

ENTERTAINMENT AND HOSPITALITY POLICY

Policy Owner:	Finance Governance and Risk Community and Lifestyle People & Strategy
Adoption:	Insert Date and Resolution Number
Version:	
Link to Corporate Plan:	Delivering Value – we work efficiently to deliver value for your rates Accountable Council – 5.2.1 Continue to embed good financial practices in our decision making
Head of Power:	Section 196 <i>Local Government Regulation 2012</i>
Review Date:	

1 PURPOSE

The purpose of this policy is to ensure compliance with section 196 of the *Local Government Regulation 2012* and to guide Council's entertainment and hospitality spending to ensure that it is reasonable, appropriate and benefits Council and/or the community.

2 SCOPE

This policy applies to all entertainment and hospitality spending by Gladstone Regional Council.

3 POLICY STATEMENT

3.1 Principles

Council will meet its entertainment and hospitality spending obligations Section 196 of the *Local Government Regulation 2012* by applying the following key principles.

3.1.1 Entertainment and hospitality spending will be allocated for the purposes of meeting Council's community and civic responsibilities; to support the development of its people (employees and councillors); support economic and regional development; or as a legitimate means of promoting Council business.

3.1.2 Entertainment and hospitality services will be procured in accordance with Council's procurement requirements, ensuring that expenditure is:

- a) reasonable;
- b) cost effective;
- c) within budget allocations;
- d) for official purposes; and
- e) able to withstand public scrutiny.

3.1.3 The amount spent on entertainment and hospitality provides a benefit for Council and/or the community in achieving the principles of 3.1.1.

3.2 Spending Categories

Entertainment and hospitality spending may be allocated under the following broad categories.

- 3.2.1 Hosting for civic or community purposes including:
 - a. Local, interstate and overseas dignitaries and investors;
 - b. Representatives of business, industry, recognised community organisations, media representatives and members of the public;
 - c. Representatives of other levels of government;
 - d. Official visitors.
- 3.2.2 Conducting special functions to recognise:
 - a. particular events and achievements;
 - b. service milestones and retirement after long term service.
- 3.2.3 Providing light refreshments and lunches for conferences, seminars and workshops.
- 3.2.4 Providing light refreshments and/or lunches at inductions for new staff members and for special staff meetings where there is benefit and/or positive outcome for workforce culture or productivity to be achieved through internal networking and collective think tanks.
- 3.2.5 Attendance by councillors or invited employees at official functions for which charges are incurred.
- 3.2.6 Providing refreshments for Council volunteers.
- 3.2.7 Providing lunch and other refreshments for councillors, employees, media representatives, visiting dignitaries and members of the public during official meetings.
- 3.2.8 Providing meals for employees and councillors attending training, conferences, meetings and other approved professional development activities in accordance with Council's learning and development initiatives and the Councillor Expenses Reimbursement and Provision of Facilities Policy.
- 3.2.9 Reasonable hospitality expenses in the form of meals and/or refreshments for prospective hirers, artists, sponsors or other guests of Council facilities (eg. Gladstone Library, Gladstone Regional Art Gallery & Museum, Tondoon Botanic Gardens, Gladstone Entertainment Convention Centre, Philip Street Communities and Families Precinct, etc.) on those occasions where there is a reasonable expectation that Council might provide meals or refreshments.
- 3.2.10 Annual celebratory gatherings of staff and councillors to promote positive workforce culture and to recognise and show appreciation for the workforce's collective achievement for the year.
- 3.2.11 The purchase of alcohol is not permitted under this policy, however, the Mayor may exercise discretion and allow the purchase of limited alcohol where it is appropriate in the circumstances and approval is given in writing.

3.3 Approval Considerations

The following considerations will apply when deciding whether entertainment and hospitality spending will be approved.

