

Sensitive Expenditure Policy



Team/Directorate	Assurance, Finance and Risk
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1 PURPOSE

The purpose of this policy is to provide a framework for elected members, employees and contractors of Queenstown Lakes District Council (QLDC) for managing sensitive expenditure and other financial transactions on behalf of Council.

This policy should be read in conjunction with specific policies and guidelines listed in References section.

2 DEFINITIONS

- **Approving Manager:** an employee’s line manager or a manager higher in the financial delegation approval hierarchy
- **Conflict of Interest:** any situation in which a private interest or personal considerations may affect, or could be perceived to affect, an employee or elected member’s judgement and/or ability to act in the best interest of QLDC
- **Entertainment Expenditure:** expenditure on food, beverages, tickets for events, and related supplies for events, involving one or more Council employee(s)/elected member or one or more guests, and the purpose of the expenditure is to represent
- **Credit Card:** includes vehicle fleet cards, purchase cards and equivalent cards used to obtain goods and services before payment is made
- **Sensitive Expenditure:** any QLDC expenditure that provides, or has the potential to provide, or has the perceived potential to provide a private benefit to an individual employee/ elected member that is additional to the business benefit to the entity of the expenditure. It also includes expenditure by QLDC that could be considered unusual for QLDC’s purpose and/or functions. Travel, accommodation, conference/training gifts and hospitality, staff support and welfare related expenditure are examples of sensitive expenditure
- **Supplier:** a current or potential provider of goods or services to QLDC.

3 SCOPE

This policy applies to all elected members (including community board and committee members), employees and contractors of QLDC. The term “employee” will be deemed to mean all persons that are covered by this policy other than elected members.

This policy covers expenses including, but not limited to, QLDC purchase cards, QLDC fuel cards, travel and accommodation, entertainment and hospitality, goods and services, employee support, wellbeing and welfare expenditure, donations, Koha, gifts and technology.

In addition, Purchase Card guidelines have been developed that must be read in conjunction with this policy.



4 REFERENCES

Type	Title
QLDC Corporate	<p>Policies</p> <ul style="list-style-type: none"> • Conflict of Interest Policy • Digital Acceptable Use Policy • Fraud Policy • Leave Policy • Procurement Policy • Protected Disclosure Whistleblower Policy • Receiving Gifts & Hospitality Policy • Relocation Expense Policy • Safe Vehicle Use policy • Travel Expenses Reimbursement Policy <p>Guidelines</p> <ul style="list-style-type: none"> • Code of Conduct • Dress code guidelines • Employee Recognition for Significant Events Guidelines • Financial Delegations • Procurement Guidelines • P-Card (Purchase Card) Guidelines <p>Employee handbook</p>
Legislation	<ul style="list-style-type: none"> • Local Government Act 2002 • Local Authority (Member’s Interests) Act 1968 <p>Note: Any legislation referred to should be interpreted as meaning the Act and its amendments.</p>
Other	<ul style="list-style-type: none"> • Employment Agreements • Controller and Auditor-General’s publication, Controlling Sensitive Expenditure: Guidelines for Public Organisations

5 PRINCIPLES

QLDC is a public organisation and takes a principles-based approach to making sensitive expenditure decisions which requires careful judgement of the nature of expenditure it undertakes.

QLDC is entrusted with public funds, which must be managed responsibly and in accordance with the expectations of transparency, accountability, and financial prudence. These funds are not for personal discretion or benefit, and all expenditure must align with Council objectives and withstand public and parliamentary scrutiny.

Consequently, the expenditure should be:

- Subject to the standards of probity and financial prudence expected of a local authority
- Able to withstand parliamentary and public scrutiny.

There are principles that underpin decision-making about sensitive expenditure. Expenditure decisions should:

- **Have a justifiable business purpose** that is consistent with the public organisation's objectives. A justifiable business purpose means a reason that would make clear sense, supported by evidence of the need for the spending and evidence that a range of options have been considered
- **Preserve impartiality.** Impartiality means decisions based on objective criteria, rather than based on any sort of bias, preference, or improper reason
- **Be made with integrity.** Integrity is about exercising power in a way that is true to the values, purposes, and duties for which that power is entrusted to, or held by, someone. It is about consistently behaving in keeping with agreed or accepted moral and ethical principle
- **Be moderate and conservative** when viewed from the standpoint of the public and given the circumstances of the spending. It includes considering whether the justifiable business purpose could be achieved at a lower cost
- **Be made transparently.** Transparency in this context means being open about the spending, and willing to explain any spending decisions or have them reviewed
- **Be made with proper authority.** This means that the person approving the spending has the appropriate financial delegation to do so, for the type and amount of spending and follows correct procedures.

