



Blackall-Tambo

Regional Council

Entertainment and Hospitality Expenditure Policy

| | |
|---|----------------------------|
| Policy Number: Stat 9 | Effective Date: 20.07.2022 |
| Version Number: 7 | Review Date: 30.06.2025 |
| Policy Compiled by: DFCCS | Review Date: |
| Policy Approved by: Chief Executive Officer | |

1. PURPOSE

Section 196 of the *Local Government Regulation 2012* (the regulation) requires Council to prepare and adopt a policy about the local government's spending on entertainment or hospitality.

The purpose of this policy is to provide clarity and direction to Councillors and staff regarding reasonable and appropriate expenditure on entertainment and hospitality, and to ensure legislative and community standards are met.

This policy applies to all entertainment and hospitality arrangements undertaken by Councillors and Council officers.

Expenditure should be for an identified benefit to the community, and Council should ensure that compliance with legal, financial, audit and ethical requirements are achieved.

2. SCOPE

This policy shall apply to all elected members, Council employees and relevant contractors.

This policy provides guidance to Council to comply with the *Local Government Regulations 2012* relating to the provision of entertainment and/or hospitality services during the conducting of official Council business. In complying with these legal requirements, consideration is given to Blackall-Tambo Regional Council's Corporate Plan and annual Operational Plan, to link the provision of these services to Council's Budget process and to desired outcomes from these Plans.



3. DEFINITIONS

**Entertainment/
Hospitality Service**

As defined by Section 196, sub section 1 of the *Local Government Regulation 2012*, an entertainment or hospitality service is

- a) A service provided by the local government for entertaining members of the public for promoting an initiative or project of the local government
- b) The provision of food or beverages by the local government
 - 1) to a person visiting in an official capacity
 - 2) for a conference, meeting, or seminar, course, workshop, or other forum held by the local government for its councillors, employees, or other persons.
- c) Attendance by a councillor or employee of the local government at a function as part of their official duties/obligations as a councillor or employee and for which the local government is charged for attending the function

Entertainment/Hospitality Expenditure

Any expenditure on an entertainment or hospitality service.

Civic Receptions

Events that provide community recognition or a welcome by Council and are approved by a Council resolution.

Associated Person

A person who is fulfilling a role on Councils behalf (a consultant or contractor or employee of either) because Council does not have a suitably qualified or experienced person on staff to fulfil that role, and who is expected to represent Council in respect to that role.

4. GENERAL PRINCIPLES

Section 196 of the *Local Government Regulations 2012* provides examples of spending on entertainment and hospitality. Examples include:

- a) Entertaining members of the public to promote a Council project or initiative.

| | | | |
|-----------------------|----------------------|--|-------------|
| Policy Number: Stat 9 | Version number: 7 | Adopted by Blackall-Tambo Regional Council | Page 2 of 6 |
|-----------------------|----------------------|--|-------------|



- b) The provision of food or beverages by Council:
 - to a person visiting Council in an official capacity;
 - for a conference, course, meeting, seminar, workshop, or other forum held by Council for Councillors, Council officers or other persons;
- c) Paying for a Councillor or Council officer to attend a function as part of the Councillor's, or officer's official duties or obligations.

Entertainment and hospitality expenditure will be considered appropriate if it meets the following criteria:

- it is considered reasonable and cost effective;
- it can be supported by a specific approved budget allocation;
- it can withstand both internal and public audit scrutiny;
- it is for official purposes;
- it complies with legal, financial, audit and ethical requirements;
- Be properly documented, with the purpose for the expenditure clearly identified; and
- Be in accordance with the adopted Purchasing Policy, Credit Card Policy, and Delegations Register of Council where appropriate.

Where a Council Credit Card is used to pay for entertainment or hospitality expenditure, such expenditure must firstly

- Comply with the requirements of this Policy
- Such expenditure has been authorised within a specified limit and complies with the Council Credit Card Policy

Entertainment and hospitality expenditure must be pre-authorised. Council officers must not authorise their own entertainment and hospitality expenditure. Expenditure by the Chief Executive Officer (CEO) must be authorised by the mayor. Expenditure by a Director or a Manager must be authorised by the CEO or nominee. Expenditure by an officer must be authorised by the CEO, relevant Director, or Manager, respectively.

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

Expenditure deemed by the CEO to be inappropriate or unreasonable must be repaid to Council within 21 days (3 weeks) of being notified.

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

5. ENTERTAINMENT AND HOSPITALITY EXPENDITURE

Entertainment and hospitality expenditure includes entertaining visitors (where the Council has an interest in, or a specific obligation towards, facilitating the visit) such as intrastate, interstate, and overseas delegates, representatives of business, industry, recognised community

| | | | |
|-----------------------|----------------------|--|-------------|
| Policy Number: Stat 9 | Version number: 7 | Adopted by Blackall-Tambo Regional Council | Page 3 of 6 |
|-----------------------|----------------------|--|-------------|



organisations, and other levels of Government. Such entertainment and hospitality should not be a substitute for meetings as part of normal Council business. Attendees must ensure that there is no conflict of interest or breach of the Employees' Code of Conduct by their attendance or participation.

