



ENTERTAINMENT AND HOSPITALITY POLICY

Document No:
A4661885

1. Objectives:

The purpose of this Policy is to identify principles and reasonable practices regarding entertainment and hospitality undertaken by Ipswich City Council and provided to a third party or a Council representative.

2. Regulatory Authority:

Local Government Act 2009

Public Sector Ethics Act 1994

3. Policy Statement:

3.1 Reasonable Entertainment Expenses

- Entertainment (or expenditure for official hospitality) should only be incurred where it is considered necessary or desirable to facilitate the conduct of public business through persons who are able to do so, either by advice or because of their vocations or business needs.
- In certain cases, it may be periodically appropriate to provide hospitality to individuals of particular importance to Ipswich City Council. Examples would include:
 - interstate and overseas visitors where Council has an interest in, or a specific obligation towards, facilitating the visit
 - representatives of business or industry, trade unions and recognised community organisations, the press and other media, and
 - representatives of other levels of government or other local governments.
- Modest entertainment expenses reasonably and necessarily associated with the duties above are expected to be incurred.

3.2 Modest Entertainment Expenses

- A modest act of entertainment or hospitality (at a point in time) means any such activity of hospitality with a value not greater than \$160 including GST per person.
- Where entertainment expenditure of more than \$160 including GST on a per person basis attending a particular function, may be considered excessive.
- The value of \$160 specified in this section is to be adjusted at the commencement of each financial year in line with movements in the consumer price index (all groups - Brisbane).

3.3 Attendance of Ipswich City Council Councillors or Employees at Functions

- The total number of Councillors and employees attending a function as a representative of Council should comprise a minor or balanced attendance of employees. Expenditure should not usually be incurred for attendance of employees' or Councillors' spouses, except with the permission of either the Mayor, Deputy Mayor, relevant Chief Operating Officer or the Chief Executive Officer. In deciding which employees should attend any function, regard should be had to the relationship between the employee and function attendees.
- For the purposes of this policy, Spouse may include a partner or guest of the

attendee.

- While, as a general principle, Councillors or employees should not expect to entertain other Ipswich City Council employees or Councillors at the public's expense, there may be circumstances where it may be reasonable for such costs to be met; such occurrences are exceptional.

3.4 Authorisation of Entertainment

- Entertainment incurred by employees is to be authorised by the relevant Chief Operating Officer or the Chief Executive Officer.
- A schedule of entertainment and hospitality activities may be authorised if considered appropriate.
- In the event that expenditure on essential entertainment will exceed the "modest" threshold defined above, only the Chief Executive Officer has the authority to authorise such entertainment.
- In the case of the Mayor, the Deputy Mayor and the Chief Executive Officer, it is reasonable to maintain a stocked drink cabinet in their office or designated meeting rooms in the Administration Building for small scale entertainment.

3.5 Credit Card Payments

- Pursuant to FCS-37 Purchase Card Procedure, the Chief Operating Officer with the Procurement Manager, may restrict the ability of holders of Council credit cards to pay for expenditure in the nature of entertainment or hospitality.

3.6 Fringe Benefits Tax Requirements

- Fringe Benefits Tax (FBT) may be payable on some of the official hospitality expenditure that is attributable to Councillors and employees of the Council. All Councillors and employees should be aware of FBT rules and of their application for official hospitality functions.
- The use of the entertainment register maintained by the Principal Taxation Accountant in the Finance Branch is considered mandatory to record details and costs associated with official entertainment for all hospitality subject to FBT. Refer to the Entertainment Expenditure Reporting Procedure.

3.7 Other Hospitality Expenses incurred by Councillors, Employees and Official Visitors (No FBT Reporting required)

- In addition to the above categories, other types of expenditure considered reasonable as official hospitality may include:
 - provision of tea, coffee, morning or afternoon tea, and
 - provision of light refreshments (excluding alcoholic drinks)/working meals for internal meetings, conferences, seminars and workshops.
- Working meals should not include alcoholic drinks and be of a light nature at the work/meeting location, unless associated with a seminar or other function at a particular venue.
- Costs for light refreshments or working meals provided by the Civic Centre during working meetings or hearings chaired by a Councillor shall be met by the appropriate Department.

- 4. Scope:** The core matters addressed by this policy include modest entertainment expenses, attendance of Council employees at functions, authorisation of entertainment, credit card payments and FBT requirements. Refer to the related documents for procedures relating to entertainment hospitality expenses.

The Code of Conduct covers the reporting requirements for Gifts and Benefits received by Council representatives from third parties.

5. Roles and responsibilities: This policy applies to all Council employees. The Chief Operating Officers in each department, together with the Finance and Information Technology Branch of the Finance and Corporate Services Department, are responsible for ensuring compliance with this policy.

6. Related documents:

Purchase Card Procedure

Entertainment Expenditure Reporting Procedure

Cash Handling Procedure

7. Definitions: N/A

8. Policy Author: Finance Manager

Date of Review: 14 March 2018

Date of Council Resolution: 3 December 2013

Committee Reference and Date: Policy and Administration Board No. 2013(14) of 19 November 2013 - City Management and Finance Committee No. 2013(12) of 26 November 2013

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