

<b>Entertainment and Hospitality Policy</b>	
Type	Financial
GDS Category	Financial Management – Public
Responsible Directorate	Corporate
Policy Adopted	August 2023
Review Period	Three Years
Last Reviewed	August 2021
Next Review Date	August 2026
Policy Version Number	2
Applicable Legislation	<ul style="list-style-type: none"> <li>• Independent Commissioner Against Corruption (ICAC) Act 2012</li> <li>• Local Government Act 1999</li> <li>• Financial Sustainability Papers</li> </ul>
Related Documents	<ul style="list-style-type: none"> <li>• Procurement &amp; Contract Management Policy</li> <li>• Financial Internal Control Policy</li> <li>• Corporate Credit Card Policy</li> <li>• Corporate Credit Card Procedure</li> </ul>
Public Consultation Required	No



## 1. Introduction

This policy outlines the circumstances where hospitality related expenses may be incurred by Council.

## 2. Policy Objective

Council recognises there are occasions when it is appropriate and legitimate to provide hospitality related expenses at the Council's/ratepayer's expense.

This Policy clarifies the circumstances when Council believes that it is appropriate, reasonable, and justifiable to use Council funds for hospitality related expenses.

## 3. Scope

This policy encompasses Executive Management, employees and other persons who have authority to commit Council to expenditure. The Policy relates to all circumstances in which staff provide hospitality and/or entertainment for meetings, events or travel.

## 4. Definitions

*Civic Event* – an event involving the Mayor and/or Elected Members which is coordinated and funded by Council such as Citizenship ceremony, Mayoral events.

*Community Event* – a structured community event which is authorised as part of an approved project or program, for example tourism.

*Corporate Event* – an event organised for employees which is authorised by the Administration of Council.

*Hospitality* – the activity of providing food, drinks (alcoholic and non-alcoholic) or entertainment.

## 5. Policy Statement

### Principles

Hospitality, gifts, travel, transport, accommodation and associated expenditure must be within the approved Council budget, be approved within Council's endorsed delegations and in accordance with Council's Procurement & Contract Management Policy. Where credit cards are used as the preferred payment method, expenditure must also be in accordance with Council's Credit Card Policy and Credit Card Procedure.

Prior to expending Council funds on entertainment / hospitality type activities, employees must turn their mind towards the following:

- The benefit (real or perceived) gained by the public from the expenditure.
- The public's expectations of councils / government agencies.
- The business purpose of the expenditure is clearly necessary.
- The appropriateness of the amount of the expenditure.
- Whether the expenditure was reasonably necessary for the carrying out of the council's functions.

Staff are to ensure the cost and level of hospitality and/or entertainment is reasonable, is not excessive, not merely for social purposes and can stand up to public scrutiny.

#### Types of Hospitality

The following are the types of hospitality events which Council generally undertakes as part of its business activities:

1. Employee training sessions.
2. Council/Committee meetings and workshops.
3. Meetings with clients / service providers / external stakeholders with a clear business purpose attended by the CEO, Directors or Council Members
4. Advocacy and or strategic relationship building with a clear business purpose attended by the CEO, Directors or Council Members
5. Corporate events.
6. Civic events.
7. Community events.

Examples of entertainment expenditure which will not be funded from Council sources include, but are not limited to:

- Staff only meetings: regular team or 1:1 meetings, including those held in coffee shops, will not be funded by Council.
- Functions for staff over and above existing and approved organisation wide or department wide arrangements.
- Staff club memberships for social and recreational purposes will not be funded such as sporting, social or business clubs.
- Lunches, morning and afternoon teas, tea and coffee (excluding those provided in the council's staff room) for Council staff for social purposes. There are exceptions for one-off events provided by the CEO to all staff as part of a special occasion (e.g. Christmas, celebration of a significant achievement).
- Meals and/or beverages for staff and/or other stakeholders at a public establishment except;
  - where it is covered by hospitality types 3 or 4 listed above, to a maximum value per person as per Table 1 of the ATO determination on reasonable meal allowances for domestic travel in Adelaide.
- Barista made coffee will not be funded by Council except;
  - where it constitutes refreshments as part of an organisational wide event; or
  - where it is covered by hospitality types 3 or 4 listed above.
- Alcohol will not be funded by Council.

Expenditure must not provide a personal benefit to staff members or their family or friends with the exception of an organised event as outlined above.

#### Gifts (including flowers)

Expenditure of up to \$75 per head is acceptable on gifts for external ceremonies, gifts of commiseration or formal gifts to dignitaries.

All gifts should be appropriate for the occasion and purchased within existing budget allocations and approved by the relevant line manager.

Gifts will not include alcohol.

#### Travel and accommodation

Travel expenses are expenses incurred during authorised work-related travel.

They include accommodation, transport, meals, and expenses incidental to travel.

Travel expenses must be reasonable and an efficient use of public funds.

Reimbursement for meal expenses incurred while undertaking approved travel are covered by the Enterprise Bargaining Agreement. This is done via reimbursement up to a defined maximum per meal, with valid tax receipts required. For travel of 3 days or greater, the amount may be advanced to the employee on request (14 days' notice to Finance required), with receipts and unexpended funds to be returned to Council as soon as practical after the travel has concluded.

If travel by taxi is required during approved travel, Cabcharge vouchers will be supplied. (14 days'-notice to Finance required).

Meal reimbursements and Cabcharge vouchers will only be issued with supervisor approval.

Travel expenses must not include:

- any expenses for unauthorised travel, especially flights and accommodation.
- traffic or parking infringements.
- alcohol, in-room movies, minibar and other similar expenses of a private nature.
- expenses for any other person who is not a Council employee or Council Member.
- membership subscriptions for airline clubs or loyalty programs.

Travel should be as economical and efficient as is possible e.g. economy class, where time and availability allow, unless the cost differential is paid by the individual over and above the economy rate.

#### Authorisation by the CEO

The CEO will maintain ultimate discretion to determine where and when it is appropriate to provide an exemption from this Policy.

### **5. Availability of Policy**

This policy will be available for inspection at Councils' Principal Office during ordinary business hours and on Councils' web-site [www.whyalla.sa.gov.au](http://www.whyalla.sa.gov.au).

Copies will also be provided to interested members of the community upon request, and upon payment of a fee in accordance with Councils' Schedule of Fees and Charges.

### **7. Authority**

Version 2 – Adopted August 2023

Version 1 – Adopted August 2021