These principles should be applied together. None should be applied alone, and no principle should be treated as more important than any other.

QLDC's Code of Conduct policies identify the required behavioural standards for elected members and employees in all areas of their work. The above principles and QLDC policies should be applied comprehensively (i.e. no single principle or policy should be excluded).

During the budget setting process, senior managers should consider under which circumstances within their cost centre(s) and at which levels, sensitive expenditure should be provided for.

6 DECIDING WHEN SENSITIVE EXPENDITURE IS APPROPRIATE

In deciding what appropriate sensitive expenditure is, elected members and employees need to take account of both individual transactions and the total value of sensitive expenditure.

Even when sensitive expenditure decisions can be justifiable at the individual transaction level, the combined amount spent on a category of expenditure might be significant and QLDC could be criticised for extravagance and waste.

7 RESPONSIBILITIES OF THE ELECTED MEMBERS AND GENERAL MANAGERS

To maintain the public's trust and confidence in the public sector, the Elected members and the Executive Leadership Team (ELT) need to ensure that QLDC operates with a high level of integrity. The necessary behaviours of public servants to maintain the integrity of the public sector includes:

- Impartiality – to treat all people fairly, without personal favour or bias
- Accountability – to take responsibility and answer for their work, actions, and decisions
- Trustworthiness – to act with integrity and be open and transparent
- Respect – to treat all people with dignity and compassion and act with humility
- Responsiveness – to understand and meet people's needs and aspirations.

Responsibility for this policy is shared between the Elected Members, who provide governance and oversight, and the Executive Leadership Team (ELT), who are responsible for operational implementation and ensuring compliance across the

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organisation. This group must make it clear to employees what is and is not 'acceptable sensitive expenditure' and model those behaviours to the highest standard.

8 CONTROLS AND JUDGEMENT

In the absence of a specific rule for a given situation, the Elected Members and ELT are expected to exercise good judgement by taking the principles in this policy into account in the context of the given situation.

The Elected Members and ELT are required to ensure transparency in both sensitive expenditure and remuneration systems, to avoid any trade-off between the two. Items of expenditure that may not be justified under the principles of this policy should not be included as part of an employee's remuneration for the purposes of avoiding scrutiny against sensitive expenditure principles.

9 GENERAL CONTROLS

QLDC is required to retain proper supporting records (invoices and receipts) for all expenditure incurred. These supporting records need to:

- Clearly state the business purpose of the expenditure. If the supplier documentation supporting a claim for reimbursement does not clearly state the business purpose, a written statement of the purpose should be included as part of the claim
- Be the original document (such as tax invoices which shows any Tax/GST claimable) or electronic copies that are retained in a way that preserves the integrity and completeness of the document. Credit card statements are not adequate documentation to support reimbursement
- Document the date, amount, description, and purpose of small expenditure when receipts are unavailable
- Be separate claims for each person wherever possible. Where a claim relates to more than one person, it should be made by the most senior person and list the other individuals to whom the expenditure relates
- Be submitted promptly after the expenditure is incurred
- Be in English or Te Reo Māori (or independently translated before payment).

Where a business case and budget are required before the expenditure is authorised, an explanation should be provided for any incurred expenditure that is more than the agreed budget.

10 APPROVAL OF SENSITIVE EXPENDITURE

Approval of sensitive expenditure must:

- Only be given where the person approving the expenditure is satisfied that a justified business purpose and other
- Principles have been adequately met as outlined in section 5
- Be given before the expenditure is incurred, wherever practical
- Be made strictly within delegated authority
- Be given by a person senior to the person who will benefit or might be perceived to benefit from the expenditure, wherever practical.

Expenditure which is incurred (but not explicitly approved by Council) by elected members and the Mayor will be reviewed by the General Manager – Assurance, Finance and Risk or General Manager – Corporate Services for compliance with this policy.

Expenditure by the Mayor which is incurred (but not explicitly approved by Council) will be reviewed by the General Manager – Assurance, Finance and Risk or General Manager – Corporate Services for compliance with this policy.

In the case of ELT, the “one up” principle must be applied to the maximum extent possible. In the case of the Chief Executive, approval is required from the Mayor or Chair of the Smart Finance Committee.

