



AFP National Guideline on hospitality and entertainment

1. Disclosure and compliance

This document is classified **UNCLASSIFIED** and is intended for internal AFP use.

Disclosing any content must comply with Commonwealth law and the [AFP National Guideline on the disclosure of information](#).

Compliance

This instrument is part of the AFP's professional standards framework. The [AFP Commissioner's Order on Professional Standards \(CO2\)](#) outlines the expectations for appointees to adhere to the requirements of the framework. Inappropriate departures from the provisions of this instrument may constitute a breach of AFP professional standards and be dealt with under Part V of the [Australian Federal Police Act 1979](#) (Cth).

2. Acronyms

AFP	Australian Federal Police
FBT	Fringe Benefits Tax

3. Definitions

AFP official – means, for the purposes of this guideline, an appointee as defined in the *Australian Federal Police Act 1979* (Cth).

Hospitality – means any form of non reciprocal hospitality, entertainment or related benefit provided by an AFP official to another organisation(s) or individual(s), or which is offered by another organisation or individual to an AFP official. There is usually no immediate, tangible or measureable benefit in return.

Proper use – means the efficient, effective, ethical and economical use of funds or other resources that is not inconsistent with Commonwealth policies.

Representation – means additional areas of offshore hospitality, entertainment or related benefits available to members of the AFP International Network, conducted outside of Australia, for the purpose of facilitating contacts with:

- law enforcement agencies of the host country
- law enforcement representatives of other countries

- government and civic officials
- other influential people and organisations.

4. Guideline authority

This guideline was issued by the Chief Financial Officer using power under s. 37(1) of the [Australian Federal Police Act 1979](#) (Cth) as delegated by the Commissioner under s. 69C of the Act.

5. Introduction

This guideline provides advice regarding offering and receiving hospitality and entertainment excluding representation. Official hospitality relates to the use of public money to facilitate the conduct of business within Commonwealth agencies or authorities, or with external organisations or individuals who share mutual vocational, business or national interests. The community has an expectation that all AFP Officials will maintain the highest professional standards in order to retain public trust, integrity and accountability. Against this background, it is essential at all times to:

- preserve and protect the reputation of the AFP;
- avoid any reasonable appearance of impropriety; and
- ensure that any activities undertaken are free from any perception of misuse of public money.

Only the Commissioner may approve variations to these guidelines for a specific event or events.

6. Providing hospitality

Providing hospitality or entertainment involves the expenditure of public money and must therefore be restricted to a level which is reasonable and appropriate to the occasion. Approval must be obtained prior to expenditure using the '[Request for Approval to Provide Official Hospitality/Acquittal of Expenditure on Official Hospitality](#)' form (AFP forms). Overarching or blanket Regulation 8/9 approvals must not be used for expenditure on hospitality or entertainment.

Proposed expenditure on official hospitality or entertainment must:

- have the potential to enhance the effectiveness of the AFP
- not conflict with the Commissioner's accountability obligations under s. 44(1) of the *Financial Management and Accountability Act 1997* (Cth)
- be publicly defensible
- not create an inappropriate impression.

If prior approval cannot be obtained, officials must obtain formal approval from the relevant delegate within their business area as soon as possible (SES Band 1 and above have this delegation).

Guidance as to what constitutes official hospitality

The following situations provide a guide of what may be considered official hospitality:

- entertaining overseas visitors (seek guidance from international-visits@afp.gov.au)
- functions involving member of diplomatic or consular corps
- members of the media, when beneficial to the Commonwealth and/or AFP (seek guidance from Manager Media, Marketing and Communications)
- ministers and their staff as part of official AFP functions
- AFP officials, officials from other agencies and business associates attending working breakfasts/lunches/dinners or other official functions
- acknowledging and recognising outstanding performance by AFP officials in special circumstances
- other official occasions where hospitality is approved by the Commissioner.

Certain AFP officials and/or their spouses may also host official functions in public venues or at private residences as an alternative to dining out with official guests. This is limited to the:

- Commissioner
- Deputy Commissioners
- Chief Operating Officer
- Chief Police Officer of the ACT
- National Managers.

Partners of AFP officials may be included when appropriate to the circumstances of an official function.

Identifying an occasion as official hospitality when it falls outside the descriptions above is a contravention of this guideline.

Officials must not use public money to fund the following types of expenditure or events:

- functions to farewell officials on their retirement, posting, transfer, absence on extended leave etc
- staff Christmas functions
- any form of donation to a charity.

