

Travel Policy



1 Dunorling Street
PO Box 122, Alexandra 9340
New Zealand

03 440 0056

Info@codc.govt.nz
www.codc.govt.nz



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Purpose:

To provide a clear, transparent, consistent, and cost-effective approach surrounding travel undertaken on Council related business; in particular, travel-related expenses incurred by the organisation.

This policy ensures both travel risks and costs are effectively identified, managed, authorised, and monitored.

Scope:

This policy applies to all Elected Members and Central Otago District Council employees and representatives organising, approving and/or undertaking travel for the purposes of business-related activity, at Council expense.

For the avoidance of doubt, any reference to employees or staff in this policy shall include:

- the organisation's employees;
- volunteers;
- persons seconded to council;
- contractors.

Definitions:

Word or phrase	Definition
Business related activity	Referred to also as business purpose.
Economy class	An airline ticket which is the cheapest available.

Word or phrase	Definition
High risk destination	Areas determined to be potentially unsafe, deemed so by the Ministry of Foreign Affairs or the insurance provider. These areas are not recommended for travel. They may be deemed 'do not travel' or 'avoid non-essential travel'.
One-up-principle	Relating to financial delegations, this means that delegation holders cannot approve transactions involving themselves or from which they could be seen to benefit, instead they must be approved by their one-up manager. The Chief Executive Officers travel expenditure must be approved by the Mayor. The Mayors travel expenditure must be approved by the Deputy Mayor and the Executive Manager – Corporate Services. The Deputy Mayors travel expenditure must be approved by the Chief Executive Officer.
Personal expense	Any expense not directly related to Council business.

Roles and Responsibilities

Elected Member and employee responsibilities

Before domestic and international travel:

- Obtain the appropriate delegated approval for the travel requested;
- Utilise the correct channels for the booking of the travel;
- The employee travelling must be aware of the risks involved of undertaking the travel;
- Ensure a valid passport is held for the period of travel where necessary;
- Ensure the necessary and required vaccines are undertaken before commencing travel;
- Provide any itineraries not booked through the organisation to Council;
- Register details on the Ministry of Foreign Affairs and Trade (MFAT) website for international travel;
- Confirm appropriate insurance is held for the travel and the policy number and insurance company details are held;
- Ensure the appropriate visa is obtained.

Executive Assistant responsibilities

- Responsible for the timely booking of appropriate transport and accommodation, adhering to the values of this policy.

Policy:

Travel must maintain moderate and conservative expenditure, maintaining financial probity and transparency at all times, with the expenses incurred being approved by the appropriate delegated authority. Business travel must have a strong, justifiable business purpose and directly contribute a benefit to the organisation. A personal financial benefit must not be gained by the employee travelling, or an accompanying person.

Travel and accommodation expenditure shall be efficient and economical, having regard to the following:

- Purpose;
- Distance;
- Time;
- Urgency;
- Personal health;
- Safety and security.

In the event that this policy contradicts an individual employment agreement, the employee agreement will apply.

Authorising Travel

Authorisation from the appropriate delegated authority must be gained prior to the travel being booked and undertaken. Approval for travel must only be provided when a justified business reason has been satisfied.

Approval must be made within delegated authority and only where budgetary provision exists. The “one up” principle must be applied.

The ‘one up’ principle must apply to the approval of any and all travel expenditure. This encompasses the following:

- Staff expenditure on travel must be approved by the employee’s relevant manager or member of the Executive Team, according to their financial delegation.

- The Executive Team members travel expenditure must be approved by the Chief Executive Officer.
- The Chief Executive Officers travel expenditure must be approved by the Mayor
- The Mayors travel expenditure must be approved by the Deputy Mayor and the Executive Manager – Corporate Services.
- The Deputy Mayors travel expenditure must be approved by the Chief Executive Officer.

Due to the nature of the Mayor and Chief Executive Officers role, approval for expenditure relating to travel may be retrospective.

The Chief Executive Officer may, in exceptional circumstances, allow exemptions to this policy where necessary and justified, ensuring the transaction and authorisation is fully documented prior to expenditure.

Booking Travel

The booking of air travel, accommodation and transport must be incurred at the earliest possible convenience so as to ensure expenditure is the most cost effective.

