Natural Hazards Commission
Toka Tū Ake

Travel and Travel Related Expenditure Policy

Policy details	
Policy Owner	Chief Financial Officer
Position Administrator	Senior Advisor Finance
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Related Policies and Legislation	Asset Management Policy Delegations Framework Project Governance Framework Procurement Policy Airline Club and Frequent Flyer Memberships Policy

Introduction

This policy sets out the business rules for payment by Natural Hazards Commission Toka Tū Ake of expenses incurred when staff travel on NHC Toka Tū Ake business.

This travel policy seeks to ensure:

- The cost effectiveness of NHC Toka Tū Ake's travel expenditure.
- That NHC Toka Tū Ake staff are provided with a reasonable and appropriate standard of travel, having regard to business requirements.
- That staff are not out of pocket for business-related travel costs.

Travel expenditure must always be:

- Subject to standards of probity and financial prudence that are expected of a public entity.
- Able to withstand external scrutiny.

All amounts referred to within this policy are inclusive of Goods and Service Tax (GST).

Applies to

This policy applies to permanent, fixed term and casual NHC Toka Tū Ake employees, Board members and contractors or temporary agency staff who incur costs in regard to NHC Toka Tū Ake business-related travel and travel-related expenses. For the sake of simplicity, they are referred to as **"staff"** in this policy.

Definitions and Terms

For the purpose of this policy, unless otherwise stated, the following definitions shall apply:

Domestic means travel within New Zealand

International means travel outside New Zealand

Business Purpose is defined as a description that is written so an individual, unfamiliar to NHC Toka Tū Ake's operation can understand why the transaction has occurred and how it benefits NHC Toka Tū Ake.

Staff Member means all permanent employees, temporary, casual, fixed term staff and contractors who are required to comply with NHC Toka Tū Ake policies.

Manager for the purposes of this document is defined as a manager with appropriate Delegated Financial Authority.

Tier 2 manager means a member of NHC Toka Tū Ake's Executive Leadership Team that reports into the Chief Executive.

Taxi-charge Card is a card that is linked to a named person and has full chargeback ability for Taxis.

Taxi Voucher Card Voucher Card is a plastic or cardboard voucher on which pre-approved business trips can be loaded. It differs from a Taxi-charge Card in that the voucher card can be used for taxis, by multiple staff members and only for the pre-approved number of trips.

One Up Pre-Approval means that you must seek and obtain the approval of the individual to whom you report (with appropriate delegated financial authority) or the cost centre manager incurring the cost.

Event An event is classed as an event whose timing is unexpected and whose consequences are seriously destructive and could not be foreseen.

Airline club – any airline or frequent flyer membership e.g, Koru Club.

Our Approach

General

- Staff who are required to undertake business-related travel may be entitled to reimbursement of actual and reasonable costs.

  Prudent use of NHC Toka Tū Ake funds is expected. Staff must ensure that they travel the most cost-effective way possible. This includes making use of online meeting tools, making travel reservations well in advance and taking advantage of discounts and other cost savings whenever appropriate, unless there are exceptional circumstances. Or, to ensure a balance between fostering team culture and minimizing carbon emissions, managers can deliberately choose face to face meetings, ensuring that they align with reduced travel guidelines as much as possible.
- A Manager may not approve their own travel expenditure, even if charged through another staff member.
- Travel, accommodation, or purchase decisions must not be influenced by any personal benefits available, for example, loyalty schemes. Staff shall cover all costs or benefits that result from exercising personal preference for personal advantage.
- Accommodation bookings should consider due regard for health and safety and be appropriate in terms of purpose, distance, and urgency of the traveler.
- Airfares, accommodation, and rental cars will normally be charged directly to NHC Toka Tū Ake's preferred supplier using the All of Government travel agreement via the travel management company.
- All other actual and reasonable costs should be paid for with a NHC Toka Tū Ake corporate credit card. If the staff member does not have an NHC Toka Tū Ake credit card, actual and reasonable costs will be reimbursed upon receipt of an approved expense claim with supporting receipts and one up pre-approval (where applicable).