11 QLDC PURCHASE CARDS

Employees may be eligible for a QLDC Purchase Card (P Card) based on business need, subject to their manager’s recommendation and approval. Recommendations for a P Card are made by the staff member’s manager and approval for the P Card is to be signed by the Finance Director and the General Manager Assurance Finance and Risk.

The Finance team are responsible for authorising card issue, managing the acquisition of cards, and monitoring and reporting on their use.

The Finance team are responsible for the process of the cancelling and destroying P Cards.

Card credit limits are determined by the Delegations Register which are set and approved by Council. The Delegations Register is on the QLDC public website. Where there is a business requirement for the credit limit or transaction limit to be increased, the increase must fall within the cardholder’s financial delegation, in accordance with the Delegations Register and authorised by the Director Finance and the General Manager Assurance Finance and Risk.

All P Card Cardholders are required to sign the P Card Cardholder Declaration form which states that the card must not be used for personal expenses. The Declaration form also stipulates that the cardholder retains all tax invoices/receipts when making a purchase which explain and corroborate transactions. The P Card Cardholder Declaration form must be signed by the cardholder and a copy attached to the individual’s employee record held by People and Capability.

All P Card purchases must align with the Procurement Policy, including consideration of preferred suppliers, whole-of-life costs (e.g. for subscriptions), and procurement thresholds.

All transactions are to be reviewed and approved by the cardholders Approving Manager. Cardholders and approvers must ensure that all transactions are authorised in accordance with the Delegations Register.

The Risk and Assurance Committee requires that regular internal audits are conducted of the P Card system. The audit considers the appropriateness of the following:

- Coding
- Supporting documentation
- Sensitive expenditure classification
- GST treatment
- Use of P Cards for non-work purposes.

The Finance team will perform monthly checks of all P Card coding, as well as a sample check of the appropriateness of receipts/tax invoices attached to transactions. Any corrections required to be made will be communicated to the relevant P Card owners as part of a process of continuous improvement.

Where exceptions are found in the internal audit, these will be reported to the Risk and Assurance Committee.

P CARD USE

Purpose

The P Card is a procurement tool intended to support efficient and accountable purchasing of low-value, low-risk goods and services for legitimate Council business purposes. Its use must comply with the principles of prudent financial management and the stewardship of public resources. P Cards are not to be used to avoid a procurement process.

Scope

This section applies to all QLDC employees issued with a QLDC P Card, as well as those responsible for reviewing, approving, or monitoring card use.

Principles Governing P Card Use

The following principles apply to all P Card activity:

- 1. Business-Only Use**
P Cards must only be used for Council-related expenditure. Personal use, even if intended to be reimbursed, is strictly prohibited
- 2. Alignment with Procurement and Delegation Policies**
All P Card transactions must comply with QLDC's Procurement Policy, including supplier use protocols and financial delegation limits as per the Delegations Register
- 3. Accountability and Transparency**
Cardholders are personally responsible for the appropriate use of their card. All transactions must be supported by valid documentation, properly coded, and submitted for approval in a timely manner
- 4. Approvals**
P Card expenditure must be reviewed and approved by a person with appropriate delegation who is independent of the cardholder. Approvals must be based on complete and accurate supporting information
- 5. Process Administration**
Cardholders must follow all administrative requirements, including reconciliation, coding, and submission of receipts, as outlined in the P Card Manual
- 6. Misuse and Disciplinary Action**
Any misuse of a P Card (refer to more detailed section on Misuse of P Cards) — including personal purchases, exceeding delegated authority, or failure to retain supporting evidence — may result in disciplinary action, card revocation, and/or reimbursement to Council
- 7. Security**
Cardholders must take all reasonable steps to keep the P Card secure, report any loss or suspected misuse immediately, and never share their card or card details
- 8. Monitoring and Oversight**
P Card usage is subject to regular review by Finance to ensure compliance with Council policies and detect any anomalies or patterns of concern.

Related Guidance

The operational requirements, procedures, and responsibilities for cardholders and approvers are detailed in the QLDC Purchase Card User guidelines, which must be read and complied with prior to card use.

MISUSE OF P CARDS

The Council may cancel the P Card at any time and may require return of the card for any reason. Cancellation may occur due to misuse, redundancy of role, or changes in business need. Cardholders must hand their cards back to Council on request, or if they leave the organisation.

