |
|   | Review Due  | 24/01/2025                         |

## 1. PURPOSE

The purpose of this policy is to define the types of entertainment or hospitality expenditure and expenditure limits that Council considers is an appropriate use of its funds and to outline the procedures for approving such expenditure.

## 2. SCOPE

This Policy applies to all Council employees.

## 3. HEAD OF POWER

*Local Government Regulation 2012*

## 4. POLICY STATEMENT

*Local Government Regulation 2012 (QLD) s 196* stipulates the local government must prepare and adopt a policy about the local government's spending on entertainment or hospitality (an entertainment and hospitality policy).

Examples of entertainment or hospitality:

- (a) entertaining members of the public in order to promote a local government project;
- (b) providing food or beverages to a person who is visiting the local government in an official capacity;
- (c) 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;
- (d) 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; and

A local government may spend money on entertainment or hospitality only in a way that is consistent with its entertainment and hospitality policy.

The above examples are not meant to be exclusive therefore for the purposes of this policy any expenditure on entertainment or hospitality which is wholly or partially funded by Council should be considered.

Chapter 8, Division 2 of the *Local Government Regulation 2012* addresses the requirements of an expense reimbursement policy that covers the payment of reasonable expenses incurred, or to be incurred, by Councillors for discharging their duties and responsibilities as Councillors.

This policy recognises there may be some cross-over between this policy and the “Expenses Reimbursement and Provision of Facilities for Mayor and Councillors” policy of Council as it is recognised that Councillors may have occasion to incur official hospitality expenses. Where appropriate, a consistent approach will be applied between this policy and the Expenses Reimbursement and Provision of Facilities Policy.

#### **TYPES OF ENTERTAINMENT OR HOSPITALITY COUNCIL CONSIDERS APPROPRIATE**

- (1) A service or function provided by the local government for entertaining invited members of the public for promoting an initiative or project of the local government.**

Expenditure Limits

As approved by Council or allowed for in the budget adopted for the current financial year.

Attendance/Protocols

As approved by Council or authority delegated to the Chief Executive Officer or relevant Director.

- (2) The provision of food or beverages to government officials, dignitaries or elected politicians from any levels of government visiting the local authority in an official capacity.**

Expenditure Limits

Lunch - up to \$100 per person attending  
Dinner - up to \$150 per person attending

Attendance/Protocols

As approved by Council or authority delegated to the Chief Executive Officer or relevant Director.

Reasonable alcoholic beverages may be consumed during this type of function but should be associated with and included in the dollar (\$) limit set for meals.

- (3) A meeting held by the local government for Councillors, employees or other persons.**

Expenditure on meals and beverages must be reasonable and commensurate with the significance of the event.

Attendance/Protocols

As approved by the Chief Executive Officer or relevant Director or within the approved annual budget.

Hospitality expenditure of this nature should not be seen as a substitute for general business meetings and wherever possible, Councillors and staff should hold meetings within Council places of work and provide sufficient time to allow staff to take lunch breaks at their own expense.

Expenditure of this nature would normally be incurred only when there is a need to continue working through lunch breaks (or shortened breaks) due to project deadlines and/or restricted availability of attendees.

Alcoholic beverages would not normally be provided during daytime meetings. Reasonable alcoholic beverages may be consumed during a dinner at this type of function but should be associated with and included in the dollar amount for meals.

**(4) A seminar, training course, workshop or another forum for its Councillors, employees or other persons.**

Expenditure on meals and beverages must be reasonable and commensurate with the significance of the event.

Expenditure should be provided for in the adopted budget.

Attendance/Protocols

As approved by the Chief Executive Officer or relevant Director or within overall annual discretionary limits set by this policy.

Alcoholic beverages would not normally be provided during daytime meetings. Reasonable alcoholic beverages may be consumed during a dinner at this type of function but should be associated with and included in the dollar (\$) limit set for meals.

**(5) Individual entertainment & hospitality allowances available to designated staff & elected members for discretionary business entertainment use.**

Expenditure on meals & alcoholic beverages must be reasonable and commensurate with the significance of the event.

Expenditure incurred under this category by the Mayor and Councillors must be in accordance with the Expenses Reimbursement and Provision of Facilities for Mayor and Councillors Policy.

Attendance/Protocols

Mayor & Councillors' expenditure approved by the Chief Executive Officer.

Chief Executive Officer expenditure approved by Mayor.

Directors' expenditure approved by the Chief Executive Officer.

Executive Managers' expenditure approved by their Director.

Expenditure incurred under this category must be business related or serve some public interest.

Non-work related expenditure or expenditure in relation to partners, spouses or family members is not permitted.

It would be acceptable for elected members or officers within this category to extend hospitality to visiting officials, work colleagues or counterparts when discussing business matters.

**(6) Sanctioned social functions hosted by Council for its Councillors or employees.**

Expenditure Limits

Up to \$65 per person attending or as approved in the annual budget

Attendees may be required to contribute towards the cost of holding the function.