- For all costs $50 and over, original itemised taxable supply information is required for expenses claimed. EFTPOS receipts alone are not acceptable, except for amounts under $50 unless they include Seller's Details (name), Time of supply (date), Information on the goods or service and payment information and if the expense has had GST applied.
- Claims may be challenged, modified, or declined if deemed excessive or cannot be justified as actual and reasonable i.e., no supporting taxable supply information documents have been provided and/or amounts are outside of policy limits without appropriate authorization.
- Generally, incidental costs or benefits that result from circumstances outside of staff control are covered by NHC Toka Tū Ake.
- The option to use Microsoft Teams (or similar) rather than travelling should be used where available to enable NHC Toka Tū Ake to reduce carbon emissions, unless impractical for the purpose of the meeting type. Generally, if meeting is less than half day, then teams must be used. If less than four meetings (or less than four hours of meetings) are scheduled, then Teams must be considered. Team days must be full days and not half days for travel to be considered.
- Actual and reasonable expenses must ***not*** include:
    - Alcohol, bar, and mini bar expenses.
    - Movies, or other personal entertainment expenses
    - Cost of laundry if travel is less than five working days (in New Zealand).
- All expenses must be claimed within ***three months*** of incurring the cost via the appropriate process and submitted for payment on a regular basis.
- All NHC Toka Tū Ake credit card holders must submit their statements monthly.
- Where travel or travel related expenses need to be incurred in relation to the immediate response to an event and one up pre-approval is not able to be obtained, adequate records must be kept enabling your manager to approve these expenses post them being incurred.

Domestic Air Travel

- Before booking travel, consider the alternatives and the benefits and costs of travel.
- Virtual options must be considered as the default before travelling or requiring others to travel. Travel should only be considered if more than four meetings are scheduled, or the team day is for a full day.
- All domestic travel must have one up pre-approval. Flights must be booked with NHC Toka Tū Ake's preferred supplier using the All of Government air travel agreement.
- Bookings must be made at least 8 days[1] in advance of departure, to maximise cost savings. Bookings made any closer to departure than this must be authorised by a tier 2 manager. The option to use Microsoft Teams (or similar) rather than travelling should be used where available to help NHC Toka Tū Ake reduce carbon emissions.
- Seat-only-fares must be booked, unless an overnight stay is required (then seat + bag or equivalent can be booked), or prior approval is granted by your tier 2 manager for other fare types. Flexichange or flexi refund or equivalent.
- All changes to approved travel expenditure require one up pre-approval prior to incurring any expenditure in relation to those changes.

International Travel

[1] Ordinary business working days, i.e., excluding weekends, public holidays, etc.

- All international travel must have prior written approval from the Chief Executive or Board Chair. See the Delegations Framework Policy for more information on International Travel Approvals.
- Written approval must then be forwarded onto the Finance team utilising the travelapprovals@naturalhazards.govt.nz email address.
- Flights must be booked with a member of NHC Toka Tū Ake's preferred supplier panel[2] using the All of Government air travel agreement.
- Bookings must ensure the greatest efficiency and economy for NHC Toka Tū Ake. In the event that the preferred provider and travel time for NHC Toka Tū Ake also generates loyalty or frequent flyer points for the staff member travelling, those points may not be accrued. These benefits must be disclosed and accounted for in line with the Airline Club and Frequent Flyer Memberships guidelines below.
- Bookings must be booked at least 8 days prior to departure, to maximise cost savings.
- Approval levels and travel classes are shown in the following table:

Destination	Approval to travel	Economy (with meal)	Business class or equivalent
Australia	Chief Executive	Chief Executive	Not permitted
All other destinations	Board Chair	Board Chair	Board Chair

- Travel insurance is provided by NHC Toka Tū Ake for staff only, and only for the duration of the official journey. NHC Toka Tū Ake provided travel insurance is not available for family members of staff.
- *Approximately $80 per diem* may be claimed prior to travel as an alternative to reimbursement of travel related expenses. The pre-approved rate of $80 per day will be paid in advance once an expense claim has been received by the Finance Team.
- Excess personal baggage costs shall be met by staff. If there is a business requirement, NHC Toka Tū Ake will pay excess rates for NHC Toka Tū Ake items.
- Visas needed for international travel will be arranged via our Travel Management Company. NHC Toka Tū Ake will meet the costs of obtaining visas however NHC Toka Tū Ake does not meet the cost of passports.
- Tipping will only be reimbursed in countries where it is a local practice, and to limits which are culturally appropriate.
- NHC Toka Tū Ake will meet reasonable laundry expenses.
- If a stopover is required, the cost should be pre-approved and justified with a clear business purpose.
- Exceptional circumstances expenses, not already covered in this policy, may be signed off by the Board Chair.
- For international accommodation, reasonably priced accommodation should be sought having regard to the appropriateness of the location, safety and security, and standard of accommodation. Staff and the approving manager should exercise the standards of probity and financial prudence when deciding on the cost of the accommodation. As a general guideline, international accommodation should have a rating of no greater than 'four stars.'

