

1 Purpose

This policy outlines the principles governing expenditure on entertainment and hospitality which will ensure that public monies are utilised prudently and appropriately in accordance with section 196 of the *Local Government Regulation 2012*.

2 Scope and applications

This policy relates to expenditure by Council for entertainment and hospitality, providing guidelines for both Councillors and Council Officers (officer).

All entertainment and hospitality expenditure, if incurred, must be incurred in the public interest. This means that the Mayor or Officer authorising the expenditure must confirm that the expenditure will benefit the public generally or facilitate Council business.

The amount spent on entertainment and hospitality must be reasonable, having regard to the benefit to the Council or the public. The expenditure must also be provided for in a budget and must be authorised in accordance with Council's procurement procedures, including credit card usage and to the additional requirements of this policy.

This policy should be read in conjunction with Council's 2.31 Procurement Policy and 4.11 Corporate Credit Card Policy.

2.1 Exclusions

This policy does not cover:

1. expenditure associated with training and professional development activities for a:
 - a. Councillor which is addressed under the 2.53 Expenses Reimbursement and Provision of Facilities – Councillors Policy;
 - b. Council Officer which is covered under 4.16 Travel and Related Expenses Policy.
2. the giving of gifts which is managed under 2.18 Giving Gifts, Prizes and Awards Policy.

3 Principles

Council is committed to the local government principles in the *Local Government Act 2009* which includes having good governance, transparent and effective processes and decision making in the public interest, and ethical and legal behaviour of Councillors and local government employees.

In addition to upholding the principles outlined above, Council is committed to upholding the obligations within the *Human Rights Act 2019* by considering the provisions of the Act when making decisions relevant to this policy.

4 Content

4.1 Reasonable expenditure

Council recognises that provision of appropriate entertainment and hospitality can result in significant benefits to Council and is normal business practice for organisations of a similar size and nature. Council is also committed to the efficient, economic and responsible use of public resources and believes that reasonable expenditure on entertainment and hospitality is in the public interest and underpinned by the following principles.

The expenditure is:

1. for official purposes;
2. authorised and documented in accordance with all policies and procedures;
3. subject to audit scrutiny;
4. reasonable in the circumstances;
5. provided for in the budget;
6. compliant with financial and legal requirements; and
7. free from any conflicts of interest of persons involved.

Examples of reasonable expenditure are provided below:

4.1.1 Members of the Public

The provision of entertainment and hospitality to members of the public is considered reasonable where it:

- supports events that provide community recognition;
- helps promote; raise the profile of; encourage participation in; or launch a Council initiative, project or major policy undertaking.

Examples include:

- Consultative meetings - Engaging with the community on Council initiatives, projects or major policy undertakings.
- Civic functions - Such as citizenship ceremonies, over 80's Christmas celebrations and similar events that provide community recognition or a welcome by Council. The decision as to reasonable costs will take into consideration the number of attendees, the timing of the function, the venue, and the location within the Council's boundaries.

Notwithstanding the limits recorded in the Financial Delegations, expenditure must be reasonable and authorisation will be necessary prior to the event.

4.1.1.1 Floral Tributes

Council recognises that there are annual community planned events where floral presentations are budgeted for and it is reasonable that the community expects Council to present floral tributes. These events include:

- a commemoration of a significant event such as Anzac Day and Remembrance Day. For these events the relevant approval is the Principal Community Development.
- Carnival of Flowers (Councillor corsage/buttonhole) and Council float. For these events the relevant approval is the Coordinator Events.

4.1.2 Official Visitors

The provision of entertainment and hospitality to visitors, dignitaries or other government officials (e.g. sister city representatives) which occur for cultural reasons or have the potential to increase investment in the Council's area are considered reasonable.

Notwithstanding the limits recorded in the Financial Delegations, expenditure must be reasonable and authorised prior to the event.

4.1.3 Council Officers

Council may meet the cost of food and non-alcoholic drinks provided to Officers when attending Council organised meetings, seminars, workshops or other forums as part of their duties. The following are examples of circumstances where it is considered reasonable for Council to provide entertainment and hospitality:

- Light meal - May be provided for Officers who are required to work during a meal time and an alternative meal break is not available at the Council event. This includes Committee and Working Group meetings and other meetings where cost of attendance is met by Council.

