

Entertainment and Hospitality Policy

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Review Officer:	Manager Development & Governance	Review Due:	21/03/2022
Author:	Manager Development & Governance	Commencement:	21/03/2018

1. PURPOSE

The purpose of the Entertainment and Hospitality Policy (this policy) is to assist council officers in the discharge of their responsibilities, by providing clarity about the reasonable and appropriate use of public funds.

2. POLICY STATEMENT

Council recognises that there are circumstances where the provision of entertainment and hospitality is appropriate and can result in significant benefits to the Mareeba Shire. As a publicly funded body, however, it must ensure that public sector standards of accountability are maintained, and that practice is consistent across the organisation.

3. SCOPE

This policy applies to all Councillors and Council officers. The intention of the policy is to identify principles and to provide clarification of issues and examples of reasonable and appropriate practices regarding expenditure for the provision of entertainment and hospitality.

This policy does not cover the entertainment and hospitality to Council officers by external organisations (refer Gifts and Benefits Policy), nor entertainment and hospitality as part of attendance at conferences and seminars.

4. GUIDING PRINCIPLES

Council may spend money on entertainment or hospitality only if the entertainment or hospitality is in the public interest.

All entertainment and hospitality expenditure must be:

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

Officers incurring and authorising the expenditure must demonstrate that the expenditure will benefit the Council and has been authorised for official purposes.

Expenditure deemed by this Policy to be inappropriate or unreasonable must be repaid to the Council within 14 days of being issued a notification of the expenditure being inappropriate.

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Entertainment and hospitality expenditure must be properly documented so as to satisfy audit, legislative and reporting requirements.

Officers must not authorise their own expenditure. Expenditure by the CEO must be authorised by the Mayor or the Director Corporate and Community Services. Expenditure by a Director must be authorised by the CEO. Expenditure by a Manager or other officer must be authorised by the CEO, relevant Director or Manager respectively. 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.

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

Type of Function	Definition	Guidelines
Civic Reception	Formal functions hosted by Council generally for: <ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> • Authorisation by the Mayor • Availability of funds during the Financial Year
Council Function	Entertainment provided by Council generally for: <ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> • Authorisation by the Mayor or CEO • Availability of funds during the Financial Year
Employer Function	A formal function hosted by Councillors and Officers (may include members of immediate family) generally for: <ul style="list-style-type: none"> • Length of service • Christmas celebrations 	Those functions that meet the guiding principles are supported by this policy subject to: <ul style="list-style-type: none"> • Authorisation by the Mayor or CEO • Availability of funds during the financial year (Note: Proposed functions must be included in the Council's adopted budget for the financial year and expenditure is limited to the budget provision)

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Sponsored Meal	Food and drink provided by Council to Councillors, Officers and agents of Council on a working day at a venue other than Council Premises.	It is allowable for Councillors and Officers to be provided with entertainment during the course of their daily business, e.g. business lunch at an off-site venue subject to: <ul style="list-style-type: none"> • Authorisation by the Mayor or CEO; and • Authorisation is limited to \$35/head.
Working Meals	Food and drink provided by Council to Councillors, Officers and agents of Council on a working day at Council premises.	Provision of entertainment to Councillors and Officers during the course of their daily business, e.g. a working lunch on premises, is supported subject to: <ul style="list-style-type: none"> • Authorisation by the CEO or accountable Manager; and • Authorisation is limited to \$35/head.
Travel Meals	Food and drink provided by Council to Councillors, Officers and agents of Council on a working day whilst traveling for work related matters	Provision of entertainment to Councillors and Officers 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"

Fringe Benefits Tax

Fringe Benefits Tax Declarations will need to be completed for the following types of entertainment and hospitality:

- Civic Receptions
- Council Functions
- Employer Function
- Sponsored Meals

Transparency and Accountability

The following responsibilities apply to all Councillors and Council officers:

- Be aware of and comply with the Entertainment and Hospitality Policy and other associated policies listed in this document.
- Ensure the expenditure is reasonable and appropriate and passes the public defensibility test.
- Report suspected breaches of policy in accordance with the Employee Code of Conduct.
- A tax invoice must be obtained for all costs, and fringe benefits tax declarations must be completed. Where a tax invoice cannot be provided, the Councillors or Council officer incurring the expense must provide a detailed list of items of expenditure, together with a statutory declaration certifying that the expenditure was incurred for official purposes.
- Ensure all expenditure for entertainment and hospitality is correctly recognised in the financial system.

5. DEFINITIONS

Council officer/employee means:

1. the Chief Executive Officer; or
2. a person holding an appointment under section 196 of the Local Government Act 2009.

An **entertainment or hospitality service** as defined by the Local Government Regulation 2012 includes, for example:

1. Entertaining members of the public in order to promote a local government project;
2. The provision of food or beverages:
 - a. to a person visiting the local government in an official capacity; or
 - b. for a conference, course, meeting, seminar, workshop or another forum that is held by the local government for its Councillors, employees or other persons; and
 - c. 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.

6. REVIEW

It is the responsibility of the Manager Development & Governance to monitor the adequacy of this policy and implement and approve appropriate changes. This policy will be formally reviewed every four (4) years or as required by Council.

7. RELATED DOCUMENTS

Gifts and Benefits Policy
Gifts and Benefits Guidelines