

## ENTERTAINMENT AND HOSPITALITY POLICY

### **Policy Objectives/Purpose:**

The purpose of this policy is to ensure that expenditure on entertainment and hospitality is reasonable and appropriate, is incurred in the public interest and that approval for such expenditure/applicable allowances follows standard Council procedures.

### **Scope**

This policy relates to expenditure by Council for entertainment and hospitality, providing guidelines for Councillors, Council officers and authorised Council representatives.

### **Principles**

Section 196 of the *Local Government Regulation 2012* (LGR) 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. All such expenditure must be:

- For official Council purposes and/or incurred in the public interest.
- Reasonable and appropriate to Council's business.
- Justifiable and commensurate with the benefit received by Council or the public.
- Properly documented and available for internal and external scrutiny, including the provision of detailed tax invoices and receipts.
- In accordance with all other related policies, procedures and practices.
- Provided for in a budget and authorised in accordance with Council's normal accounting procedures.

Under no circumstance is expenditure of a private or personal nature to be incurred on behalf of Council. There must be a clear nexus between the expenditure and a benefit to Council. Furthermore, in the case of corporate (credit) cards, personal expenditure is strictly prohibited.

### **Acceptable Entertainment or Hospitality**

These guidelines will apply where the hosting of, or attendance at, an activity is determined by Council, the Chief Executive Officer or appropriate Director to be a necessary activity. A necessary activity is an activity that has a clear benefit to Council.

Examples of where hosting or attendance is appropriate would include:

#### **A. Civic and Public Functions**

A service or function provided by Council for hosting and entertaining of:

1. invited members of the public for promoting an initiative or project of Council; and

2. government officials, dignitaries or elected politicians from all levels of government visiting the local government area in an official capacity.

Included are citizenship ceremonies, community engagement activities, volunteers functions, hosting prospective senior staff, developers and investors, community organisations, media and other significant community events.

### **B. Conferences, Workshops, Meetings and Seminars**

Approved attendance at a conference, course, meeting, seminar, workshop or another forum that is:

1. held by the local government for its councillors, officers or other persons; or
2. appropriate for a Councillor or officer to attend as part of their official duties or obligations.

### **C. Sanctioned Social Functions**

Refers to social functions approved by the Chief Executive Officer and hosted by Council for its councillors or employees.

Included are annual Christmas parties, employer reward and recognition presentations for provision of services to the public, retirement functions and functions in honour of a long standing employee or elected member.

### **Guidelines for Entertainment and Hospitality Expenditure**

- 1 Councillors and employees incurring expenditure must be able to identify the benefit to the community and how the expenditure contributes to promoting Council's policy and strategic outcomes eg. the expenditure must be publicly defensible.
- 2 Councillors and employees incurring expenditure for hospitality must be able to identify how the hospitality will help facilitate the conduct of Council's business.
- 3 Reasonable entertainment expenses, which pertain to the conduct of Council business, may be charged against budget accounts with the approval of the Chief Executive Officer or Director responsible for that budget operating account. At all times, the expenditure must remain reasonable, appropriate, publicly defensible and within budget allocations, and be able to identify the benefit to Council and the public generally.
- 4 The Councillor or employee who incurs the expenditure must not authorise the payment or reimbursement of the expenditure.
- 5 Expenditure by a Councillor for an event/function will normally be authorised in advance by Council.
- 6 Authorisation from the relevant authorised officer must be sought before expenditure is incurred. Where this is not practical, reimbursement may be sought subject to the guidelines of the policy.

- 7 Expenditure incurred by a Councillor or officer which is not reasonable and appropriate (private expenses) must be repaid to Council within 14 days of an invoice being issued by Council.
- 8 In granting approval for expenditure, the relevant authorised officer should ensure that such expenditure complies with the principles of this policy.
- 9 If an employee is away from their usual place of work and has travelled external to the Gympie regional area to attend an approved activity, a claim may be made for reasonable meal costs for the day and for overnight accommodation where appropriate.
- 10 Except for a genuinely emergent situation that may require otherwise, all accommodation for Council related business will be booked in advance by Council.
- 11 Payment for accommodation costs will be processed by Council on receipt of a tax invoice via Council's normal accounts payable procedures.
- 12 The standard of accommodation should be of a four star rating (where possible) and procured at the most economical rate available to Council.
- 13 Costs reimbursed for meals and accommodation should be reasonable and appropriate. The following indicative maximum costs are provided as a guide and will be periodically reviewed:-