Booking is to be conducted through the employees respective departmental Executive Assistant, *after* appropriate approval has been gained. The Executive Assistant will work in conjunction with the employee to find a suitable fit for both the organisation and the employee. The following information must be provided to the Executive Assistant:

- Date and time of the meeting – Both start times and finish times;
- Information as to whether cancellation insurance needs to be purchased;
- Mode of transport required;
- Accommodation required.

High Risk Destinations

In the event that travel is required to a destination which may be considered a 'high risk destination', the Chief Executive Officer must provide approval prior to the booking.

The employee, their approving manager and the Chief Executive Officer must assess the current situation of the destination, including transit locations using the Ministry of Foreign Affairs and Trade (MFAT) website (<https://www.safetravel.govt.nz/travel-advice-levels>).

The Chief Executive Officer has the right to:

- Prohibit travel to the destination;
- Recall travellers if the situation requires and it is deemed appropriate by MFAT;
- Include destinations as high risk based on information provided from the insurance company.

Risk Advice

- Employees are to conduct themselves in a safe and professional manner at all times and are to follow guidelines posted on the MFAT website;
- In the event that an incident or event occurring in the vicinity or the area of the traveller, the employee shall establish contact with their manager or an employee remaining at Council offices, confirming safety and wellbeing.

Insurance

Central Otago District Council will provide travel insurance for international travel relating to business purposes. The insurance company and policy number must be obtained by the employee before commencing travel. For further information please contact the Business Risk and Procurement Manager.

When booking air travel, domestic insurance should be obtained at the discretion of the traveller, via the booking system relating to the chosen airline. Confirmation should be gained by the employees' respective manager.

Air Travel

Air Travel shall be undertaken depending on the cost, convenience, and destination. This decision will be at the discretion of the employee undertaking the travel and their manager.

Where travel has not been requested more than 10 days in advance, the lowest airfare will be the first choice. Exceptions to this shall be authorised by the employee's respective Executive Manager prior to booking.

The following factors must be considered when booking air travel:

- Flexible booking;
- Travelling on off peak times;
- Luggage allowances;
- Departure and Arrival airports and commute distance and time.

When booking travel, please check the carbon offset box. This will offset flight related emissions, as well as contribute to better climate and biodiversity outcomes for New Zealand.

The option of seat selection shall not be ticked, unless this incurs no charge to Council or circumstances dictate that this is necessary, i.e. a short transfer time between connecting flights.

Motor Vehicle Travel

All drivers must adhere to the [Vehicle User Policy](#).

Rental Vehicles

All drivers must be legally allowed to drive, having the appropriate license, complying with the conditions on their license and all legal requirements, road rules and those conditions imposed by the rental company.

Rental vehicles are only to be used where this is the most cost-effective option. Private use of a rental car is only permitted in exceptional circumstances, as detailed below, and requires the express pre-approval of the employee's respective manager. All additional costs as a result of private use are the responsibility of the employee.

Council requires that the most economical type and size of rental car be used, consistent with the requirements of the trip. All charges relating to the return of the vehicle must be minimised. Traffic offences and/or fines incurred while using a rental vehicle are the responsibility of the driver.

Private Vehicle Use

Council owned vehicles must be used for work purposes. In the event that a vehicle is not available, staff may use a private vehicle in the performance of council business. Written approval from the employee's direct manager who has the appropriate delegated budget authority must be obtained prior to use.

For the purpose of reimbursing the staff member for the use of a private vehicle, an expense form must be completed with the following information:

- Purpose of trip
- Date and location
- Mileage
- Copy of approval from manager

Staff will be reimbursed for costs incurred at a rate based on the Inland Revenue Department (IRD) recommended rate for the vehicle type.

All additional costs, over and above the IRD recommended mileage reimbursement (cents per kilometre) are the responsibility of the employee.

Taxi and Shuttle Services

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

Taxis are not to be used if significant travel distances mean that use of a taxi is not the most cost-effective option.

UBER and other rideshare services may be utilised, provided appropriate documentation is obtained for reimbursement purposes.

Other

Reasonable car parking fees will be reimbursed for vehicles used on Council travel. This must be documented via an Expense Claim form.

Accommodation

In the event that an employee is required to be away overnight for business purposes, the reasonable and moderate cost of accommodation may be paid.

The booking of accommodation shall be of a reasonable cost, considering cost-effectiveness, location to the event venue, safety and security considerations and personal preference - after the prior considerations have been satisfied. The standard of the accommodation must be appropriate; the use of '5 star' or 'luxury' accommodation requires the approval of the Chief Executive Officer prior to booking and requires a justifiable business purpose.