Accommodation

[2] Visit NZ Procurement for a complete listing of all panel members at: https://www.procurement.govt.nz/contracts/travel-management-services/providers/

- To ensure the safety and security of our staff, approved accommodation must be booked through the preferred travel management company before the travel is commenced.
- If accommodation for an external course or conference is included in the overall attendance fee, the accommodation booking is not subject to the conditions of this policy.
- Airbnb or its equivalent is excluded from use under this policy, unless pre-approved by your tier 2 manager.
- As a guideline, a maximum of no more than $250 per night should be incurred for all domestic accommodation bookings[3].
- A pre-arranged and agreed reimbursement ("Staying Privately Allowance") for staying with family or friends in an away location (i.e., not supplier-provided accommodation) may be paid. The staff member's manager must approve any Staying Privately Allowance in advance. The Staying Privately Allowance will only be reimbursed on submission of receipts to support the actual expenses incurred by the staff member while staying with family or friends in an away location. Expenses to be reimbursed are restricted to those that would be ordinarily incurred in travelling (e.g., food, taxi, etc.) Expenses must meet the NHC Toka Tū Ake Sensitive Expenditure policy e.g., no alcohol will be reimbursed. As a guideline, no more than $150 per night, or $500 per calendar week will be reimbursed.

  If a Staying Privately Allowance is claimed, then a *per diem* cannot be claimed for the same period.

Rental Vehicles

- Rental vehicles must be booked through the preferred travel management company using the All of Government travel agreement, this requires prior one up pre-approval.
- The *Vehicle Policy* and *the Vehicle Allowance Policy* covers the use of all vehicles owned, rented, or leased by NHC Toka Tū Ake and used for NHC Toka Tū Ake business.
- NHC Toka Tū Ake will not pay towards fees, traffic infringements or parking fines. Staff are responsible for any expenses incurred of this nature.
- Staff are responsible for arranging payment of any Toll Road fees and NHC Toka Tū Ake will reimburse the Toll Road Fee only if a Toll payment notice is submitted along with the expense claim.
- NHC Toka Tū Ake is not responsible for payment of any fines in relation to late payment of Toll Road Fees

Taxis

- Taxis are to be used only for business-related travel and where it is not practicable to use cheaper forms of transport.
- Frequent users of taxis (more than four times a week or 16 times per month) should be issued a Taxi-charge card or Taxi Voucher card to use to cover these costs, unless the staff member has a corporate credit card, which should be used instead of a taxi card. This requires the approval of the tier 2 manager of the staff member's business unit. Infrequent users of taxis may use a Taxi Voucher card. The Team Administrator CES or Team Administrator NDRM in Christchurch and the Finance Team in Wellington hold Taxi Voucher cards for travel within New Zealand. Voucher cards should be returned to them once travel has finished.
- Individuals using Taxi Voucher cards must send the following information when requesting a voucher card: dates of travel, cost centre and event, business purpose, how many trips are required and one up pre-approval to travel (Orbit itinerary is sufficient). Please provide five business days' notice, in advance of your travel where possible.
- Taxi-charge card and Taxi Voucher card receipts must be returned to the Finance team with name and business purpose on the back of each receipt for reconciliation.

[3] Unless the area being travelled to is experiencing exceptional demand for accommodation for the period of travel e.g., Wellington while WoW is being held. Or, in circumstances where there is limited choice in accommodation choices. In this situation a Tier 2 manager approval should be sought for an appropriate per night rate.

- Where possible, a NHC Toka Tū Ake issued Taxi-charge card or Taxi Voucher card should be used for transport expenditure. If the staff member does not have any of these, expenses can be reimbursed on receipt of an approved expense claim.
- Where a staff member requires a Taxi Voucher card or a Taxi-charge card, they should refer to the following:
    - **Appendix A** – Taxi Voucher card application form.
    - **Appendix B** – Taxi-charge card application form.
    - **Appendix C** – Taxi-charge card eligibility and terms of use.
- All staff that use a Taxi-charge card or a Taxi Voucher card should be familiar with Taxi Voucher Cards Standard Operating Procedure.