- 3.3.1 The expenditure must be for an official purpose and meet the requirements of this policy.
- 3.3.2 Be properly documented with the purpose identified and include sufficient information to support scrutiny both internally and externally.
- 3.3.3 Be within the adopted budget for the financial year and include documentation to determine whether any Fringe Benefit Tax liability is applicable.
- 3.3.4 Expenditure must be approved in accordance with Council's financial delegations with the following additional requirements:

- a) Council employees may not authorise their own spending;
- b) Spending by a Council employee must be authorised by the employee's leader;
- c) Spending by the Chief Executive Officer must be authorised by the Mayor;
- d) Spending by a councillor must be authorised by the Mayor, Chief Executive Officer, or the relevant General Manager;
- e) Documentation must be supplied when claiming reimbursement for expenses incurred (e.g. tax invoices, receipts etc.);
- f) Where there is some doubt about the validity of claiming spending, the principles of this policy will be applied to make the determination.

3.3.5 The following criteria applies in determining if expenditure meets the test of reasonable and cost effective:

Councillor and Employee Learning and Development:

- a) Learning and development expenditure is in accordance with the following policy and/or corporate standards:
 - Councillor Expenses Reimbursement and Provision of Facilities Policy
 - Travel and Accommodation Corporate Standard
 - Learning and Development Corporate Standard.
- b) For catering for learning and development held internally or hosted by Council, expenditure aligns with the per head allowance for the relevant meal as set out in the Travel and Accommodation Corporate Standard (the value of incidentals is to apply for morning or afternoon tea).

Other Expenditure:

- c) For celebratory events for staff recognition, incentives, service, achievement, or other related events:
 - Council's procurement requirements are met;
 - The logistics and any associated risk mitigation measures required to address safety risks, are met;
 - The most appropriate venue is selected to provide the required setting and services;
 - Expenditure is within budget allocations.
- d) Section 3.3.5(c) will be applied for all other entertainment and hospitality expenditure.

3.3.6 The Mayor or Chief Executive Officer may exercise discretion and approve the giving of a gift/s applying the public defensibility criteria below (3.3.7). Where a gift is of a cash-nature (such as a gift card) approval must be in writing.

3.3.7 Entertainment and hospitality expenditure meets the public defensibly test when:

- a) It aligns with one or more of the principles in section 3.1.1;
- b) The expenditure benefits Council and/or the community;
- c) The expenditure is reasonable and cost-effective;
- d) The expected outcome is met.

4 RELATED LEGISLATION

- *Local Government Act 2009*
- *Local Government Regulation 2012*
- *Fringe Benefits Tax Assessment Act 1986*

5 RELATED DOCUMENTS

- Councillor Expenses Reimbursement and Provision of Facilities Policy
- Procurement Policy and Corporate Standard
- Travel and Accommodation Corporate Standard
- Learning and Development Corporate Standard

6 CONSIDERATION OF HUMAN RIGHTS

Gladstone Regional Council has considered the human rights protected under the *Human Rights Act 2019 (Qld)* when adopting and/or amendment this policy. When applying this policy, Council will act and make decisions in a way that is compatible with human rights and give proper consideration to any human rights relevant to the decision.

7 ATTACHMENTS

Nil.

8 EVALUATION OF POLICY

This policy will be successful when Council expenditure on Entertainment and Hospitality conforms with the requirements of Section 196 of the *Local Government Regulation 2012* and the expenditure is reasonable, cost effective and provides benefits to Council and/or the community.

This will be measured by:

- Entertainment and hospitality spending meeting legislative requirements and is within the allocated budgets.
- Entertainment and hospitality expenditure can be justified through the public defensibility test.

9 DEFINITIONS

To assist in interpretation of this policy the following definitions apply:

Term	Definition
Entertainment and Hospitality Spending	Resources and/or money spent on meals, drinks, refreshments, lodging, travel, admission charges, gifts and other associated miscellaneous expenses.

10 REVIEW

This policy is to be reviewed upon the earlier of:

1. Five years from the date of adoption of the most recent version;
2. Any relevant statutory review periods;
3. The related legislation or governing documents are amended or repealed; or
4. A request from the Chief Executive Officer or Council.

11 DOCUMENT CONTROL

Version	Reason/Change	Date	Council Resolution
1	Adoption		
2			
3			