



MAPOON ABORIGINAL SHIRE COUNCIL

Entertainment & Hospitality Policy

This is an official copy of the **Entertainment & Hospitality Policy** of **Mapoon Aboriginal Shire Council**, made in accordance with the provisions of the Local Government Act and Regulations, Public Records Act, Mapoon Aboriginal Shire Council's Local Laws, Subordinate Local Laws and current Council Policies.

The Entertainment & Hospitality Policy is a Statutory Policy.

Statutory policies are prepared in response to legislative requirements and mandate employee behaviour. This Policy is approved by the Mapoon Aboriginal Shire Council for the guidance of Council and Council staff.

DOCUMENT VERSION CONTROL			
VERSION	DATE	RESOLUTION N°.	DETAILS
1.0			Responsible Officer: Executive Manager Financial Services Policy Type: Statutory Policy
2.0			Responsible Officer: Executive Manager Financial Services Policy Type: Statutory Policy
3.0	21 July 2020	C150/20	Transferred to new format Responsible Officer: Executive Manager Financial Services Policy Type: Statutory Policy
4.0	14 June 2021	C097/2021	Responsible Officer: Executive Manager Financial Services Policy Type: Statutory Policy
5.0	14 February 2022	C029/2022	Responsible Officer: Executive Finance Manager Policy Type: Statutory Policy
6.0	13/7/2023	C110/23	Responsible Officer: Executive Finance Manager Policy Type: Statutory Policy
7.0	05/07/2024	C083/2024	Responsible Officer: Executive Finance Manager Policy Type: Statutory Policy
			Recommended Review Date: June 2025



MAPOON ABORIGINAL SHIRE COUNCIL

Entertainment & Hospitality Policy

Entertainment & Hospitality Policy

1. Introduction/Policy Statement

This policy is Council's Entertainment and Hospitality Policy for the purposes of section 196 of the *Local Government Regulation 2012*.

The purpose of this policy is to assist Councillors and Council Officers in the discharge of their responsibilities, by providing clarity about the reasonable and appropriate use of public funds on entertainment or hospitality.

2. Policy Scope

This policy applies to all Councillors and Council Officers in relation to all entertainment and hospitality that is undertaken as part of their role with Council. It applies to all events and activities where hospitality and/or entertainment may be provided.

The intention of this policy is to identify the principles that must be adhered to and provide clarification of what is considered Reasonable Expenditure and appropriate practices regarding expenditure for the provision of entertainment and hospitality. The rules relating to disclosures must be read for third party gifts and benefits.

3. Definitions

Reasonable Expenditure

In assessing whether expenditure on hospitality or entertainment is reasonable, the person claiming the expenditure must be able to identify the benefit for Council and the public generally and be comfortable disclosing the expense having regard to the Public Defensibility Test.

Public Defensibility Test

Is a test that is applied to determine whether expenditure for hospitality or entertainment would be considered reasonable if an ordinary member of the public was aware. Examples of questions that should be asked before incurring the expenditure are:

- would you be comfortable with disclosing the expenditure type and amount to the public;
- the quantum of the expenditure;
- the frequency of expenditure;
- is it considered a traditional custom; and
- is there an accepted community practice or standard?

4. Policy Statement

Council recognises that there are circumstances where the provision of entertainment and hospitality is appropriate and can result in significant benefits for the Mapoon Aboriginal Shire Council (MASC). As a publicly funded body, however, it must ensure that public sector standards of accountability are maintained and associated practices are understood and consistently applied across the organisation.



MAPOON ABORIGINAL SHIRE COUNCIL

Entertainment & Hospitality Policy

The following principles must be followed:

- Expenditure must be for official purposes and Council officers must identify the benefit for Council and demonstrate the benefit to the public interest.
- The expenditure must be properly documented, substantiated and available for scrutiny by internal and external audit.
- Expenditure must be appropriate and reasonable, and where there is doubt on this issue, advice must be sought prior to the expenditure being incurred.
- Expenditure must be pre-authorised by the Executive Leadership Team (ELT): Executive Manager Financial Services, Chief Executive Officer (CEO). In the case of expenditure by the CEO in accordance with this policy, the approval will come from another member of the ELT.
- The officer who incurs an expense in accordance with this policy must not authorise that expenditure.
- Expenditure for hospitality or entertainment must be within budget.
- Where there is any potential for a perceived conflict of interest or future obligation for Councillors or Council Officers, full disclosure must be included when requesting authorisation to incur expenditure.

5. Reasonable and Appropriate Use of Funds

The following are examples of entertainment or hospitality that are considered an appropriate use of funds:

Civic events: including 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 Mapoon Aboriginal Shire Council Region.

Employee award and recognition presentations: These presentations are held to recognise Council Officers and reward outstanding achievement in the provision of services to the public. This may include official reward and recognition events, length of service presentations and officer farewells where the officer has been with Council greater than 3 years. An officer farewell must be held on Council premises and expenditure is capped at \$50.00 per branch. Refer to the Recognition & Award Strategy Operational Guidelines for expenditure limits. Such expenditure is to be approved by the CEO or the relevant Executive Director.

Special achievements and innovation: To reward innovative performance by providing hospitality or entertainment of a small gift to celebrate special achievements or occasions, the CEO may authorise expenses up to a maximum value of \$100.00.

Visits by National and International delegates: These visits normally occur for cultural or economic development reasons and have the potential to increase investment in the Mapoon Aboriginal Shire Council region.