Use of private vehicle

- Use of private vehicles for business purposes must have prior approval before costs can be claimed. Staff may use their own vehicle provided the cost to NHC Toka Tū Ake (mileage and parking) is not greater than the use of a taxi.
- When a staff member uses their own vehicle for business purposes (e.g., travel to the airport or traveling to undertake work related duties), a reimbursement at the IRD approved mileage rate, will be paid to the staff member. This should be agreed with your Manager before lodging a claim. This does not include the daily travel from your home to work and back, as this is your own personal responsibility unless you have been asked to work from home due to capacity issues within one of NHC Toka Tū Ake's offices.
- If you are having to work from home due to capacity issues, NHC Toka Tū Ake will pay the actual cost of travel of the lessor distance between office to homeowner or Home to homeowner. It will be up to the persons line manager to check this mileage is correct. Finance will perform checking controls as appropriate.
- The mileage reimbursement rate is reviewed each year and may be amended based on IRD recommendations.
- An analysis should be undertaken to determine what the most economical option of travel for NHC Toka Tū Ake is and you should adopt that mode of transport (i.e., use of own vehicle vs using taxis). NHC Toka Tū Ake will only reimburse up to the cost of the most economical option, unless by prior one up pre-approval.
- Staff shall submit an expense claim for the reimbursement of their cost of the travel. This will include details such as kilometres travelled, places of departure and arrival and justifiable business purpose.
- NHC Toka Tū Ake's insurance, covers using private vehicles in a business situation, providing one up pre-approval has been sought. NHC Toka Tū Ake will not accept risk for loss or damage to a private vehicle arising out of its use for a business-related reason (including loss of any insurance or "no claims" bonus) if no one up pre-approval has been sought.
- NHC Toka Tū Ake will not pay towards fees, traffic infringements or parking fines. Staff are responsible for any expenses incurred of this nature.
- Staff are responsible for arranging payment of any Toll Road fees and NHC Toka Tū Ake will reimburse the Toll Road Fee only if a Toll payment notice is submitted along with the expense claim.
- NHC Toka Tū Ake is not responsible for payment of any fines in relation to late payment of Toll Road Fees.

Meals

- If away from home overnight, a staff member's meals will be reimbursed by NHC Toka Tū Ake on an actual and reasonable basis. The following is considered a reasonable cost[4]:

Meal Allowances

[4] Amounts are reimbursable on a per meal basis i.e., the amounts cannot be combined and used for a single meal or purchase.

Meal	Amount ($NZD)
Breakfast	Up to $30*
Light Lunch	Up to $25*
Dinner	Up to $50*

**Non-Alcoholic beverages consumed with the above meals will be accepted provided they fall within the total amount stated above and are ordered around the same time as meal.*

- Meal allowances should only be claimed as follows:

Type of Travel	**Breakfast**	**Light Lunch**	**Dinner**	**Other beverages/ food**
NZ Travel, returning same day	N/A	May claim	N/A	N/A
NZ Travel, Staying Overnight	May claim [6] (morning after overnight stay)	May claim	May claim (evening of overnight stay)	N/A
NZ Staying two Nights or more	May Claim[5]	May claim	May claim[6]	N/A
Overseas	May Claim	May claim	May claim	N/A

- Dinner expense cannot be claimed on night of arriving home unless that flight arrival time is later than 8pm.
- Expenses must not be claimed where meal costs are met as part of a conference fee or training course, or other allowance or *per diem* for the same period of travel has been claimed.
- When staff members choose to stay over for a weekend at their destination rather than go home and return at the beginning of the next week, NHC Toka Tū Ake will bear the accommodation costs up to the level of the airfares or other travel costs saved. Any accommodation costs over that amount and all other direct costs (meals, transport, laundry, etc.) incurred are the staff member's responsibility.
- NHC Toka Tū Ake will not cover weekend costs unless the staff member is required back in the away location the following Monday. Tier 2 manager approval must be granted beforehand.
- It is acceptable to change bookings for an extended leisure stay, provided leave is granted beforehand and ***no further cost falls on NHC Toka Tū Ake***.