Attendance/Protocols

As approved by Council and allowed for in the adopted budget.

Examples include:-

Employee awards function

Function in honour of a long standing employee or elected member

### **EXPENDITURE LIMIT VARIATIONS**

The expenditure limits may be varied on individual cases by the CEO when circumstances deem them to be reasonable.

### **REASONABLE EXPENDITURE GUIDANCE**

The below amounts are a guide to what is considered reasonable expenditure. The type of entertainment or event will influence what is deemed reasonable.

Breakfast - up to \$33 per person attending

Lunch - up to \$40 per person attending

Dinner - up to \$65 per person attending

### **RECORD KEEPING**

A tax invoice must be obtained for all expenditure. Where a tax invoice has not been provided, the council officer incurring the expenditure must provide a detailed list of items together with a statutory declaration certifying that the expenditure was incurred for official purposes. A Fringe Benefits Tax Expense form (Docs #2338039) must be completed in accordance with the Fringe Benefits Tax Guidelines for expenditure under sections 4 and 5.

In addition to the standard record keeping requirements of Council, elected members incurring entertainment & hospitality expenses will be required to maintain documentary evidence of all such expenditure which will be provided to the Chief Executive Officer on a monthly basis.

### **USE OF CREDIT CARDS**

Employees may use Council issued purchasing cards for entertainment or hospitality expenditure provided all other policy guidelines (including Purchasing Card Guidelines) are adhered to.

### **WHAT THE POLICY DOES NOT APPLY TO**

This policy does not apply to:

- (1) Subsistence expenditure such as meals and non-alcoholic drinks for staff attending to business while away from the normal place of work.

For example the following situations would not be treated as entertainment expenditure:

- (a) If an employee is working at premises remote from the normal place of work so that normal arrangements for a particular meal are not available (also subject to reimbursement limits set by HR policies or enterprise bargaining agreements.);
- (b) If an employee is required to attend a meeting or other function attended by non-employees and food and drink is provided for all attendees under this policy;

- (c) The provision of minor food and beverages such as tea, coffee, sugar and milk in a work located staff/luncheon room.
- (2) Any expenditure that is fully reimbursed by a Councillor or employee. The general principle is that private expenditure should be paid for privately. There may be times however where work related expenditure is combined with private expenditure (such as mini-bar expenses incurred at approved work accommodation) and the beneficiary would be expected to reimburse the private component.

#### **TYPES OF EXPENDITURE CONSIDERED INAPPROPRIATE**

- (1) Tips or gratuities – tipping is not customary in Australia, however when travelling overseas and tipping is the custom, these will be considered official expenditure.
- (2) Dinners or functions at a private residence of a Councillor or Council Officer, unless approved by the Chief Executive Officer or Mayor.
- (3) Stocking of bar fridges.
- (4) Mini bar expenses incurred for alcohol while staying at accommodation provided on work related travel (unless reimbursed as private expenditure).
- (5) The provision or receipt of hospitality or entertainment that would raise ethical or impartiality issues covered under Council’s adopted Code of Conduct.

#### **5. ASSOCIATED DOCUMENTS**

Expenses Reimbursement and Provision of Facilities for Mayor and Councillors – DOCS #858978  
 Fraser Coast Regional Council Certified Agreement 2021 – DOCS #4529789  
 Fringe Benefits Tax Declaration Form – DOCS #2338039

#### **6. REVIEW**

This Policy will be reviewed when related legislation/documents are amended or replaced, other circumstances as determined from time to time by Council or at intervals of no more than one year.

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#### **Version Control**

| <b>Version Number</b> | <b>Key Changes</b>                                | <b>Approval Authority</b> | <b>Approval Date</b> | <b>Document Number</b> |
|-----------------------|---|---------------------------|----------------------|------------------------|
| 1                     | New Policy  | Council                   | 16/04/2008           | 837208                 |
| 2                     | Amendment – <i>Local Government Act 2010</i>      |                           | 30/06/2013           | 837208                 |
| 3                     | Amendment – <i>Local Government Act 2012</i>      |                           | 03/02/2015           | 837208                 |
| 4                     | Amendment – Administrative Changes                |                           | 06/02/2015           | 837208                 |
| 5                     | Amendment – Administrative Changes                |                           | 14/06/2016           | 837208                 |
| 6                     | Amendment – 2017/18 Budget                        | Council                   | 19/07/2017           | 837208                 |
| 7                     | Amendment – Risk Assessment added                 |                           | 18/07/2018           | 837208                 |
| 8                     | Amendment – Adopted at Ordinary Meeting 2/19      | Council                   | 27/02/2019           | 837208                 |
| 9                     | Amendment – Adopted at Ordinary Meeting 6/20      | Council                   | 24/06/2020           | 837208                 |
| 10                    | Transfer to Council’s new Council Policy template | Council                   | 15/06/2022           | 837208                 |
| 11                    | Amendment – Change to Reasonable Expenditure      | Council                   | 24/01/2024           | 837208                 |

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|  | Guidance |  |  |  |
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