Alcohol

Alcohol may be included in providing official hospitality only when served with meals. Expenditure on alcohol must be moderate and appropriate to the circumstances.

Tips

Public money must not be used to provide tips unless it is the required and accepted custom of the country in which the entertainment or hospitality is being provided.

Light working lunches

Light lunches consisting of sandwiches, fruit etc. involving representatives from other agencies and/or non government bodies, are not regarded as official hospitality. Alcohol should never be made available on these occasions.

The costs of refreshments such as morning/afternoon teas, light lunches etc. associated with meetings, training courses, workshops, seminars and conferences are not considered official

hospitality and must be included in the overall cost of the meeting, training course etc. These costs should not be coded to the Official Hospitality General Ledger codes.

7. Funding and methods of payment

Official hospitality must be funded from the relevant business area's normal operating budget. Business areas and approver delegates must consider the impact of fringe benefits tax in their budget planning (see s. 11 below).

Hospitality and entertainment costs may be paid using:

- the AFP corporate credit card
- a purchase order
- a claim for payment
- claimed back on petty cash, if paid using personal funds, subject to having a correct pre-purchase approval in place.

Credit cards

Officials must ensure that corporate credit cards are used in accordance with the [AFP National Guideline on using corporate credit cards](#). The card may be used as a method of payment for hospitality and entertainment; however, approval must still be obtained from a Financial Management and Accountability Regulation 8/9 hospitality and entertainment delegate, using the appropriate AFP form before any expenditure is incurred.

8. Overseas hospitality and entertainment (excluding representation expenditure)

AFP officials must complete a Request for Approval to Provide Official Hospitality/Acquittal of Expenditure on Official Hospitality form (AFP Forms) prior to departure, including the limit of expenditure required and the number of AFP officials who will be participating in the hospitality.

Once pre-approval has been obtained, officials should use their AFP corporate credit card to pay for overseas hospitality related expenditure.

9. Accepting hospitality

AFP officials may accept hospitality or entertainment when:

- no conflict of interest could reasonably be inferred
- better business/cultural relationships are fostered
- refusal of the hospitality could cause offence to a degree that jeopardises the AFP's vocational, business or program interests.

Any form of hospitality which may undermine, or be seen to undermine the impartiality or independence of an AFP official must not be accepted under any circumstances. Officials should refer to the [AFP Practical Guide on dealing with conflicts of interest](#) for further information.

Acceptable forms of hospitality

A test of 'reasonableness' should be applied by officials receiving any form of hospitality or entertainment. To test for reasonableness, officials must consider:

- how accepting a benefit would appear to an uninvolved, reasonable and prudent person
- the particular circumstances
- the timing of offers (e.g. when obtaining bids, evaluating offers negotiating contracts or involved in any form of contractual arrangement).

If an offer could be seen as an attempt to directly influence an outcome, it must be refused.

If an AFP official is uncertain about whether they should accept any form of hospitality due to a possible conflict of interest they must advise their supervisor in writing of the circumstances. The latter must advise them in writing of the action to be taken, taking into account the specific situation and the principles outlined in this guideline.

10. Fringe benefits tax records

Official hospitality generates a fringe benefits tax (FBT) expense when the AFP provides food, drink and/or recreation for the benefit of:

- AFP employees
- other Australian government employees
- business associates.

Officials must complete the 'Request for Approval to Provide Official Hospitality/Acquittal of Expenditure on Official Hospitality' form (AFP forms) in order to satisfy the Australian Tax Office requirements for FBT purposes.

When completed and authorised, the form must be forwarded to financegovernance@afp.gov.au and a copy scanned or attached to the 'Shopping Cart' or claim for payment.

Exceptions

Lunches held in the workplace, and of a simple nature such as sandwiches and light refreshments, are not subject to FBT.

11. Further advice

Queries about the content of this guideline should be referred to:

- General: Finance Governance team - governancefinance@afp.gov.au
- FBT-related: National Tax team - tax@afp.gov.au

12. References

Legislation

- [Australian Federal Police Act 1979](#)
- [Financial Management and Accountability Act 1997](#)
- [Financial Management and Accountability Regulations 1997](#)

AFP governance

- [AFP National Guideline on offering and receipt of gifts and benefits](#)
- [AFP National Guideline on using corporate credit cards](#)
- [AFP Practical Guide on dealing with conflicts of interest](#)