Airline Club and Frequent Flyer Memberships

- NHC Toka Tū Ake-funded airline club membership is not available to employees. Employees are able to take advantage of NHC Toka Tū Ake's corporate rate with Air New Zealand Koru Club. If staff would like to take advantage of this, then contact the Transactions Team at accounts@naturalhazards.govt.nz.
- Regardless of a staff member's frequent flyer membership, all travel must be booked in line with the Travel and Travel Related Expenses Policy.
- For domestic travel requiring flights, this entails booking flights through NHC Toka Tū Ake's preferred supplier and using the All of Government air travel agreement. Flights booked this way will not accrue

[5] Starting the first day after overnight stay.
[6] Except on the evening of returning home.

frequent flyer points. However, the traveling staff member will be entitled to accrue 'status points' (i.e. non-redeemable frequent flyer points).

- Where international travel is required, redeemable frequent flyer points should not be accepted or accrued for work related travel.

***Per Diem* – Alternative Allowance Domestic**

Per diems may be used as an alternative to reimbursement of separate travel related expenses. *Per diems* must have one up pre-approval. The pre-approved rate of $80 per day will be paid in advance via Finance Team. *Per diems* cannot be used in conjunction with other travel expense claims or allowances for the same period of travel (i.e., you cannot claim taxi, meal, mileage, etc., costs as well as receiving a *per diem*).

The Board Chair may sign off exceptional circumstances, not already covered in this policy.

Responsibilities

The responsibility to ensure compliance with this policy rests with the individual staff member and more importantly with the approving manager, before approving any purchase under the requirements of this Policy.

The Finance team will monitor compliance with this policy by undertaking quarterly reviews of Taxi-charge, Travel, Credit Card, and staff claims expenditure.

Appendix A

Application for Taxi-charge voucher card

Name of Traveller:

Date of Departure:

Date of Return from:

Number of Trips required:

Cost Centre: **Event Code:**

Business purpose:

Approved by:

Please note that an attached email from approver is sufficient.

Appendix B

Application for NHC Toka Tū Ake Taxi-charge Card Membership

To be approved by staff member's applicable Tier 2 manager

Staff member: ____ **Date:** ___________________

Position: ____ **Employee #:** _____________

NHC Location: ____ **Cost centre** ______________

Date required by: ____ **Ext #** ___________________

(Please note Finance require a minimum of 10 working days after receipt of approval)

Reason for request:

Requested by: ___________________________________ **Position:** _________________________

Tier 2 manager Approval: ____

I understand and agree to provide all Taxi-charge receipts to the Finance team at the beginning of each month with the 'from' and 'to' destination and business purpose written on the back.

Signed by Employee: ____

Date: ___________________________________

Appendix C

Taxi-charge Card Membership eligibility and terms of use

Membership is restricted to employees or Board members who are required to travel for business purposes on a frequent basis and who do not have an NHC Toka Tū Ake Corporate credit card. Frequent travel is defined as a minimum of four taxi trips per week, or 16 taxi trips per month exclusively for NHC Toka Tū Ake business.

Membership must be approved by your relevant tier 2 manager. The Chief Executive may approve membership for Executive Leadership Team members.

Renewal of existing memberships will not be automatic. Individual membership must be reviewed by a tier 2 manager and renewal approved or declined. All Taxi-charge Card memberships will cease on termination of employment.

Taxi-charge membership may be approved in advance where it is known that an employee's travel requirements will fulfil the criteria mentioned above.

It is expected users and approvers of Taxi-charge cards will consider whether use of the Taxi-charge card is appropriate in each circumstance, or whether other cheaper methods of travel (walking, bus, train) are practicable and safe.

Approved Taxi Usage

Taxis may be used:

- Between home and airport (or other transport terminal) on days of NHC Toka Tū Ake business travel.
- Between an NHC Toka Tū Ake business location and airport (or other transport terminal) on NHC Toka Tū Ake business.
- Between an NHC Toka Tū Ake business location and accommodation when out of town on NHC Toka Tū Ake business.
- Between NHC Toka Tū Ake business locations.
- To home if your workday ends outside normal business hours (must be pre-approved in writing (email) by your manager).
- To and from an NHC Toka Tū Ake -hosted work function, which you are required to attend as part of your role, to home. *
- To and from an externally hosted work function, which you are required to attend as part of your role to represent NHC Toka Tū Ake, to home. *
- In an emergency covered by Health, Safety and Wellbeing.

*All non-executive staff must obtain one up pre-approval in writing (email) from a manager of at least Tier 3.