



**Policy Title:**                   **ENTERTAINMENT AND HOSPITALITY  
POLICY**

**Policy Type:**                   **STATUTORY**  
(Statutory, Financial, Administrative, Human Resources)

**Policy Number:**       **S007**

Approved by Council	Last Review	Current Review	Next Review
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<b>Approved by CEO/Director:</b>	<b>Bernie McCarthy – CEO</b>	 ..... Signature.	
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<b>Implementation Department</b>		<b>Officer Position</b>	
Corporate Services		Director Corporate Services	
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## 1. Policy Background/Scope

Council recognises that there are circumstances where the provision of official entertainment and hospitality is appropriate in the conduct of Local Government business.

However, as the Council is a publicly funded body, it must ensure that high standards of accountability for hospitality and entertaining expenditure are maintained, and that any monies expended are for the purpose of Council operations.

To set standards for entertainment and hospitality expenditure incurred on Council's behalf which meet community standards and comply with the requirements of *Section 196 of the Local Government Regulation 2012*.

Specifically, to ensure that Councillors and Officers participating in official entertainment or hospitality:

- obtain the most cost-effective outcome for Council.
- efficiently make the necessary entertainment or hospitality arrangements.
- comply with legal, financial, audit and ethical requirements.

## 2. Policy Provisions

**“Entertainment or Hospitality”** is as defined in *Section 196(1) of the Regulation*; that is includes, for example:

- Entertaining members of the public in order to promote a local government project.
- The provision of food or beverages –
  - to a person visiting the local government in an official capacity
  - for a conference, course, meeting, seminar, workshop or another forum that is held by the local government for its Councillors, officers 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.
- For the purpose of this policy, “function” does not include conferences, professional development, training or meetings which are held by organisations other than Council.

**“Entertainment or Hospitality Expenditure”** is any expenditure on Entertainment or Hospitality services.

**“Regulation”** is the *Local Government Regulation 2012*.

### 2.1 General

In accordance with *Section 196(2) of the Regulation*, Council may spend money on the Entertainment or Hospitality only if:

- the Entertainment or Hospitality is in the public interest.
- it is in a way that is consistent with the Council's entertainment and hospitality policy.

In addition to the above statutory requirements, all Entertainment and Hospitality Expenditure must be:

- reasonable
- cost effective
- within relevant budget allocations
- for official purposes
- able to withstand public scrutiny.

## **2.2 Types of Entertainment or Hospitality Expenditure considered to be in the public interest**

Following are the types of Entertainment or Hospitality Expenditure which Council considers to be in the public interest:

- hosting interstate and overseas dignitaries
- hosting representatives of business, industry and recognised community organisations, the press and other media
- hosting representatives of other levels of government
- conducting special functions to recognise particular events/achievements
- providing tea, coffee, morning or afternoon tea for official visitors
- providing light refreshments/lunches for internal meetings, conferences, seminars and workshops
- attendance by Councillors or invited officers at official functions for which charges are incurred
- providing lunch including refreshments for Councillors, Senior Staff, Press, and visiting dignitaries during official meetings.

## **2.3 Meeting Refreshments**

Light catering and refreshments provided for attendees during extended meetings are considered to be working meals rather than entertainment. In most cases this will allow the meeting to proceed with minimal delays rather than have attendees remove themselves from the meeting venue for lunch breaks and the like.

Examples would include an all-day in-house meeting whereby morning tea and lunch would be provided, during which networking of attendees could be undertaken in furtherance of the meeting goal.

## **2.4 Conferences and Civic Receptions**

Refreshments and catering associated with hosting conferences, civic receptions or functions to recognise significant contributions from groups or individuals to the community.

Examples formally welcoming groups or dignitaries to the Aurukun Shire, acknowledging volunteer services, celebrating significant public achievements.

## **2.5 Official Dining Functions**

The Mayor, Councillors (when officially representing Council) and Senior Staff may from time to time need to participate in business meetings with Government or business in a less formal environment. In these instances there is an obligation to ensure that expenditure is not excessive.

Examples of this include providing hospitality in the course of encouraging enterprise in Aurukun Shire. Activities to promote government or business investment and service provision.

## **2.6 Accepting Hospitality**

Council representatives are to be mindful of accepting gifts or hospitality in situations that may result in a perception of a conflict of interest.

Example would be accepting hospitality from a developer or tenderer with a current submission before Council. In these cases, it may be more appropriate for Council to meet hospitality costs incurred in the meeting.

## **2.7 Staff Functions**

Functions celebrating staff achievements, reward and recognition, and other minor in-house social events as part of Aurukun Shire Council's Human Resource Strategy, consequently Council funds may be used for this purpose.

As a rule, the frequency of in-house staff functions paid for by the Council should be limited to a reasonable level in support of Council business and staff recognition and reward arrangements.

Examples of this would include Deadly Employee awards, and annual Christmas parties.

## **2.8 Visiting Delegates**

At times Council will host visiting delegates for a variety of purposes, and during these visits protocol dictates that hospitality be extended to the delegates. This could be in the form of morning tea/lunch, or hosting an official dinner.

Examples of this would include other Councils, business or government delegations.

## **2.9 Types of Entertainment or Hospitality that may, or may not, be paid for with a credit card issued in the name of the local government**

All Entertainment or Hospitality Expenditure listed in this policy may be paid for by a credit card issued in the name of the Council in accordance with the requirements of Council's Purchasing Policy.

## **2.10 Procedure that must be followed when approving spending on Entertainment or Hospitality**

All officers incurring and authorising Entertainment and Hospitality Expenditure must do so in accordance with relevant financial delegations under Council's Purchasing Policy and must ensure that:

- It is for official purposes and falls generally within the type of expenditure listed above.
- It is properly documented with the purpose identified.
- The documentation is available for scrutiny by both internal and external audit.
- It appears appropriate and reasonable and can withstand the "public defensibility test".
- All procedures relating to Fringe Benefits Tax are followed.

- It is in accordance with Council's budget.

In instances where an officer is claiming reimbursement of Entertainment or Hospitality Expenditure incurred personally, the officer involved may not authorize the reimbursement themselves, but must refer it to officer's supervisor who has the relevant financial delegation under Council's Purchasing Policy.

In any situation where there is some doubt as to whether the Entertainment or Hospitality Expenditure complies with this policy, the matter should be referred to the Chief Executive Officer for a determination. Where the doubt relates to Entertainment or Hospitality Expenditure by the Chief Executive Officer, the matter should be referred to the Mayor for a determination.

**3. Related Documentation:**

*Local Government Regulations 2012*