All private residence and/or home-share accommodation must be approved by the relevant Executive Manager.

Where a staff member chooses to stay in private accommodation, reimbursement of \$50 per night may be claimed in lieu of accommodation expenses. It is intended that at least a portion of this allowance is paid to the accommodation provider.

Travel Expenses

General

Expenses incurred during the course of Council funded travel shall be paid directly by the organisation (via credit card), if possible; in the event that this is not possible, reimbursement may occur, in accordance with the following conditions being satisfied:

- An expense claim form must be completed and signed by the relevant delegated authority using the one-up rule;
- Supporting documentation providing evidence of actual and reasonable expenditure;
- Expenses must be supported by a valid, original GST compliant receipt or tax invoice;
- All claims must clearly state the business purpose of the expenditure where it is unclear from the documentation supporting the claim.

Additional Information



Please note that credit card statements and receipts without a GST number do not constitute adequate documentation for reimbursement.

These expenses will only be reimbursed if the expense is deemed reasonable, actual, and incurred directly in relation to Council's business.

Expenses must be claimed within one month of incurring the cost.

Meals

Reasonable meal expenses will be reimbursed. Meals should be reasonably priced. Separate meal expenses will not be met where a meal has been provided as part of the meeting, conference, training etc., unless there is an express business reason for this.

Snacks, including coffee, are not reimbursable unless this has been purchased in lieu of a meal.

Additional Information



Alcohol purchases will not be reimbursed unless expressly complying with the Sensitive Expenditure Policy.

Other

The cost of an early check in, late check out, activities, minibars and/or movies will not be reimbursed.

Charges for business related telephone calls, faxes, email, and internet access made by an employee while travelling on Council business will be reimbursed.

Reasonable expenses will be met for unexpected events e.g. overnight expenses due to cancelled air travel.

Excess baggage will not be reimbursed unless associated with a justified business purpose.

Reasonable laundry costs and dry-cleaning charges will be reimbursed on trips lasting greater than 4 days.

Private travel

Private travel, linked with business related travel may be undertaken, with the express approval of the employees direct manager or respective Executive Manager.

Private travel may be undertaken prior to, during or at the conclusion of Council related travel provided there is no additional cost to the organisation, the intended business purpose is not disrupted, and the private travel is incidental to the business purpose of the travel.

Travel cost of accompanying spouses, partners, dependants, or other family members are a personal expense and will not be paid for or reimbursed by Council. In the rare instance where the involvement of a spouse directly contributes to a clear business purpose and pre-approval has been obtained, Council may contribute to part of or all the additional costs.

Loyalty Reward Scheme Benefits and Clubs

Council may approve payment for individual staff or Elected Member membership of airline travel clubs (e.g. Koru Club or Qantas Club) providing it is supported by a clear business purpose and be authorised by the Chief Executive or Mayor respectively.

The Airpoints for business scheme is utilised by Council. The most frequent fliers will be added to the Airpoints for Business scheme. The individual traveller continues to earn the same number of Airpoints Dollars and Status Points as before, and the business earns

Airpoints Dollars alongside this. The traveller must check the 'travelling for business' box on the webpage when booking flights through Air New Zealand.

Due to the practical difficulties in recording, monitoring and utilising personal airpoints accumulated while on Council business, these airpoints can be utilised for personal use, provided there is no financial cost to Council.

The 'Airpoints for Business' scheme must be utilised in all instances of employees travelling by air where they are a nominated member of this scheme. The points gained from the scheme shall, where practical, go toward travel for shared purposes, such as Taituarā Management Challenge participants.

Compliance

Failure to comply with this policy may be considered misconduct or serious misconduct. Non-compliance may result in disciplinary action.

In the event that the policy has been breached, Council may require reimbursement of costs directly from the employee travelling.

Relevant legislation:

- Protected Disclosures Act 2000

Related documents:

- Sensitive Expenditure Policy
- House Rules
- Fraud, Corruption and Bribery Policy
- Protected Disclosures (Whistle Blower) Policy
- Vehicle Use Policy
- Controller and Auditor General - Controlling sensitive expenditure: Guide for public organisations
- Ministry of Foreign Affairs website <https://www.safetravel.govt.nz/travel-advice-levels>