Breakfast	\$ 25
Lunch	\$ 30
Dinner	\$ 45
Accommodation	\$200/night
- 14 Council will not pay for any alcohol related costs as part of the reimbursement of meal expenses.
- 15 Expenses incurred by councillors will be reimbursed in accordance with the Councillor Expenses Reimbursement Policy.
- 16 Application for reimbursement must be made on the Entertainment and Hospitality Reimbursement Claim form ([CSF336](#)). Reimbursement will be paid on actual expenses claimed. Council will reimburse the amount of reasonable expenses actually incurred, however the following guidelines are offered as reasonable:
  - a. Meals and reasonable beverage expenses shall be interpreted as reasonable expenses incurred for the purchase of breakfast, lunch, dinner where these are not provided at the event and must be within the indicative limits as detailed in this policy.
- 17 Hospitality for Council visitors, guests and benefactors will typically take the form of meals and should be undertaken involving a minimum number of councillors and employees who will be able to advance Council business by their attendance.
- 18 The consumption of alcohol has social connotations and its provision has characteristics of entertainment. Provision of alcohol at a Council function must be approved by the Chief Executive Officer. Any consumption of alcohol by councillors or employees/contractors while representing Council must at all times be strictly in accordance with all relevant legislative, policy and code of conduct requirements.
- 19 Spouse/Partner Entertainment and Hospitality Costs.

- a. In instances where the spouse/partner of a Councillor or staff member is invited by Council or the Chief Executive Officer to attend an approved function, entertainment, accommodation and hospitality expenses for such spouse/partner will be met by Council; or
- b. In instances where the spouse/partner of a Councillor or staff member chooses to attend an approved function (optional attendance) and such attendance is open to other than councillors and/or staff members, the relevant Councillor or staff member will be required to meet all additional accommodation, entertainment and hospitality costs.
- c. Any spouse/partner attending an approved function will be considered an official representative of Council and will be expected to comply with relevant Council policies, codes of conduct, etc.

### **Acquittal of Corporate Card Expenses**

1. All transactions must be properly documented and the original receipt provided. If the receipt has been lost or is illegible a signed Statutory Declaration must be submitted detailing the claim.
2. Attendees shall provide a complete breakdown of expenditure relating to expenses, itemising the dates, name of individual(s) entertained and the purpose of the hospitality, and be supported by receipts to coincide with the usual billing period. (This information should be documented in accordance with Council procedures.)
3. Claims for valid business related expenditure will only be considered for payment when full details and receipts are provided.

Council will pay the amount of reasonable expenses actually incurred, however, the following guidelines are offered as reasonable:

- a. Meals and reasonable beverage expenses shall be interpreted as expenses incurred for the purchase of breakfast, lunch, dinner where these are not provided at the event and must be within the indicative limits as detailed in this policy.

### **Exceptions / Expanded Definition of Permissible Activities**

Expansion of the permissible entertainment activities may be extended from time to time to include functions such as:

- Staff employee recognition or length of service awards, retirement presentations, Christmas party or staff briefings.
- Exceptional entertainment includes the reimbursement of expenses incurred for the spouse of a guest or the official host.
- Exceptional expenses also include entertainment expenditures which exceed the limits outlined in this policy – the request for reimbursement must include a written justification as to why the higher costs were unavoidable and necessary to achieve a business purpose. The fact that actual costs exceed the authorised rates is not in itself adequate justification for a higher reimbursement rate.
- Fellowship after Council meetings

- Events authorised by the Chief Executive Officer.

**Associated policies and legislation**

*Staff Code of Conduct ([OCPOL001](#))*

*Fitness for Work Policy and Procedure ([PRWHS001](#))*

*Councillor Expenses Reimbursement Policy ([GRC011](#))*

*Procurement Policy ([CSPOL140](#))*

*Corporate Purchasing Card Manual*

*Fringe Benefit Guideline*

*Local Government Act 2009*

*Local Government Regulation 2012*

*Fringe Benefits Act 1986*

*Queensland Local Government Officers' Award 1998*

*Local Government Employees' (Excluding Brisbane City Council) Award State 2003;*

*Engineering Award – State;*

*Building Trades Public Sector Award – State.*