



# Corporate Entertainment & Hospitality Policy

<b>Title:</b>	Corporate Entertainment & Hospitality Policy
<b>Approved by:</b>	QCN Fibre Board
<b>Responsible lead:</b>	Chief Executive
<b>Audience:</b>	All QCN Fibre Staff
<b>Brief description:</b>	Sets out the standards around QCN Fibre's expenditure on corporate entertainment and hospitality.
<b>Periodicity of review:</b>	Every two years
<b>Approved:</b>	August 2019

## Version History

Version	Date	Section(s)	Summary of Amendment

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# 1 Introduction

## 1.1 Purpose

There will be business circumstances where it will be appropriate for QCN Fibre to offer corporate entertainment and hospitality from time to time to corporate customers, QCN Fibre Staff and key stakeholders. However, it is prudent that, as a subsidiary of a Government Owned Corporation (GOC), there are effective accountability standards around QCN Fibre’s expenditure on corporate entertainment and hospitality.

The *Government Owned Corporations Corporate Entertainment and Hospitality Guidelines* (Version 1.0 September 2008) (**Guidelines**) apply to QCN Fibre and provide guidance on the expectations of shareholding Ministers with respect to the provision of corporate entertainment and hospitality.

Based on the Guidelines, this Corporate Entertainment and Hospitality Policy (**Policy**) provides guidance as to what is considered reasonable expenditure and clarifies accountability for expenditure, recognising that, as with all business expenditures, management will need to exercise its judgment in relation to the expenditure contributing to QCN Fibre’s overall business goals.

## 1.2 Scope

This Policy applies to all QCN Fibre Staff who incur corporate entertainment and hospitality expenditure on behalf of QCN Fibre in carrying out their required duties.

# 2 Roles and Responsibilities

Who	What
Chief Executive	<ul style="list-style-type: none"> <li>Ownership of this document for the purposes of document management</li> <li>Communication of the Policy</li> <li>Report quarterly to Powerlink as parent GOC on actual corporate entertainment and hospitality expenditure and details of individual events over \$5000 and their benefits</li> </ul>

# 3 Policy Requirements

## 3.1 General Principles

QCN Fibre will fund reasonable expenditure associated with corporate entertainment and hospitality where the purpose of the expenditure is to contribute to QCN Fibre’s overall business goals.

The quantum of such expenditure is to be relevant and appropriate to the circumstances and prudent in balancing the expected business benefits with community standards of reasonableness.

Expenditure for entertainment and hospitality should only be undertaken where it is expected to contribute to QCN Fibre’s overall business goals, including strengthening business relationships and links, and supporting or enhancing QCN Fibre’s corporate image and business reputation.

The quantum of expenditure proposed or undertaken must be relevant to the circumstances.

## 3.2 Applications

Corporate entertainment and hospitality occurs when meals and/or entertainment is provided that is more than light meals/refreshments associated with a QCN Fibre business related activity.

For the purposes of this Policy, corporate entertainment and hospitality expenditure will cover the following:

- Corporate tables at industry or other functions where customers and stakeholders are invited.

- Entertainment and hospitality expenditure where the prime purpose is to facilitate engagement with customers and stakeholders and interest groups.
- Entertainment and hospitality expenditure for business visitors, including interstate and overseas visitors.
- Entertainment and hospitality expenditure for QCN Fibre Staff (including spouses and accompanying persons).
- Corporate entertainment and hospitality expenditure does not include:
- Expenditure on meals/refreshments which are incidental to business related meetings, conferences, seminars, or workshops, including incidental expenditure for non-QCN Fibre business colleagues.
- Expenditure on an individual's meals, etc. which the individual incurs whilst travelling on QCN Fibre business.

## 3.3 Guidance

### 3.3.1 Customers, Stakeholders and Interest Groups

Representatives of key customers and stakeholders may be entertained at the expense of QCN Fibre where there is a perceived QCN Fibre business benefit, or in reciprocation of hospitality where that is perceived as being important to the business relationship. For such events, it is expected that the invited guests would comprise a significant majority of the total attendees.

Entertainment and hospitality expenditure can also be incurred for interstate and overseas visitors to QCN Fibre as part of business relationship building.

### 3.3.2 QCN Fibre Staff

Entertainment and hospitality expenditure on QCN Fibre Staff is acceptable, provided that the purpose of the expenditure is to contribute to QCN Fibre's overall business goals and appropriate to the circumstances.

### 3.3.3 Spouse and Accompanying Persons

Entertainment and hospitality provided to a QCN Fibre Staff's spouse, partner or accompanying persons attending a QCN Fibre business activity/function should be restricted to situations where their presence enhances the activity, or is relevant to the protocol of the activity.

In such circumstances, prior approval by the Chief Executive is required if a QCN Fibre Staff's spouse, partner or accompanying person will be attending.

## 3.4 Alcohol

Pursuant to the QCN Fibre Code of Conduct, QCN Fibre Staff are required to maintain a blood alcohol level of 0% while at work, including lunch breaks, business meetings and where otherwise representing the company.

Subject to the above, the provision of alcohol to non-QCN Fibre Staff for business entertainment and hospitality purposes is acceptable, but should be kept within prudent and reasonable limits, taking into consideration the nature of the function and internal QCN Fibre requirements.

## 3.5 Approval Delegations

When planning and approving entertainment and hospitality, managers should have due regard to the cost per head for those attending, the quantum of the expenditure and the potential business benefits.

The delegations table below shows expenditure cut-off amounts which apply for approvals purposes. All corporate entertainment up to \$1,000 will be subject to approval in advance by the Chief Executive. All other corporate entertainment exceeding this limit must be approved by the Board.

The delegation approval limits that apply for corporate entertainment and hospitality covered by this Policy are shown below.

Entertainment & Corporate Hospitality Function Types	Expenditure Amount <sup>1, 2</sup>		Delegation
	Aggregate	Per Person	
All Functions	More than \$1,000		The Board
Functions for customers, stakeholders and interest groups	More than \$1,000	Over \$150	The Board
	Up to \$1,000	\$150 or less	Chief Executive
Functions for QCN Fibre Staff (No spouse or accompanying persons attending)	More than \$1,000	Over \$150	The Board
	Up to \$1,000	\$150 or less	Chief Executive
Functions for QCN Fibre Staff (Spouse or accompanying persons attending)	More than \$1,000	Over \$150	The Board
	Up to \$1,000	\$150 or less	Chief Executive

1. Aggregate and per person expenditure are all up costs including venue hire, catering and entertainment, but excluding internal labour costs
2. Fringe Benefits Tax may apply, if: the function is to be held outside QCN Fibre premises; if alcohol is provided for guests; or if relatives/partners are to attend

### 3.6 Supporting Documentation

In approving corporate entertainment and hospitality in accordance with this Policy, the Chief Executive must ensure sufficient supporting documentation is provided as part of the application process, including:

- Documentation of the business purpose and potential benefits.
- Details of invitees and attendees (internal, external and accompanying persons). However, whilst attendee's details for "open invitation" events are not required, a profile of the expected attendees should be provided.
- Budgeted and actual expenditure for the event, including any judgements/justifications of the appropriateness of the expenditure.
- Relevant approvals.
- Tax invoices.
- Any other information that may be considered relevant for audit or verification purposes.

### 3.7 Reporting

The Guidelines require a GOC to:

- Document in the Statement of Corporate Intent (SCI):
  - Annual corporate entertainment and hospitality expenditure budget.
  - Details of individual commitments over \$5,000.
  - Budget expenditure on events under \$5,000 categorised into Community Engagement, Staff Functions and Business Development.
- Include in Quarterly reports to shareholding Ministers:
  - Actual corporate entertainment and hospitality expenditure.
  - Details of individual events over \$5,000 and the benefits.
  - Significant changes in corporate entertainment and hospitality commitments as presented in the SCI.
- Include in the Annual Report:
  - Actual corporate entertainment and hospitality expenditure.
  - Details of individual events over \$5,000 and the benefits.

As a GOC subsidiary, the Chief Executive of QCN Fibre must ensure sufficient information is provided to Powerlink as QCN Fibre's parent GOC in order for Powerlink to meet the above reporting obligations. This includes quarterly reporting on the actual corporate entertainment and hospitality expenditure of QCN Fibre and details of individual events over \$5,000 and their benefits.

## 4 Compliance

Any breach of the obligations contained in this policy may result in disciplinary action being taken up to and including termination of employment or other engagement by QCN Fibre.

## 5 Definitions

Phrase	Definition
QCN Fibre Staff	The Directors of QCN Fibre and any QCN Fibre employee whether permanent, temporary, full-time, part-time or casual, or any volunteer, student, contractor, consultant, labour hire worker, or anyone who works in any other capacity for QCN Fibre.