- Alcoholic Drinks - Where the Officer attends a Council function at which alcoholic drinks are provided for non-employees. At Council social functions approved and authorised by the Chief Executive Officer or relevant General Manager (e.g. annual Christmas party, officer recognition functions).

Notwithstanding the limits recorded in the Financial Delegations, expenditure must be reasonable and authorised prior to the event.

4.1.4 Councillors

Council will meet the cost of food and non-alcoholic drinks provided to Councillors as part of the Councillor's official duties or obligations as a Councillor, generally on the same basis as described for Council Officers (see section 4.1.3), except that:

1. hospitality expenses may also include;
 - a. reasonable alcohol; and
 - b. appropriate gifts to non-Council guests consistent with the 2.18 Giving Gifts, Prizes and Awards Policy.;
2. no set financial limits apply, although the cost must be limited to reasonable expenditure.

4.1.5 Associated person(s)

If the attendance of an associated person is of demonstrated benefit to Council, authorisation may be provided for Council to cover the expenditure relating to entertainment and/or hospitality of that associated person. An associated person will be considered an official representative of Council and will be expected to comply with Council's Code of Conduct for Employees.

If approval is not received to cover the cost of the associated person, they may opt to personally organise and pay for their attendance.

4.2 Unreasonable Expenditure

Expenditure not deemed to be reasonable will be treated as private expenditure. Typically, the examples following are considered to be private/unreasonable/inappropriate for Council expenditure:

- Tips or gratuities - Tipping is not customary in Australia however when travelling overseas and tipping is the custom, this will be considered reasonable expenditure.
- Stocking of bar fridges - Except in the instance of the Mayor, Chief Executive Officer and General Managers for small scale entertainment.
- Floral presentations /gifts - With the exception of those defined in section 4.1.1.1, or in Council's 2.18 Giving of Gifts, Prizes and Awards Policy or those considered appropriate and presented by the Mayor, Chief Executive Officer or a General Manager.
- Dinners/functions - At the private residence of a Councillor or Officer unless specifically authorised and there is a clear public benefit identified.
- Morning tea, afternoon tea or lunch outside of Council premises - It is unreasonable if there are only Councillors or Officers in attendance.

Expenditure incurred by Council that is not considered reasonable expenditure (private expenses) may become the personal liability of the person who incurred the expense. Council has the right to request reimbursement for incorrect claims and the expense must be repaid to Council within 14 days of being incurred.

4.3 Authorisation

All entertainment and hospitality expenditure must be authorised prior to the event/incurred the expense. The expenditure must be authorised as follows:

Incurring the expense	Authorising the expenses
Mayor	Deputy Mayor
Councillor	Mayor
Chief Executive Officer	Mayor
General Manager	Chief Executive Officer
Council Officer	General Manager

The expenditure cannot be authorised by the person receiving the funds.

Authorisation is not required for basic items such as the provision of tea, coffee, sugar, milk, and morning or afternoon tea for official visitors and appropriate staff (e.g. Chief Executive Officer and General Managers).

4.4 Use of Credit Cards for entertainment or hospitality

If a credit card is provided to an Officer or Councillor, that card may only be used to pay for entertainment or hospitality expenditure where the expenditure is consistent with this policy and Council’s Corporate Credit Card Policy.

4.5 Fringe Benefits Tax

The provision of entertainment and hospitality to Officers may be subject to Fringe Benefits Tax (FBT). Consideration of the FBT payable on entertainment and hospitality expenditure should be taken into account when determining if the expenditure is prudent and reasonable. The Officer arranging the expenditure is required to:

- contact the Finance Services Branch/Financial Corporate Accounting to determine the FBT treatment of such expenditure.
- record details of the total number of employees who attended and the total number of attendees in the transaction.

4.6 Records

Appropriate documentation must be kept on the authorisation of the expenditure and in accordance with Council’s 5.07 Procurement Procedure (e.g. invoices, receipts etc).

4.7 Reporting

All entertainment and hospitality expenditure, not related to training or professional development, is to be charged to a relevant work order number, with the natural account:

Natural Account	Description
770205	Hospitality
770206	Community Engagement
770301	Council Visitors

770302	Meeting Supplies
--------	------------------

5 Responsibilities/accountabilities

Councillors and **Council Officers** must ensure that their conduct and expenditure is reasonable and consistent with Council's policies and procedures and the relevant Code of Conduct.