Cardholders may be subject to disciplinary action, as detailed in the Discipline & Dismissal Policy, and the Council may require reimbursement if the Cardholder:

- Acts fraudulently
- Fails to notify the P Card Administrator immediately after knowing the card has been misplaced or stolen
- Fails to comply in any way with the P Card Policy
- Fails to provide tax invoice receipts for every purchase
- Uses the P Card for personal gain
- Fails to ensure all reasonable measures of security are taken when using the card.

There is a QLDC Purchase Card User guidelines which is given to each P Card cardholder once they have received training from the Finance Team. These guidelines are to be reviewed every 3 years in line with the Sensitive Expenditure Policy.

12 QLDC FLEET FUEL CARDS

QLDC Fleet Fuel cards are provided in non-electric QLDC owned/leased vehicles for the purpose of refuelling the fleet vehicle and must only be used for the allocated vehicle. When purchasing fuel at designated service stations, the driver must provide the station attendant with the current odometer reading and vehicle registration.

As a first line of assurance, the approving manager is responsible for overseeing fleet activities within their areas, while Fleet Management provides the second line of assurance. The designated Fleet Management officer within the Property and Infrastructure team is responsible for reviewing monthly fuel card invoices to ensure correct usage, alignment with vehicle assignments, and adherence to Council policy.

Any misuse of Fleet Fuel Cards may result in disciplinary action and/or reimbursement to Council, in accordance with QLDC's disciplinary procedures.

13 TRAVEL AND ACCOMMODATION

GENERAL PRINCIPLES

Elected members and employees may need to incur travel and accommodation costs while conducting legitimate QLDC business elsewhere in New Zealand or overseas. Expenditure should be economical and efficient, having regard to purpose, distance, time, urgency and personal health, security and safety considerations.

Domestic travel should be undertaken in a cost effective, practical and efficient manner. For example, travel to Invercargill or Dunedin is most efficient by car, preferably a QLDC fleet vehicle. Travel to Christchurch or the North Island will usually be by air utilising an All of Government contracted supplier, e.g. Air NZ.

In assessing the best method of travel, consideration should be given to distance, timetable constraints, urgency, personal health, security and safety.

Any fines (parking or traffic offences) incurred in using motor vehicles are the responsibility of the driver, not QLDC. This clause does not include any offences in relation to Warrant of Fitness or registration of QLDC fleet vehicles.

The use of communication technology (e.g. cell phones, telephones, email and internet access) should be moderate. Reasonable private use to clear email and communicate with family members, while travelling on QLDC business, is permitted.

Employees will generally be permitted to take annual leave in conjunction with QLDC business travel as long as the annual leave is incidental to the travel. In other words, there must be a clear business purpose for the travel and this is the primary reason for the travel. QLDC will not fund any costs associated with private travel or annual leave (other than use of accumulated annual leave for employees).

Elected members, General Managers and other employees, with the express approval of the Mayor, Chief Executive or General Manager respectively, may undertake private travel (extended travel) before, during or at the end of QLDC travel, provided there is no additional cost to QLDC and the private travel is only incidental to the business purpose of the travel.

QLDC will not reimburse elected members or employees for tipping while they are on business in New Zealand. QLDC will reimburse elected members and employees for moderate tipping during international travel only in places where tipping is local practice.

As a general principle, the travel cost of accompanying spouses, partners or other family members is a personal expense and will not be reimbursed by QLDC.

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All staff are required to complete the QLDC Travel Register found in CiA under forms. The information that will be recorded is any travel or accommodation booked for the employee and paid for by QLDC. This includes flights, taxis, hire cars or any public transport.

Use of Private Vehicle

Generally, QLDC will not pay for travel by private motor vehicle where travel by other means is more practical and cost effective, such as use of a QLDC fleet vehicle.

Where the use of a private vehicle is approved for QLDC business, the employee must ensure they have appropriate insurance cover for the vehicle while it is being used on QLDC business. Any fines (parking or traffic offences) incurred while using a private vehicle on QLDC business are the responsibility of the driver.

Reimbursement for the use of private vehicles will be in accordance with the Safe Vehicle Use Policy - 2024.

AIR TRAVEL

General Principles

To the extent practicable, air travel is to be booked well ahead of the actual travel date, so the expenditure is as cost effective as reasonably possible.

All air travel shall be booked through an All of Government contracted supplier, e.g. Air NZ, via the appropriate administration support. This ensures that competitive prices are obtained.

