

**TRAVELLING, ACCOMMODATION AND SUSTENANCE EXPENSES Procedure 5.5.5**

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| Policy No. and Title | 5.5              | Conditions of Employment Policy                   |
| Procedure            | 5.5.5            | Travelling, Accommodation and Sustenance Expenses |
| Version              | 1                |   |
| Date Adopted         | 27 November 2013 |   |

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**1 OBJECTIVE**

To outline the payment or reimbursement of travelling, accommodation and expenses of staff attending conferences, seminars, or training courses.

**2 INTRODUCTION**

- a) Employees may be required to undertake travel in the course of their official Council duties.
- b) The purpose of this procedure is to:
  - i) Set out the ways in which bona fide travel and accommodation expenses incurred by employees in the performance of official duties will be reimbursed or paid by Council, and
  - ii) Ensure that there is accountability and transparency in the reimbursement of expenses incurred or to be incurred by employees.
- c) An employee's ability to claim for travel expenses is for reasonable expenses related to Kempsey Shire Council business only.
- d) The employee will be entitled to reasonable privileges that they would use at home (e.g. newspapers, meals).
- e) Costs associated with private accompanying persons will not be met by Council.

**3 DEFINITIONS**

**Council Business** - This is official business conducted on behalf of, and approved by Council, either to fulfil a legislative requirement or to achieve a benefit for Council. This may include an employee's attendance at external courses, conferences, seminars or workshops.

**Hospitality** – expenditure incurred for the reception and entertainment of guests or visitors of Council.

**Reasonable** - not past the limit of reason; not excessive; moderate or fair, as in price. (source: Macquarie Dictionary)

**4 AUTHORISATION OF PAYMENT FOR EXPENSES GENERALLY**

- a) All expenses and costs incurred where reimbursement is sought must be in accordance with the requirements of this procedure.
- b) Reimbursements of costs and expenses shall be made upon production of appropriate receipts and completion of required claim forms:

- i) HRM018 - External Learning and Development Activity Attendance Request.
- ii) HRM019 - Travelling Expenses Claim Form.
- c) Payments in advance may be requested in anticipation of expenses to be incurred in attending conferences, seminars and training courses. Reconciliation of the actual expense incurred against advance payments shall be made within two (2) days of the staff member's return.
- d) Expenditure of funds by staff should be in a manner which is considered responsible and acceptable by community standards.
- e) The relevant Director or General Manager is authorised to approve the payment of travelling, accommodation and expenses of staff attending conferences, seminars, or training courses whereby attendance and participation would be of benefit to the Council.
- f) Authorisation is required prior to the event and or arrangements being made where travel involves overnight stay. Arrangements and bookings are to be made prior to and paid for by Council.
- g) Where travel for Council business or approved activities outside of the local government area is to be undertaken all travel should be by the most practical method. Any travel exceeding 2 hours travel time should be notified to the Director.
- h) All expenses likely to be incurred (travel, accommodation, meals, etc) must be provided at the time of the request.
- i) Employees travelling on Council business must:
  - i) At all times comply with the Council Code of Conduct (Procedure 5.1.1)
  - ii) Exercise the same care in incurring expenses as a person travelling for personal reasons.
  - iii) Make their business travel arrangements to ensure the best value to Council.
  - iv) Submit the forms as soon as possible after they know they need travel and accommodation as tariffs get more expensive as the date of travel gets nearer. If you delay in providing necessary paperwork, which results in a significant increase in price of travel you may be required to seek re-approval.
- j) If the travel is to be sponsored by or contributed to by an external entity, notice of this must be made on the employee's request form prior to the Director's approval.

## **5 TYPES OF TRAVEL EXPENSE**

- a) This procedure identifies four types of expenses:
  - i) Travel;
  - ii) Meals;
  - iii) Accommodation, and
  - iv) Incidentals

- b) Any travel expense entitlement is referenced from the Australian Taxation Office (ATO) publication released each year, titled '*What are the reasonable travel and overtime meal allowance expense amounts for the <relevant> income year?*'
- c) The document is sourced from the ATO and forms the underlying principles behind this procedure. To locate this document follow the link:

[http://law.ato.gov.au/atolaw/Browse.htm?ImA=folder&Node=5~2~0&OpenNodes=5,5~2&DBTOC=04%3AATO%20Rulings%20and%20Determinations%20\(Including%20GST%20Bulletins\)%3ABY%20Type%3ADeterminations%20\(Including%20GST%20Bulletins\)#5~2~0](http://law.ato.gov.au/atolaw/Browse.htm?ImA=folder&Node=5~2~0&OpenNodes=5,5~2&DBTOC=04%3AATO%20Rulings%20and%20Determinations%20(Including%20GST%20Bulletins)%3ABY%20Type%3ADeterminations%20(Including%20GST%20Bulletins)#5~2~0)

Under this link choose:

- + Taxation
- + The relevant year, and select the above titled document from the list.

- d) Your Director's Executive Assistant (EA) can assist with travel arrangements and training/seminar/conference bookings once approval has been obtained.

## **5.1 Travel**

- a) Travel relates to all modes of travel. It includes flights, taxis, public transport, hire car and Council vehicle.

### 5.1.1 Flights

- a) The relevant Director's Executive Assistant (EA) is to book flights as required.
- b) These flights will be costed to the relevant area of your budget.

