

# ENTERTAINMENT AND HOSPITALITY POLICY

## (STATUTORY POLICY)

### 1. Scope

The Entertainment and Hospitality Policy (this 'Policy') applies to all Livingstone Shire Council Councillors and employees.

### 2. Purpose

The purpose of this Policy is to:

- Identify in what circumstances expenditure on entertainment and hospitality is appropriate;
- Ensure consistency with accepting and claiming hospitality and entertainment benefits; and
- Meet the requirements of the *Local Government Regulation 2012*.

### 3. References (legislation/related documents)

#### Legislative reference

*Fringe Benefits Tax Assessment Act 1986*

*Local Government Act 2009*

*Local Government Regulation 2012*

#### Related documents

Code of Conduct (Employees)

Corporate Purchase Card Guideline

Councillor Contact with Lobbyists, Developers and Submitters Policy

Councillor Facilities and Expenses Policy

### 4. Definitions

To assist in interpretation, the following definitions shall apply:

Authorised Officer	Chief Executive Officer of the Council or any officer delegated by Chief Executive Officer as being authorised.
CEO	Chief Executive Officer - A person who holds an appointment under Section 194 of the <i>Local Government Act 2009</i> . This includes a person acting in this position.
Council	Livingstone Shire Council.
Councillor/s	The Mayor and Councillors of Livingstone Shire Council, within the meaning of the <i>Local Government Act 2009</i> .
Employees	Local government employee - (a) the chief executive officer; or (b) a person holding an appointment under section 196 of the <i>Local Government Act 2009</i> .

Entertainment and hospitality	Entertainment and hospitality refers to reasonable and appropriate expenditure incurred by the Council in the course of conducting official business to support community engagement, strengthen stakeholder relationships, or promote economic, social, or cultural development. These expenses must be reasonable, in the public interest, and able to withstand public scrutiny. All expenditure must be justifiable, properly documented, approved in line with council policies, and within the adopted budget.
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## 5. Policy Statement

This Policy is in accordance with section 196 of the *Local Government Regulation 2012* which provides as follows:

- (1) *A local government must prepare and adopt a policy about the local government's spending on entertainment or hospitality (an **entertainment and hospitality policy**).*
- (2) *A local government may spend money on entertainment or hospitality only in a way that is consistent with its entertainment and hospitality policy.*

### 5.1 Guiding Principles

All entertainment and hospitality expenditure must be incurred in the public interest. This means that the officer authorising the expenditure must demonstrate that the expenditure will benefit the public generally or facilitate Council business and be:

- a) Open and transparent, available for scrutiny by both internal and external audit processes;
- b) Able to withstand the public defensibility test, meaning that the expenditure should be justifiable if scrutinized in a public forum, including the media or general public;
- c) Properly documented, with the purpose of the expenditure clearly identified; and
- d) In accordance with the adopted budget.

### 5.2 Reasonable and Appropriate Entertainment and Hospitality Expenditure

The following are examples of expenditure which is considered reasonable and appropriate:

#### Civic Functions

A service or function provided by Council for hosting and entertaining of:

- a) Invited members of the public for promoting an initiative or project of Council; and
- b) State or Federal government officials, dignitaries, or elected politicians from all levels of government visiting the local government area in an official capacity.

Included are citizenship ceremonies, community engagement activities, community celebrations and other significant community events.

#### Employer Reward and Recognition Presentations

Recognition of Council employees to reward outstanding achievement in the provision of services to the community. This may include official reward and recognition events, length of service presentations, and post council de-briefings. Such expenditure is to be approved by the Chief Executive Officer.

#### Visits by overseas delegates

These visits occur for cultural or economic development reasons and have the potential to increase investment in the Region.

## **Anzac Day Wreaths**

Recognition of the service of war veterans to the community.

## **Condolence wreaths or floral presentations**

For the death of or severe injury 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. These are to be approved by the Chief Executive Officer.

### **5.2.1 Alcohol**

Entertainment and hospitality which is allowed under the policy principles where alcohol may be provided include:

- a) Hosting interstate and overseas dignitaries; or
- b) Hosting representatives of business, industry, professional associations (relevant to local government) and recognised community organisations or groups; or
- c) Hosting representatives of other levels of government; or
- d) Hosting functions to recognise particular events/achievements within the organisation or community.

All functions/events where alcohol is served shall be authorised in writing by the Chief Executive Officer. Alcohol service must be moderate and appropriate to the occasion.

### **5.2.2 No Alcohol**

Entertainment and hospitality which is deemed to be allowed under the policy principles where no alcohol is provided include:

- a) Provisions of tea, coffee, morning or afternoon tea for staff or visitors to Council premises; and
- b) Provision of light refreshment/lunches for internal events such as Council meetings, conferences, seminars, workshops, or official staff functions condoned by the Chief Executive Officer.

## **5.3 Unreasonable and Inappropriate Entertainment and Hospitality Expenses**

Examples of expenditure which is generally considered not reasonable and appropriate and should be treated as private expenditure include:

- Tips and gratuities - tipping is not customary in Australia, however, when travelling overseas and tipping is the custom, these will be considered official expenditure;
- Reimbursement of meals for partners unless prior approval from the Chief Executive Officer has been obtained;
- Dinners/functions at the private residence of a Councillor/Council officer;
- Coffees, morning/afternoon teas, lunches, and refreshments not in line with Section 5.2;
- Coffees, morning/afternoon tea, lunches, and refreshments outside Council premises, where only Councillors and/or employees, local businesses or developers are attending;
- Floral presentations (except as specified in section 5.5); and
- Mini-bar expenses.

## **5.4 Use of Credit Cards for Entertainment and Hospitality**

If a credit card is provided to an employee or Councillor, that card may only be used to pay for entertainment or hospitality where:

- a) The expenditure has been approved and is in accordance with this policy; or
- b) Prior authorisation has been obtained in accordance with this Policy; or
- c) Such expenditure on a particular occasion has been authorised by the relevant Authorised Officer and expenditure complies with this policy.
- d) Such expenditure shall not be used to host/entertain or provide hospitality internally for Councillors or employees unless prior approval has been provided by the Chief Executive Officer.

All entertainment and hospitality expenses charged to Council issued credit cards must be fully acquitted, including itemised receipts and justification for the expenditure. All credit card expenses incurred by Councillors and Executive Leaders for the entertainment and hospitality will be published in Annual Report.

## 5.5 Fringe Benefits Tax

Fringe Benefits Tax (FBT) may be payable on certain types of expenditure. The officers requesting and approving entertainment and hospitality expenditure should be aware of any FBT implications of the expenditure. Officers are to ensure that all expenditure details are completed accurately to ensure appropriate compliance with FBT legislation is achieved.

## 6. Changes to this Policy

This Policy is to remain in force until otherwise amended/replaced by resolution of the Council.

## 7. Repeals/Amendments

This Policy repeals the Livingstone Shire Policy titled 'Entertainment and Hospitality Policy' (v1.1).

Version	Date	Action
1	03/01/2014	Adopted
	16/01/2018	Policy reviewed and no amendments required
1.1	27/08/2018	Administrative Amendments – reflect organisational restructure and update Chief Executive Officer
2.0	18/03/2025	Amended Policy Adopted – sections 5.1 and 5.2 updated, section 5.3 inserted

**TERRY DODDS PSM**  
**CHIEF EXECUTIVE OFFICER**