Discounted economy or economy class (or a discount airline if applicable) is to be the first choice for journeys where the uninterrupted flight time is five (5) hours or less. QLDC will generally only accept an upgrade to the next class up if there is:

- No additional cost to QLDC
- The cost was covered by the person travelling
- Where the distance or hours travelled, work schedule on arrival, or personal health, safety or security reasons make business class reasonable.

Under no circumstances will a person be authorised to travel first class.

The cost of stopovers will only be reimbursed where they are pre- approved and have a clear business purpose.

The person travelling by air will be permitted to accrue air points as long as there is no financial cost to QLDC. In considering this matter, attention will be paid to timetabling, personal health, safety and security considerations.

Loyalty rewards from air points (or other loyalty schemes) accruing to elected members or employees carrying out their official duties may remain with the relevant elected member or employee provided the use of airlines supplying air points does not result in QLDC incurring additional costs.

International Travel

Any proposed international travel on QLDC business, or for training or personal development of the Chief Executive at the cost of QLDC, must receive prior approval from the Council including details of estimated cost and the expected benefit to the organisation and its ratepayers.

This policy does not apply to international travel undertaken for the purposes of training and personal development of employees (other than the Chief Executive), as long as the travel has been approved by the Chief Executive and the overall cost has been approved through the Annual Plan or Long-Term Plan process.

Any person travelling internationally on QLDC business must provide a report to the Mayor or Chief Executive upon their return detailing the benefits of the trip.

MEALS AND ACCOMMODATION

Elected Members and Employees

To the extent practicable, accommodation is to be booked well ahead of the actual travel date, so the expenditure is the most cost-effective possible. This must take into account the location of the accommodation relative to the event, the standard of the accommodation (which should be modest) and security issues. The use of “5 star” or “luxury” accommodation requires the express approval of the Chief Executive.

Wherever possible, use is to be made of QLDC’s preferred suppliers and negotiated corporate rates. Where any employee chooses to stay in private accommodation, reimbursement will be made directly to the hosts.

Meal costs and minor incidentals incurred by elected members and employees will be met on a fixed per diem basis of \$100 a day, being \$25 for breakfast, \$50 for dinner and \$25 for lunch. Where a meal is included as part of the accommodation, training, conference or any other activity cost, the employee or elected member will not be able to claim the fixed amount of the per diem for the relevant meal, as prescribed above, \$25 for breakfast, \$50 for dinner, \$25 for lunch. This is in accordance with the Travel Expenses Reimbursement policy.

Other costs, such as parking, taxis etc. will be met on an “actual and reasonable” basis on production of receipts.

Accommodation check out times must be observed and QLDC will not meet any additional costs as a result of the employee failing to check out on time except in the case of extenuating circumstances.

RENTAL CARS AND TAXIS

Rental cars are only to be used if it is impracticable or uneconomic to use a QLDC fleet vehicle. QLDC requires that the most economical type and size of rental car be used, consistent with the requirements of the trip. Any fines (parking or traffic offences) incurred while using a rental vehicle are the responsibility of the driver.

QLDC expects the use of a preferred taxi provider to be moderate, conservative and cost effective relative to other transport options. Wherever practicable, shuttle, train, or bus services are to be used in lieu of taxis.

14 ENTERTAINMENT AND HOSPITALITY

GENERAL PRINCIPLES

Expenditure on entertainment and hospitality is sensitive because of the range of purposes it can serve, the opportunities for private benefit, and the uncertainty as to what is appropriate. Entertainment and hospitality can cover a range of items from tea, coffee and biscuits to meals and alcohol.

All principles outlined in section 5 should be applied to this category of expenditure.

All entertainment and hospitality expenditure must be pre-approved by General Manager, where practical and always supported by clear documentation. This documentation must identify the date, venue, costs, recipients and benefits derived and/or reasons for the event. The most senior person present (with delegated authority) should approve and confirm the expenditure as being appropriate. Refer also to QLDC’s Receiving Gifts and Hospitality policy and Employee Recognition for Significant Events Guidelines.

Any purchase of alcohol requires the express written approval of the relevant General Manager and should apply to events at the end of the working day only. Refer to QLDC’s Employee Recognition for Significant Events Guidelines.

HOSPITALITY FOR INTERNAL MEETINGS, TRAINING AND COURSES

The current maximum hospitality budget allowance for internal meetings, training and courses is as follows:

- Lunch \$20 GST Inclusive per person
- Morning or afternoon tea \$10 GST Inclusive per person for catering.