### 5.1.2 Taxi

- a) The relevant Director's Executive Assistant (EA) will issue Cab-charge vouchers for travel by taxi, as determined and approved by the Director.
- b) It is the employee's responsibility to ensure the correct details are written on the voucher at the time of redemption.
- c) A scanned copy of the voucher with travel details and signature on it will be received from Cab-charge.
- d) Any unused Cab-charge vouchers are to be returned to the EA.
- e) If an employee pays for taxis used using their own funds, petty cash reimbursement will be issued if the Director approves the transport as work related and on the production of valid receipts.

### 5.1.3 Public Transport

- a) An employee is to pay any public transport charges, petty cash reimbursement will be issued if the Director approves the transport as work related and on the production of valid receipts e.g. using public transport to travel to/from the airport to the venue instead of using taxi is included as a travel expense and will be reimbursed upon completion of travel.

#### 5.1.4 Vehicle

- a) If the employee is comfortable driving to their destination the employee must make arrangements for a Council vehicle to be available for the duration of the travel.
- b) A Council vehicle can be arranged by borrowing a leaseback vehicle from a fellow employee or requesting a pool car from the Coordinator Fleet and Procurement.
- c) The use of a private vehicle while on work related travel is not endorsed. Where a private vehicle is used by choice by the employee and a Council vehicle was available no allowance will be payable.
- d) If use of a private vehicle is necessary for travelling on authorised Council business prior approval must be obtained from the Director. In this instance a vehicle allowance for travelling at the rate specified in the Local Government State Award shall be paid.

#### 5.2 Meals

- a) The ATO determination issued each year has a meals table which the ATO deem as a reasonable meal expense for an employee when asked to travel away from home.
- b) An employee is entitled to this allowance for each meal period (breakfast, lunch, dinner) they are travelling, provided meals are not part of the travel package (e.g. lunch provided at training/seminar/conference).
- c) Payments in advance may be requested in anticipation of expenses to be incurred in attending conferences, seminars and training. Reconciliation of actual expense incurred against advance payments shall occur within two (2) days of the staff member's return.

#### 5.3 Accommodation

- a) The ATO determination issued each year has accommodation rates which the ATO deem as reasonable for an employee when asked to travel away from home.
- b) Accommodation is to be booked to the value as determined by the ATO or at the venue the training, seminar or conference is being held. This may mean that the employee may not be staying at the accommodation centre of their choice.
- c) If an employee wishes to stay at an accommodation centre with a value exceeding the ATO reasonable value, the employee can elect to pay the difference from their own funds.
- d) Where staff, elect to stay with family or friends, reimbursement will be made for reasonable expenses incurred, on production of receipts.

#### 5.4 Incidentals

- a) The ATO determination also provides for an incidental allowance to be paid to a travelling employee.

- b) An employee is entitled to incidental expenses for each day they travel where expenses are incurred.
- c) If you incur incidental expenses and you wish to make a claim for reimbursement, you will be required to supply receipts for all incidental expenses incurred on your trip. The Director may approve the reimbursement of the incidentals if all deemed work related.

## **6 EXCLUSIONS**

- a) The following expenditure is deemed to be private expenditure, and thus Council funds are not to be used to purchase:
  - i) Tips or gratuities;
  - ii) Dinner or functions held at private residences;
  - iii) Alcohol. Council does not expect employees to not consume alcohol while on business travel, but it does expect the employee to conduct themselves in the manner stated on the Council's code of Conduct and any expenditure will be the employee's obligation;
  - iv) Travel, accommodation or meal expense for any private persons accompanying the staff member;
  - v) The provision or receipt of hospitality that would raise ethical or impartiality issues covered by Council's Code of Conduct, and
  - vi) In-house movies or magazines.
- b) Expenditure incurred which is considered to be private expenses must be paid by the employee and not issued to Council.
- c) The Director/General Manager has the right to refuse reimbursement for non-approved or inappropriate expenditure.

## **7 TRAVEL OUTSIDE OF WORK HOURS**

- a) Where employees are required to travel outside normal working hours, overtime payments do not apply but time in lieu claims will be considered.
- b) These claims will be considered on an individual basis by the relevant Director.
- c) Time in lieu should apply when:
  - i) An employee is required to travel on a Saturday, Sunday or public holiday to be at a meeting or training venue the following morning;
  - ii) An employee is required to attend training or a meeting and the total hours (including reasonable travel time) exceeds 10 hours for the day, time in lieu shall apply to the hours exceeding 10 hours. Reasonable travel time shall be calculated using [www.whereis.com.au](http://www.whereis.com.au) for the shortest distance and adding a 10 minute rest break every 2 hours;
  - iii) Unforeseen delays beyond the above will be considered at the discretion of the Director, or

iv) In determining whether an overnight stay is appropriate, the approving Manager and the employee shall complete a risk assessment prior to the proposed trip. The risk assessment should take into account:

- Duration of the event. (i.e. the number of hours start/finish times);
- Number of employees travelling;
- Distance to be travelled;
- Weather conditions, and
- Nature of the event

## **8 OVERSEAS TRAVEL**

a) All overseas travel for staff must be considered and approved by the General Manager.

### **VARIATION**

Council reserves the right to review, vary or revoke this procedure which will be reviewed periodically to ensure it is relevant and appropriate.