Council will meet the cost of food and drinks provided to Council officers but only in the following circumstances:

- Where a training course, meeting or other function is arranged, and Councillors, employees or visitors will be present during a normal meal period, the Council may, if it facilitates the purpose of the event, arrange for refreshments to be made available. Such refreshments are to be reasonable in relation to the purpose and nature of the event and the expected attendees.
- Alcohol may only be provided at a function if it has been approved prior to the function by the Mayor or the Chief Executive Officer. Alcohol must not be provided during meetings or training courses provided by the Council.
- If a Councillor or employee attends a training course, meeting or other function not provided by Council at Council cost, the Council may pay for meals (including alcoholic drinks) if they are included in an overall cost for the event or are provided at meals which are an integral part of the event

Other types of expenses considered reasonable as official expenditure include:

1. Tea / coffee or similar for official visitors;
2. Breakfast / lunch / dinner for official visitors;
3. Light refreshments for internal meetings, conferences, workshops, seminars, and other business purposes approved by relevant Director / CEO;
4. Charges for attendance at official functions;
5. Reward and recognition presentations, such as recognition of Council officers for years of service or employee farewells;
6. Visits by overseas delegates;
7. Annual Christmas celebrations;
8. Anzac Day
9. Condolence wreaths, floral presentations, or gifts for the death of or severe injury or illness to a Councillor or Council employee or their immediate family. This is in recognition of service and a mark of respect to his/her family. The Mayor or Chief Executive Officer may apply discretion when considering giving condolence wreath, floral presentations, or gifts to other members of the community.
10. Visitors which, occur for cultural or economic development reasons and have the potential to increase investment in the Region.



11. Other specific celebrations authorised by the CEO (including social club events);
12. Civic Functions and receptions - such as citizenship ceremonies that provide community recognition or a welcome by the Council. The decision as to reasonable and appropriate costs will take into consideration the numbers of attendees, the timing of the function, the venue, and the location within the Region.
13. Other hospitality expenses of expenditure considered reasonable as official hospitality includes the provision of tea, coffee, sugar, milk, morning or afternoon tea for official visitors and appropriate staff.

Alcohol Provision and Consumption

Alcohol may only be provided at an official Council function if it has been approved prior to the function by the Mayor, CEO, or their nominee. Alcohol must not be provided during meetings or training courses provided by the Council, unless approved by the CEO or nominee.

Unreasonable and Inappropriate Expenditure

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

- Tips or gratuities;
- Alcoholic drinks;
- Dinners/functions at the private residence of a Councillor or Council Employee;
- Stocking of bar fridges (unless otherwise approved by the Mayor or CEO);
- Mini bar expenses; and
- Morning or afternoon tea outside of Council premises (attended only by Council Officers) unless approved by the CEO.

6 ROLES AND RESPONSIBILITIES

The following responsibilities apply to all Councillors and Council officers:

- Be aware of and comply with this Policy;
- Ensure the expenditure is appropriate and would pass the public accountability 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 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; and
- Ensure all expenditure for entertainment and hospitality is correctly recognised in the financial system to ensure reporting obligations are fulfilled.

| | | | |
|-----------------------|----------------------|--|-------------|
| Policy Number: Stat 9 | Version number: 7 | Adopted by Blackall-Tambo Regional Council | Page 5 of 6 |
|-----------------------|----------------------|--|-------------|



7 APPROVAL PROCESS

AUTHORISATIONS

Prior to any expenditure on entertainment or hospitality, the following approval must be obtained;

- A person cannot authorise their own expenditure.
- Expenditure by the Mayor must be authorised by the CEO.
- Expenditure by a Councillor must be authorised by the Mayor or CEO.
- Expenditure by the CEO must be authorised by the mayor.
- The CEO must approve expenditure by a Senior Manager
- Expenditure by an employee must be approved by their Senior Manager

DOCUMENTATION

Relevant documentation should be provided which

- outlines the official purpose of the function
- links the function to the conduct of Council business
- indicates the responsibilities of the attending Councillor(s) and/or employee(s)
- indicates any external organisations or individuals who may be in attendance
- certifies that any expenditure incurred is/was incurred in the performance of official duties
- requests for reimbursement must be on Councils approved Reimbursement Form and have supporting documentation such as Tax Invoices, receipts for amounts paid.

COMMENCEMENT OF POLICY

This Policy will commence from 20 July 2022 and shall replace all previous Entertainment and Hospitality Policies of the Blackall-Tambo Regional Council.

RECORDS

When completed and approved the original, signed hard copy of the policy is filed in the Master File.

Electronic copies are saved in the appropriately labelled folder in InfoXpert.

NEXT REVIEW

This Policy is to be reviewed on the 30 June 2025 or as required.

| | | | |
|-----------------------|----------------------|--|-------------|
| Policy Number: Stat 9 | Version number: 7 | Adopted by Blackall-Tambo Regional Council | Page 6 of 6 |
|-----------------------|----------------------|--|-------------|