LOCKHART RIVER ABORIGINAL SHIRE COUNCIL

ENTERTAINMENT AND HOSPITALITY EXPENDITURE

ADOPTION SCHEDULE: July 2026

NEXT REVIEW: July 2027

DIVISION: Corporate

RESPONSIBLE OFFICER: Chief Executive Officer

Director Corporate Services

1. Policy objective:

The purpose of this policy is to ensure compliance with section 196 of Local Government Regulation 2012 and that council's expenditure in relation to entertainment or hospitality is reasonable and appropriate.

2. Scope

This policy applies to all councillors and council officers who provide official hospitality while on council business.

Entertainment and hospitality activities include council business related activities, civic related activities, and specific function events and activities.

3. Definitions:

Term	Definition
Council business	means work required to be performed as part of normal duties.
Entertainment expenses	means the expense/cost to council of providing an entertainment or hospitality service.
Entertainment or hospitality service	means the following: (a) entertaining members of the public in order to promote a local government initiative or project; (b) providing food or beverages by council – i. to a person visiting council in an official capacity; or ii. for a conference, meeting, training course, seminar, workshop or another forum that is held by council for its councillors, officers or other persons (c) paying for a councillor or officer to attend a function as part of the councillor or officer's official duties or obligations as a councillor or officer.
Officers	includes employees, contractors, volunteers and all others who perform work on behalf of council.

All other definitions are in accordance with the Local Government Act 2009 and Local Government Regulation 2012.

4. Relevant legislation:

- Local Government Act 2009
- Local Government Regulation 2012
- Fringe Benefits Tax Assessment Act 1986

5. Policy statement:

All expenditure on entertainment and hospitality is to be clearly linked to official purposes or limited social occasions and serve the public interest.

Expenditure is subject to allocations in the Council's annual budget.

Examples of where hosting is considered appropriate and in the public interest includes:

- Official visitors to Council;
- Prospective senior staff;
- Workshops and seminars involving Councillors and staff;
- Social occasions such as:
  - Councillor/staff retirement/resignation functions;
  - Annual Christmas break-up functions;
  - Recognition of staff performance.

Hospitality may include meals, refreshments, cultural performances and the presentation of local arts and crafts.

A light meal and refreshments shall be provided to all councillors and senior staff in attendance at an ordinary meeting of Council that extends longer than four hours.

Where meetings are conducted on the mainland, alcohol should only be available for the purpose of hospitality in modest amounts. No alcohol is to be made available for any meetings conducted within the Shire.

6. Procedures:

These are detailed under the procedures manual.

Entertainment and hospitality expenses may only be charged to a corporate purchase card if prior authorisation has been obtained and such spending has been authorised within a specified limit. Council must keep sufficient records to enable the correct calculation of its Fringe Benefit Tax liability.

Approvals for spending are as follows:

a. Council officers may not authorise their own spending;
b. Spending by a council officer must be authorised by the Department Director and CEO;
c. Spending by the Chief Executive Officer must be authorised by the Mayor or Director Corporate Services;
d. Spending by a councillor must be authorised by the mayor, Chief Executive Officer, or the appropriate executive officer/general manager
e. Appropriate documentation must be supplied when claiming reimbursement for expenses incurred (e.g. tax invoices, receipts etc.); and
f. Where there is some doubt about the validity of claiming particular spending, the principles of this policy should be used to make the determination.

7. Budgetary implications:

An allowance is to be provided in the budget based on the estimated number of functions and the numbers expected to attend.

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