

Policy



STATUTORY

ENTERTAINMENT & HOSPITALITY

Head of Power

Section 196 of the *Local Government Regulation 2012* sets the parameters for a local government's expenditure on entertainment or hospitality.

Key Supporting Document

Lockyer Valley Regional Council Corporate Plan - Lockyer Leadership and Council:

- 5.1 Undertake robust and accountable financial, resource and infrastructure planning and management to ensure affordable and sustainable outcomes for the community.
- 5.4 Commit to open and accountable governance to ensure community confidence and trust in council and our democratic values

Definitions

- Entertainment or hospitality expense* means the cost to Council of providing entertainment or hospitality
- Accountable officer* supervisor of the employee

Policy Objective

To provide a framework to manage entertainment and hospitality expenditure, to obtain the most cost effective outcome and which meets the requirements of legislative and community standards.

Policy Statement

Council recognises that reasonable and appropriate expenditure for the purposes of entertainment and hospitality may be incurred by Councillors and Council employees in the ordinary course of carrying out their respective responsibilities.

When considering whether to incur this expenditure councillors and council employees must have regard to the following: Expenditure must be:

- in the public interest

- for Council related purposes
- prudent, responsible, acceptable to the community
- economical and efficient
- subject to budget provisions.

Type of function	Definition	Guidelines
Civic Reception	Formal functions hosted by Council generally for: <ul style="list-style-type: none"> • Visiting dignitaries/guests • Recognition of significant achievement of individuals or groups • Economic development and furthering business links into the community • Citizenship ceremonies 	Receptions that meet the definition are supported by this policy subject to: <ul style="list-style-type: none"> • authorisation by the Mayor or Chief Executive Officer (CEO) • availability of funds in the financial year • records being maintained identifying the purpose of the function, number of attendees and cost of each function.
Council Function	Entertainment provided by Council generally for: <ul style="list-style-type: none"> • visiting dignitaries/guests • recognition of significant achievement or individuals and groups • volunteer activities/events • economic development and furthering business links in the community • Wellbeing Committee initiatives 	Those functions meeting the definition are supported by this policy subject to: <ul style="list-style-type: none"> • authorisation by the Mayor or CEO • availability of funds in the financial year • records being maintained identifying the purpose of the function, number of attendees and cost of each function.
Employee Function	A formal function hosted by Councillors or the CEO for: <ul style="list-style-type: none"> • length of service • rewards and celebration of an achievement • Christmas celebrations 	Those functions meeting the definition are supported by this policy subject to: <ul style="list-style-type: none"> • authorisation by the Mayor or CEO • availability of funds in the financial year • records being maintained identifying the purpose of the function, number of attendees and cost of each function.
Business/Hospitality	Food and drinks provide to councillors and employees by external parties	Councillors are able to attend functions hosted by businesses in their capacity as councillors. Employees (in their capacity as an employee) are able to attend functions hosted by businesses subject to: <ul style="list-style-type: none"> • Council's Code of Conduct principles being met

Type of function	Definition	Guidelines
		<ul style="list-style-type: none"> For employees, the amount of hospitality being minor (less than \$100 as per gift policy limit) The individual not needing to declare a conflict of interest from accepting the hospitality
Sponsored Meal	Food and drink provided by Council to councillors and employees on a working day at a venue other than Council premises	<p>It is allowable for councillors and employees to be provided with entertainment during the course of their daily business e.g. business lunch, e.g. off-site training, workshop, seminar, event scheduled to go through a normal meal break at an off-site venue subject to:</p> <ul style="list-style-type: none"> authorisation by the Mayor or CEO no payment of a meal allowance
Working Meals	Food and drink provided by Council to councillors and employees of Council on a working day at Council premises	<p>Provision of entertainment to councillors and employees during the course of their daily business which is scheduled to go through a normal meal break e.g. Council Meetings; Advisory Committee Meetings; Councillor Workshop is supported subject to:</p> <ul style="list-style-type: none"> authorisation by the CEO or accountable officer
Hosting External Parties	Food and drink provided by Council to councillors and staff where external parties are in attendance.	<p>Provision of entertainment to councillors and employees during the course of a meeting where external parties are in attendance is supported subject to:</p> <p>authorisation by the CEO or accountable officer</p>

Provision of alcohol

Alcohol may only be provided at an official function if it has been approved prior to the function by the Mayor or CEO.

Inappropriate expenditure

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

- tips or gratuities
- coffees, morning teas, lunches not in line with the above categories
- dinner/functions at the private residence of a councillor or employee
- mini bar expenses and alcoholic drinks
- stocking of bar fridges (except in the instance of the CEO for small-scale entertainment)

- partner expenses (without approval by the Mayor or CEO or as per the Expenses Reimbursement & Provision of Facilities for Councillors Guideline.

Personal expenses must not be paid by Council. In the event that Council has met costs that are considered non-official/private, the Council officer or Councillor incurring the costs must make restitution to the Council within thirty (30) working days of an invoice being issued by Council.

Documentation required for Expenditure

Councillors are provided with a hospitality allowance and therefore should not be submitting claims for hospitality expenditure.

Employees incurring entertainment and hospitality expenses must obtain a tax invoice for all expenditure. A copy of the written pre-authorisation for the expenditure (e.g. email) should also be included when processing the transaction. Where a tax invoice cannot be provided, the employee incurring the expense must provide a detailed list of items of expenditure, together with a declaration certifying that the expenditure was incurred for official purposes.

Fringe Benefits Tax

Where required, fringe benefits tax declarations must be completed in accordance with the Fringe Benefits Tax Guidelines.

Related Documents

Procurement Policy S 03

Procurement Procedures Manual

Expenses Reimbursement & Provision of Facilities for Councillors Policy S 09

Expenses Reimbursement & Provision of Facilities for Councillors Guideline