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Refreshments for internal short-duration meetings are available from the appropriate staff kitchens and tea making facilities provided by QLDC.

Catering for internal staff meetings (morning teas, lunch, afternoon tea) may be provided as follows:

- A working lunch (and refreshments) is acceptable where the meeting runs for most of the day (5+ hours) and where the meeting bridges 12pm to 1pm
- Morning teas or afternoon teas where the meeting exceeds three hours.

Exceptions to this may be approved by the appropriate General Manager or Chief Executive, where there is a justified business purpose, and this must be documented in the relevant expenditure records.

CATERING MEETINGS WITH EXTERNAL PARTIES

Refreshments may be provided for short duration meetings, where the meeting exceeds three hours, with external parties and, where appropriate, a working lunch if the meeting bridges 12 midday to 1pm.

The hospitality budget for meetings with external parties is a maximum of \$20 GST Inclusive per person for lunch and a maximum of \$10 GST inclusive per person for morning or afternoon tea.

CHRISTMAS PARTY GUIDELINE

The ELT will approve an amount per person (GST Exclusive) for permanent, fixed term and casual employees for the end of year Christmas function. Payment for this function is from the People and Capability staff expenses budget and employee numbers must be confirmed from P&C prior to organising, in conjunction with the admin or EA of each directorate.

15 GOODS AND SERVICES

DISPOSAL OF SURPLUS ASSETS

Without the express prior approval of Council, no surplus assets with a market value of more than \$500 GST Inclusive per item will be sold directly to elected members, employees, or friends or acquaintances of elected members or employees. In any event, the sale of surplus assets must:

- Maximise the return to QLDC
- Be sold at no less than the market value determined by an appropriate valuation.

LOYALTY REWARD SCHEME BENEFITS/ PRIZES

Except in the cases of airline loyalty rewards and fuel loyalty schemes, QLDC treats loyalty rewards accruing to employees carrying out their official duties as the property of QLDC.

Where a reward/prize is obtained by chance and without inducement, it may be retained by the individual otherwise it will be the property of QLDC. Generally, prizes received from a free competition entry obtained while undertaking QLDC business are also considered a loyalty or reward scheme for the purposes of the QLDC policy. Exceptions are prizes received from competitions at training or conference events or through membership of professional bodies which are treated as the property of the individual.

Staff making procurement decisions should not personally receive any loyalty rewards as a result of those decisions. Any rewards that are personally received should be recorded on QLDC's gift register. In the event staff who have received rewards are involved in making procurement decisions relating to the company that issued those rewards then the staff member should complete a Conflict of Interest form in accordance with QLDC's Procurement Policy.

In situations where receiving a prize or loyalty reward could be perceived as inappropriate, even if QLDC rather than the individual would benefit from it, QLDC expects the prize or reward to be declined.

Refer also to QLDC's Receiving Gifts and Hospitality policy for further information on receiving gifts.

PRIVATE USE OF QLDC ASSETS

GENERAL PRINCIPLES

Any physical item owned, leased or borrowed by QLDC is considered an asset for the purpose of this policy. This includes photocopiers, telephones, laptops, tablets, cell phones, cameras, means of accessing the internet, vehicles, equipment and stationery.

The cost to QLDC of personal use of any asset will be recovered wherever possible, unless it is impractical or uneconomic to separately identify those costs.

Personal use of photocopiers is permitted in limited circumstances. Such use should be restricted to lunchtime or after work when the copiers are not so busy and the use of consumables (paper, pages, ink etc) should be limited.

Personal use of telephones is permitted in limited circumstances. Details of personal toll calls made by employees on QLDC phones are to be provided to Finance (accounts@qldc.govt.nz) and the employee will be advised of the cost of the call for reimbursement to QLDC.

Payment for personal photocopies and toll calls must be made to Customer Services.

Personal use of other assets will only be permitted in limited circumstances and prior approval must be obtained from the manager or supervisor.

The use of QLDC assets in any private business that any elected member or employee may operate is strictly prohibited.

QLDC FLEET VEHICLES

QLDC fleet vehicles (except those provided explicitly under an Employment Agreement) are not available for private use. Full details on the provision of and use of QLDC fleet vehicles are contained in QLDC's Safe Vehicle Use policy.