MAPOON ABORIGINAL SHIRE COUNCIL

Entertainment & Hospitality Policy

Annual Christmas celebration: To recognise Council Officers and show appreciation for their dedication and commitment to the provision of Council services to the public, a contribution will be provided for the annual Christmas function. Where a Branch Manager chooses to incorporate the regular branch meeting with an opportunity to celebrate Christmas, the time to attend the meeting will be considered normal working hours up to the hours expected for a normal meeting. However, the cost of food and beverages is not to be met by Council.

Meetings within ordinary hours: Entertainment and hospitality for meetings held within ordinary working hours should be kept to a minimum. Where Council or Council officers are required to work through a meal break or outside normal hours due to the impracticality of holding the meeting at any other time, the relevant meal allowance is to be used as a guide. Such entertainment and hospitality should not be substituted for business meetings that would ordinarily be conducted in the workplace. Examples may include Ordinary or Committee meetings of Council and management team meetings. Where there are regular meetings that are similar in nature each time, there will be no need to justify the reasonableness and appropriateness of expenditure for each meeting. It will be sufficient if the first meeting passes the Public Defensibility Test.

Associate persons expenditure: Only in exceptional circumstances, specifically approved by Council, Mayor, CEO or the relevant Executive Director and where the attendance of an Associate is of demonstrated benefit to the Council, are the entertainment and hospitality costs for such a person to be met by Council. In these instances, the Associate will be considered an official representative of the Council and will be expected to comply with Council's Code of Conduct.

Other Hospitality Expenses: Other types of expenditure considered reasonable as official hospitality includes the provision of tea, coffee, sugar, milk, and morning or afternoon tea for official visitors and appropriate staff engaged in the entertainment or hospitality activity.

Non-Official Expenditure

Where there is doubt about the validity of claiming particular expenditure, the CEO or relevant Executive Director should make a determination in relation to the guiding principles of this policy having regard to what is considered Reasonable Expenditure and the Public Defensibility Test.

The following are given as examples of **non-official** or **private expenditure** and will generally not be considered compliant with this policy:

- Tips or gratuities – tipping is not customary in Australia, however when travelling overseas and tipping is the custom, these will be considered official expenditure;
- Dinners/functions at the private residence of a Council officer;
- Drinks only costs – including hot and cold beverages;
- Morning/afternoon tea outside Council premises, where only Council officers are attending;
- Stocking of bar fridges (except in the instance of the CEO and Executive Directors for small-scale entertainment);
- Mini Bar expenses; and



MAPOON ABORIGINAL SHIRE COUNCIL

Entertainment & Hospitality Policy

- Staff working on Council premises where food and beverages are on sale (e.g. the Store) are not entitled to charge food and beverages to Council in the normal course of their duties.

Personal expenses must not be paid by Council. In the event that Council has met costs that are considered nonofficial/ private, the Council officer incurring the costs must make restitution to the Council within ten (10) working days from the date the costs have been paid.

6. Methods of Payment for Expenditure

All expenditure for entertainment and hospitality must be recognised in Council's financial system at the correct natural account – refer to the Finance Department for advice.

The preferred payment method is to raise a purchase order to ensure that the correct approval processes are followed and that expenditure is authorised by a suitably delegated Officer.

Where it can be demonstrated that the use of a Corporate Purchasing Card (CPC) or Petty Cash is more efficient, it will be an acceptable method of payment.

The purchase of alcohol by CPC or Petty Cash is not permitted except with the prior written approval of the CEO or relevant Executive Director. This written approval must be attached to the CPC Transaction log or Petty Cash Voucher.

When catering is purchased from Council premises where food and beverages are on sale (e.g. the Civic Centre), an internal invoice will be issued to the internal customer and billed through the internal charging process of Council. The authorisation process to incur such expenditure will be the same as if Council was transacting with an external organisation.

7. Transparency and Accountability

The following responsibilities apply to all 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 consider 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 in accordance with the Fringe Benefits Tax Guidelines. 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.
- Ensure all expenditure for entertainment and hospitality is correctly recognised in the financial system as outlined above. This will assist Council in meeting the Annual Report disclosure requirements of the *Local Government Regulation 2012*.

8. Inclusions and exclusions:

For the purposes of this policy, the following inclusions and exclusions apply:



MAPOON ABORIGINAL SHIRE COUNCIL

Entertainment & Hospitality Policy

- The policy applies to all employees and Councillors.

9. Relevant Legislation

Local Government Regulation 2012

196 Entertainment and hospitality

- (1) A local government must prepare and adopt a policy about local government's spending on entertainment or hospitality (an ***entertainment and hospitality policy***).

Examples of entertainment or hospitality—

- entertaining members of the public in order to promote a local government project
 - providing food or beverages to a person who is visiting the local government in an official capacity
 - providing food or beverages for a conference, course, meeting, seminar, workshop or another forum that is held by the local government for its councillors, local government employees or other persons
 - 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
- (2) A local government may spend money on entertainment or hospitality only in a way that is consistent with its entertainment and hospitality policy.

10. Variations

MASC reserves the right to vary, replace or terminate this policy from time to time.



MAPOON ABORIGINAL SHIRE COUNCIL

Entertainment & Hospitality Policy

11. Related Policies and Procedures

- MASC Code of Conduct
- MASC Procurement Policy
- Fringe Benefits Tax Guidelines
- MASC Credit Card Usage Policy
- MASC Fraud and Corruption Policy

12. Workplace Participant Acknowledgement

I acknowledge:

- (a) Receiving this MASC Policy;
- (b) That I must comply with this policy; and
- (c) That there may be disciplinary consequences if I fail to comply, including termination of employment.

Your name:

Signed:

Date:
