



# Powerlink - Corporate Entertainment & Hospitality - Policy

<b>Policy stream</b>	Governance	
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<b>Approved by</b>	Powerlink Board	

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## Version history

Version	Date	Section(s)	Summary of amendment
1.0	01/11/2008	-	Original version
2.0	15/12/2009		
3.0	05/06/2012		
4.0	04/05/2017	All	Format aligned to Document Management Framework requirements. No material changes to process, authorities or limits
4.1	04/05/2019	Various	Updating of job titles (non-material changes)
4.2	22/01/2020	2.5	Changes to delegated authorities

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## 1. Introduction

### 1.1 Purpose

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

The *Government Owned Corporations Corporate Entertainment and Hospitality Guidelines* provide guidance on the expectations of shareholding Ministers with respect to the provision of corporate entertainment and hospitality.

Based on those guidelines, the Powerlink Corporate Entertainment and Hospitality 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 Powerlink's overall business goals.

### 1.2 Scope

This policy applies to the Powerlink Board and all Powerlink employees who incur corporate entertainment and hospitality expenditure on behalf of Powerlink Queensland in carrying out their required duties.

### 1.3 References

Document code	Document title
130985	Government Owned Corporations Corporate Entertainment & Hospitality Guidelines Version 1.0 (September 2008)
A1472246	Powerlink Code of Conduct
A3271	Powerlink Compliance Manual
A2299541	Powerlink Corporate Entertainment & Hospitality Form

### 1.4 Defined terms

Terms	Definition
Corporate entertainment and hospitality	Occurs when meals and/or entertainment is provided that is more than light meals/refreshments associated with a Powerlink business related activity
Due diligence	A set of processes and behaviours that when applied provide duty holders with evidence of effective risk management

## 1.5 Roles and responsibilities

Who	What
Chief Financial Officer	<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>Reporting to shareholding Ministers</li> </ul>
Executive General Managers	<ul style="list-style-type: none"> <li>Exercise Due Diligence in the application of this Policy</li> <li>Report quarterly to the Chief Financial Officer on actual corporate entertainment and hospitality expenditure and details of individual events over \$5,000 and their benefits</li> </ul>

## 1.6 Monitoring and compliance

This policy shall be reviewed at least every two years and updated as appropriate.

## 2. Policy requirements

### 2.1 General Principles

Powerlink will fund reasonable expenditure associated with corporate entertainment and hospitality where the purpose of the expenditure is to contribute to Powerlink'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 Powerlink's overall business goals, including strengthening business relationships and links, and supporting or enhancing Powerlink's corporate image and business reputation.

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

### 2.2 Application

Corporate entertainment and hospitality occurs when meals and/or entertainment is provided that is more than light meals/refreshments associated with a Powerlink 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 for customers and stakeholders and interest groups.
- Entertainment and hospitality expenditure for business visitors, including interstate and overseas visitors.
- Entertainment and hospitality expenditure for Powerlink employees (including spouses and accompanying persons).

Corporate entertainment and hospitality expenditure does not include:

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- Expenditure on meals/refreshments which are incidental to business related meetings, conferences, seminars, or workshops, including incidental expenditure for non-Powerlink business colleagues.
- Expenditure on an individual's meals, etc. which the individual incurs whilst travelling on Powerlink business.

## 2.3 Guidance

### 2.3.1 Customers, Stakeholders and Interest Groups

Representatives of key customers and stakeholders may be entertained at the expense of Powerlink where there is a perceived Powerlink 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 Powerlink as part of business relationship building.

### 2.3.2 Powerlink Employees and Directors

Entertainment and hospitality expenditure on Powerlink employees/directors is acceptable, provided that the purpose of the expenditure is to contribute to Powerlink's overall business goals and appropriate to the circumstances.

### 2.3.3 Employee/Director Spouse and Accompanying Persons

Entertainment and hospitality provided to a director's/employee's spouse, partner or accompanying persons attending a Powerlink 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 or Executive General Manager is required if a director's/employee's spouse, partner or accompanying person will be attending.

## 2.4 Alcohol

The provision of alcohol 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 Powerlink requirements.

## 2.5 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 greater than \$5,000 will be subject to approval in advance by the Chief Executive. All other corporate entertainment must be approved by the relevant Executive General Manager.

The delegation approval limits that apply for Corporate Entertainment and Hospitality covered by this Policy are shown below.

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**Powerlink – Corporate Entertainment & Hospitality – Policy**

Entertainment & Corporate Hospitality Function Types	Expenditure Amount <sup>1, 2</sup>		Delegation
	Aggregate	Per Person	
All Functions	More than \$5,000		Chief Executive
Functions for customers, stakeholders and interest groups	No Limit	Over \$150	Chief Executive
	Up to \$5,000	Less than \$150	Executive General Manager
	Up to \$1,000	Less than \$150	General Manager
Functions for Powerlink employees ( <u>no</u> spouse or accompanying persons attending)	No Limit	Over \$150	Chief Executive
	Up to \$5,000	Less than \$150	Executive General Manager
	Up to \$1,000	Less than \$150	General Manager
Functions for Powerlink employees (spouse or accompanying persons attending)	No Limit	Over \$150	Chief Executive
	Up to \$5,000	Less than \$150	Executive General Manager
	Up to \$1,000	Less than \$150	General Manager

- 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 Powerlink premises; if alcohol is provided; OR if Relatives/Partners are to attend. Refer the matter to the Financial Controller.

## 2.6 Supporting Documentation

In approving corporate entertainment and hospitality in accordance with this Policy, the financial delegate 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.

**All approval applications must be made using Powerlink's Corporate Entertainment and Hospitality Form.**

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## 2.7 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 such, Executive General Managers must ensure and monitor compliance with this Policy and report quarterly to the Chief Financial Officer on the actual corporate entertainment and hospitality expenditure and details of individual events over \$5,000 and their benefits.