PRIVATE USE OF QLDC SUPPLIERS

QLDC does not generally support the private use of QLDC suppliers by employees, but recognises that employees may wish to utilise such suppliers. Employees are to exercise moderation in their use of any preferential access to goods or services through a QLDC supplier.

Employees must not put private purchases on QLDC suppliers accounts.

QLDC USE OF PRIVATE ASSETS

The main issue associated with QLDC's use of private assets is to avoid QLDC paying or reimbursing amounts that inappropriately benefit the provider of those assets (or could create any perception to the same effect).

QLDC may decide that reimbursing employees for use of private assets is appropriate for reasons such as cost, convenience or availability. QLDC may also decide to do this in circumstances where it would not fully use an asset of the same type if it acquired it directly. Examples include private motor vehicles, private cell phones and private computers.

Pre-approval by the Chief Executive or relevant General Manager is required. In assessing the request, the Chief Executive or General Manager will pay particular attention to the principles of a justified business purpose and preserving impartiality and integrity.

Employees must not approve or administer payments to themselves for QLDC's use of their private assets.

16 EMPLOYEE SUPPORT, WELLBEING AND WELFARE EXPENDITURE

CLOTHING

Other than official uniforms and health and safety related clothing, elected members or employees will not be clothed at QLDC's expense when they are engaged in a normal business activity.

CARE OF DEPENDANTS

The Chief Executive or a General Manager may authorise in exceptional circumstances the reimbursement of actual and reasonable costs in relation to the care of dependants. Some possible examples are when the employee is unexpectedly required to perform additional duties at very short notice, or a dependant unexpectedly requires additional care that the employee cannot provide because of the essential nature of their duties at the time. In all other instances care of dependants is to be treated as a personal and private expense of the employee.

FINANCING STAFF ENGAGEMENT ACTIVITIES

QLDC may make a prudent and reasonable monetary contribution to the whole of the organisation. The contribution may be in the form of an all-purpose grant towards the annual budget, or it may be a grant or subsidy for a specific event or item.

FINANCING SOCIAL CLUB ACTIVITIES

QLDC may make a prudent and reasonable monetary contribution to the staff social club. The contribution may be in the form of an all-purpose grant towards the club's annual budget, or it may be a grant or subsidy for a specific event or item.

LONG SERVICE RECOGNITION, EMPLOYEE DEPARTURE, INCLUDING RETIREMENTS

Expenditure on farewells, long service and retirements includes spending on functions, gifts and other items and should not be extravagant or inappropriate to the occasion. Refer to QLDC's Employee Recognition for Significant Events Guidelines. All expenditure limits within the Employee Recognition for Significant Events Guidelines are GST inclusive.

BIRTHS, BEREAVEMENTS, MARRIAGES, CIVIL UNIONS, ILLNESS, COMPLETION OF HIGHER QUALIFICATION

Expenditure on births, bereavements, marriages, civil unions, illness, completion of higher qualification should not be extravagant or inappropriate to the occasion. Refer to QLDC's Employee Recognition for Significant Events Guidelines. All expenditure limits within the Employee Recognition for Significant Events Guidelines are GST inclusive.

CELEBRATION

QLDC recognises the importance of celebrating milestones and, whether this be personal or professional, as an individual or a team. A contribution is allocated each financial year to each directorate and is the responsibility of the General Manager to approve and EAs to manage the budget allocated. The monetary contribution is for the purchase of minor recognition items, food and non-alcoholic beverages only. Any purchase of alcohol requires the express written approval of the relevant General Manager and should apply to events at the end of the working day only. Refer to QLDC's Employee Recognition for Significant Events Guidelines. All expenditure limits within the Employee Recognition for Significant Events Guidelines are GST inclusive.

EXPENDITURE WHICH IS NOT APPROPRIATE

There are a number of specific employee related expenses that are not appropriate to be funded from QLDC budgets:

- Buying cakes, flowers, cards and presents to celebrate employee birthdays or similar personal events, except those mentioned above in the section on Births, bereavements, marriages, civil unions, illness, completion of higher qualification
- Purchase of food or alcohol for Friday (or other evening) drinks (unless via a formal internal catering mechanism allowed for above)
- Purchase of refreshments/meals for colleagues during routine "catch-ups" or work in progress meetings.

PROFESSIONAL MEMBERSHIPS

Membership to a professional body is sensitive expenditure due to its personal nature.