Mayor, Deputy Mayor, Chief Executive Officer and **General Managers** must ensure that authorisation of reasonable expenditure is provisioned for in the budget and is in accordance with Council's policies and procedures.

6 Relevant laws

Local Government Act 2009

Local Government Regulation 2012 (section 196)

Fringe Benefits Tax Assessment Act 1986

7 Related policies/documents

Members of the public can access Council policies on Council's website. If a policy listed below does not appear on the website please contact 131 872 or email info@tr.qld.gov.au to request a copy. Staff may access policies via the Policy Register and Review Schedule.

Council policies

2.18 Giving Gifts, Prizes and Awards Policy

2.31 Procurement Policy

2.53 Expenses Reimbursement (Councillors) Policy

4.05 Recognising Length of Service Policy

4.11 Corporate Credit Card Policy

4.16 Travel and Related Expenses Policy

4.19 Conflict of Interests Policy

5.03 Credit Card Use Procedure

5.07 Procurement Procedure

Other documents

Code of Conduct for Employees

Code of Conduct for Councillors

WHS 4.16 – Drug and Alcohol Management

FBT Fact Sheet – Entertainment (DM9271507)

Corporate Plan 2024 - 2029

8 Related forms

Nil

9 Definitions

Term	Definition
Approving Officer	Includes the: <ul style="list-style-type: none"> • Mayor • Deputy Mayor • Chief Executive Officer; • the relevant General Manager.
Associated person	Is a spouse or partner of a Councillor or Officer invited to an entertainment or hospitality event.
Chief Executive Officer	The Chief Executive Officer for Council or acting Chief Executive Officer for Council.
Code of Conduct	The latest adopted/approved version of the: <ul style="list-style-type: none"> • Code of Conduct for Councillors in Queensland provided by the Queensland Government; and • Council's Code of Conduct for Employees.
Council	Toowoomba Regional Council
Council business	The work that is required to be undertaken to deliver outcomes for the region.
Council Officer (officer)	A person employed by Council and includes a contractor or person prescribed under a regulation.
Councillor(s)	The elected Councillor(s) for Council including the Mayor and Deputy Mayor.
Deputy Mayor	The appointed Deputy Mayor for Council.
Entertainment and Hospitality	As per examples provided under section 196 of the <i>Local Government Regulation 2012</i> , it includes: <ol style="list-style-type: none"> 1. entertaining members of the public in order to promote a local government project; 2. providing food or beverages: <ol style="list-style-type: none"> a. to a person who is visiting the local government in an official capacity; b. 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. 3. Paying for a councillor or local government employee to attend a function as part of the councillor's or employee's official duties or

Term	Definition
	obligations as a councillor or local government employee.
General Manager	<p>General Managers include the:</p> <ul style="list-style-type: none"> • General Manager Environment and Community Services; • General Manager Corporate Services; • General Manager Infrastructure Services; • General Manager Planning and Development; and • General Manager Water and Waste Services. <p>For the purpose of this policy, General Managers may include an officer acting in the position of a General Manager.</p>
Mayor	The elected Mayor for Council.
Official Purposes	Meetings/events/activities which benefit the public generally or facilitate Council business.
Reasonable	Is exercising care, skill, and diligence that a sensible person would apply in a similar situation. For the purpose of this policy, the criterion for appropriate expenses is as per section 4.1 of this policy.

10 Policy details

Policy category:	Council Policy	Policy version number¹:	6.00
Date adopted/approved:	20 May 2025	Effective date:	20 May 2025
Approval authority:	Council		
Policy Owner:	Governance and Legal Services Branch – Office of the CEO		
Contact officer:	Manager Governance and Legal Services		
Review date:	May 2028		

¹ Printed copies are uncontrolled. It is the user's responsibility to ensure that any copies of policy documents are the current issue. Any delegations should be verified via the relevant Delegation Register as it takes precedence if there is a conflict. The Chief Executive Officer will, if necessary, be the sole arbiter in resolving any issues of conflict

11 Revision history

Policy version	Approval date	DM Reference
1.00	16 February 2010	3496439v2
2.00	02 December 2014	5967357v2
3.00	01 June 2017	6331896v2
4.00	30 January 2019	8462811v2
5.00	02 September 2020	9245804v2
6.00	20 May 2025	10897970v2