1. **Policy Statement**

Council will ensure that the required standards of accountability and probity, in relation to entertainment and hospitality activity and its related expenditure, are established and maintained.

2. **Scope**

This Policy applies to all Hinchinbrook Shire Council Councillors, employees and other persons/organisations representing Hinchinbrook Shire Council.

3. **Responsibility**

3.1 The Mayor, Executive Team, Managers and Supervisors are responsible for ensuring that this Statutory Policy is understood and adhered to by all Hinchinbrook Shire Council Councillors, employees and other persons/organisations representing Hinchinbrook Shire Council.

3.2 All Hinchinbrook Shire Council Councillors, employees and other persons/organisations representing Hinchinbrook Shire Council have a responsibility for complying with this Policy and for seeking guidance from a more senior officer on any related matter.

4. **Definitions**

**Entertainment and Hospitality**

This includes a wide range of benefits, including but not restricted to:

- Entertaining members of the public in order to promote a local project
- Providing food or beverages to a Council visitor
- Providing food or beverages for a conference, course, meeting, seminar, workshop or another forum that is held by Council for its councillors, staff or other persons
- Paying for a councillor or staff member to attend a function as part of their official duties or obligations

For the purposes of this document, attendance at an evening function that forms part of a conference or similar official event does not constitute Entertainment and Hospitality.

5. **Policy**

5.1 **Entertainment and Hospitality Expenditure**

All Entertainment and Hospitality Expenditure must:

- Be for official purposes
- Be properly documented with the purpose clearly identified
- Be approved by an officer who is senior to the officer who arranged for the expenditure to be incurred
- Be available for review by internal audit, external audit and the Finance Department and/or any officer or external body identified by the CEO for this purpose
- Appear appropriate and reasonable and withstand the public defensibility test
- Comply with budgetary requirements
- Be properly coded to the ‘General – Entertainment and Hospitality’ natural account (63428)

Supervisors and managers must have regard to these points when approving entertainment and hospitality related claims.
5.2 Accepting Hospitality

Offers of hospitality gifts or invitations should only be accepted after due consideration of conflict of interest implications. Three different types of conflicts of interest can potentially exist in these situations:

- Actual conflict of interest
- Potential conflict of interest
- Perceived conflict of interest

Any offer or invitation of entertainment or hospitality (or a gift) should be avoided if the offer or invitation is, or could be perceived as being, or has the potential for being, an incentive or inducement for any decision making.

An entertainment or hospitality benefit may be accepted where it complies with all of the following principles:

- Refusal would offend or cause awkwardness
- It conforms with standard business custom or other cultural practices of the provider/offeeror
- It does not influence the Councillor/officer’s impartiality (i.e. it has no conflict of interest consequences)
- It is received in the normal course of duty or prior approval has been received

Offers or invitations of hospitality (or gifts) should only be accepted after due consideration of conflict of interest implications. It is generally advisable for ‘one up’ approval to be sought prior to accepting any (non trivial) hospitality.

Hospitality, in many circumstances, is an important part of establishing and deepening corporate and professional relationships.

5.3 Other

a) Alcohol may only be provided at an official function if it has been approved beforehand by the Mayor or CEO, as appropriate.

b) The following types of expenditure also require approval from the CEO:

- Cost of providing meals at a private residence
- Club membership fees
- Tips (within Australia)
- Staff-only events where the cost per head exceeds $20

c) The key principles of the Procurement Policy must be considered when incurring Entertainment and Hospitality expenditure.

d) To recognise and appreciate Council employees for their dedication and commitment to the provision of Council services to the public, Council will host an annual Christmas function, including alcoholic beverages in accordance with conditions of the Drug and Alcohol Management Policy and Procedure.
6. Legal Parameters
Local Government Act 2009
Local Government Regulations 2012 (S196)
Fringe Benefits Tax Assessment Act 1986

7. Associated Documents
Procurement Policy and Procedures
Purchasing Card Policy and Procedures
Drug and Alcohol Management Policy and Procedure

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