Payment of professional fees by QLDC on behalf of an employee must be:

- Approved by the General Manager or Chief Executive in the case of employees. In the case of the Chief Executive or elected members, the Mayor is required to give approval
- Clearly relevant to the performance of the employee's duties and responsibilities
- For the employee alone and is not to cover members of their family or other persons
- For no longer than one-year in duration unless significant discounts are available and it is reasonable to expect a two-year membership to be an advantage to QLDC
- For the benefit of QLDC and not intended to be a personal benefit to employees, and accordingly not liable for Fringe Benefit Tax
- In accordance with the employee's employment agreement
- Only one membership per employee per year, except where a GM/CE has approved additional memberships that will enhance an employee's local government career progression e.g. membership to Taituarā
- Cancelled or transferred to an appropriate employee if the employee's employment with QLDC is terminated, via resignation or otherwise
- Refunded directly to QLDC if the membership is cancelled.

17 OTHER TYPES OF EXPENDITURE

DONATIONS

A donation is a payment (in money or by way of goods or services) made voluntarily and without the expectation of receiving goods or services in return.

QLDC requires donations to be:

- Lawful in all respect
- Disclosed in aggregate (where required)
- Appropriately documented
- Made to a recognised organisation by normal commercial means – not to an individual and not in cash, except as a koha and with the express approval of the Chief Executive or a General Manager
- Non-political, i.e. politically neutral
- Covered by a clear policy including delegations and authorisation
- Consistent with the objectives of the organisation making the payment.

The amount given on behalf of QLDC should reflect the occasion and the prestige of QLDC in its relations with Tangata Whenua and be approved by the Chief Executive or relevant General Manager.

KOHA (IWI ONLY)

Koha is a tikaka based Māori practice of reciprocal giving that acknowledges manaakitaka and the hospitality provided by a host. In QLDC, koha is offered on behalf of the organisation and is not a payment for services, a personal gift, an inducement, or a substitute for procurement or contracting processes.

Koha may be provided where engagement is conducted under tikaka Māori and the organisation is hosted by Māori, including:

- Tangihanga, where organisational representation is appropriate
- Hui, wānanga, pōwhiri, or mihi whakatau
- Engagements held on or supported by a marae
- Kaumātua support associated with tikaka led events where no fee is charged.

Given that koha is discretionary and often un-receipted, all koha must:

Sensitive Expenditure Policy

- Be approved in advance by an appropriate delegated authority
- Be clearly documented, including the date, amount, recipient, context, and purpose
- Be reasonable, auditable, and defensible as public expenditure.

In accordance with this policy, the current maximum hospitality budget allowance for internal and external meetings is as follows:

- Lunch \$20 GST Inclusive per person
- Morning or afternoon tea \$10 GST Inclusive per person for catering.

This budget allowance applies to koha.

GIFTS

With the exception of long service awards, the giving of gifts up to \$300 GST Inclusive requires the approval of a General Manager. Any gift over this amount requires the approval of the Chief Executive. The giving of gifts must be appropriate, transparent and reasonable. Refer to Staff Recognition for Significant Events Guidelines.

The receiving of a gift is not strictly sensitive expenditure but it is nevertheless a sensitive issue. Employees accepting gifts in their employment capacity must ensure they follow QLDC's Receiving Gifts & Hospitality Policy.

Fringe Benefit Tax (FBT) on Gift Cards

All gift cards are now be included within the ambit of FBT, backdated to be effective from 16 April 2025. The value of a gift card is the amount loaded on the card i.e. the benefit does not include any admin or other fees.

The maximum amount that an employee can receive is up to \$300 GST Inclusive of gifts and prizes, subsidised or discounted goods and services each quarter.

INFORMATION COMMUNICATIONS TECHNOLOGY RESOURCES

Refer to QLDC's Digital Acceptable Use Policy.

18 ROLES AND RESPONSIBILITIES

POSITION	RESPONSIBILITIES
General Manager Assurance Finance and Risk	Owner/Approver
Finance Director	Reviewer

19 POLICY HISTORY

Last updated on 11 January 2019.

20 MONITORING AND REVIEW

Approving managers are responsible for ensuring that employees who report to them comply with this policy.

The Assurance and Risk Manager is responsible for monitoring compliance with this policy and reporting any breaches to the General Manager Assurance Finance and Risk and the Chief Executive. Breaches of this policy may result in disciplinary action under the appropriate Code of Conduct and/or the repayment of costs.