



**Australian Government**

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**Office of the Australian Building and  
Construction Commissioner**

# **Finance Direction 15**

## **Travel**

**Process Owner:** Chief Financial Officer  
**Version Number:** 2.0  
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## Change History

Update the following table as necessary when this document is changed:

Date	Nature of Change
July 2010	Updated version issued
July 2010	Update to 4.1.4 and addition of Appendix B to reflect requirement to fly using only DoFD approved airlines.
August 2010	Update to Daily Caps
January 2011	Position titles amended
February 2011	4.2.1 and 4.2.3 Daily Caps policy amended.
March 2011	4.2.1 Travel Allowance- Daily Caps policy amended.
April 2011	Additional guidance for travellers on personal travel (4.1.1) and class of travel (4.1.5).
May 2011	4.2.1 Clarification of Daily Caps.
August 2011	Procedure Updated for New Organisational Structure

## Table of Contents

<b>1. Commissioner’s Instruction (CI)</b> .....	<b>3</b>
<b>2. Introduction &amp; Objectives</b> .....	<b>3</b>
<b>3. Supporting Information</b> .....	<b>3</b>
3.1 Related References & Pronouncements .....	3
3.2 Responsible Officers and Contacts .....	3
3.3 Forms.....	4
<b>4. Guidelines</b> .....	<b>4</b>
4.1 Approval and Booking.....	4
4.1.1 Principles to be observed by Travellers and Travel Delegates .....	4
4.1.2 Initial Approval to Travel.....	5
4.1.3 Travel Booking.....	5
4.1.4 Air Travel .....	6
4.1.5 Class of Air Travel .....	6
4.1.6 Accommodation .....	7
4.1.7 Use of Taxi’s .....	7
4.1.8 Motor Vehicle Rental .....	7
4.1.9 Private Vehicles.....	8
4.1.10 Parking Fees .....	8
4.1.11 Incidental Allowance.....	8
4.1.12 Accessing Acquittable Cash Payments.....	8
4.2 Travel Involving an Overnight Stay.....	9
4.2.1 Travel Allowance - Daily Caps.....	9
4.2.2 Non-commercial Accommodation.....	12
4.2.3 Variations to Daily Cap .....	12
4.3 Other Travel Issues.....	13
4.3.1 Travel Not Involving an Overnight Stay .....	13
4.3.2 Other Costs Arising From Travel.....	13
4.3.3 Useful Contacts .....	13
<b>Appendix A – Supporting Documentation Form</b> .....	<b>14</b>
<b>Appendix B – Department of Finance and Deregulation Approved Airlines</b> .....	<b>15</b>

# 1. Commissioner's Instruction (CI)

Staff proposing to travel are to firstly obtain approval from a Delegated Official.

# 2. Introduction & Objectives

The purpose of this Finance Direction is to ensure accountability, public defensibility and proper use of resources when staff undertake official travel on behalf of the ABCC. These procedures apply to all employees required to travel and to Delegated Officials required to approve travel.

# 3. Supporting Information

## 3.1 Related References & Pronouncements

<b>FMA Act 1997:</b>	Section 44
<b>FMA Regulations:</b>	Regulations 7-13
<b>Related Finance Directions:</b>	Finance Direction 16 "Travel Credit Cards"
<b>Other References:</b>	<ul style="list-style-type: none"> <li>■ Financial Management Guidance No.1 'Commonwealth Procurement Guidelines.'</li> <li>■ Financial Management Guidance No.10 'Guidance on Complying with Legislation and Government Policy in Procurement.'</li> <li>■ Finance Circular 2009/10 'Use of the Lowest Practical Fare for Official Domestic Air Travel</li> <li>■ ANAO Better Practice Guide: Public Sector Travel, 1997</li> </ul>

## 3.2 Responsible Officers and Contacts

Position/Title	Level	Responsibility
Assistant Director, Business Services	EL1	Processing travel Requests
Spendvision Administrator	APS5	Managing the credit card reconciliation process
Delegated Officials	Various	Approval of Travel within Delegations

### 3.3 Forms

The following forms are required:

Report/Form:	Contact	Location:
Supporting Documentation form	Assistant Director, Business Services	Intranet/Forms & Templates/Supporting Documentation if no Receipt

A copy of this form is located at Appendix A.

## 4. Guidelines

### 4.1 Approval and Booking

#### 4.1.1 Principles to be observed by Travellers and Travel Delegates

1. **Necessity of Travel**

- Travel should only be undertaken where other communication tools, such as teleconferencing and videoconferencing, are not an effective option. In approving travel, the delegate should be satisfied that there is a demonstrated business need for the proposed travel.
- Employees travelling on official business may not use the travel to gain any personal or private benefit.
- The ABCC is not to incur accommodation and travel expenditure relating to any extension of travel for private or personal reasons (including extensions at either the start or finish of the official travel, e.g. commencing travel on a Saturday afternoon when, for business reasons, there is no reason to commence the travel earlier than Sunday afternoon).
- Official business must be the primary reason for any travel and accommodation expenditure that is paid for by the ABCC. Any private or personal travel and accommodation expenditure incurred during an official business trip must be coincidental to the official business, not the primary reason for the official travel and be paid for separately by the employee.
- The ABCC is not to incur accommodation or travel expenditure relating to travel for personal or private reasons. Employees are to personally and separately pay for any travel or accommodation expenditure relating to private or personal reasons that may be coincidentally incurred during an official business trip.

2. **Value for Money**

- Value for money is the paramount consideration in booking travel. In particular, when booking air travel officials must have regard to the lowest practical fare irrespective of airline.
- Expenditure on travel should always be economic, efficient, ethical, honest and defensible.

### 3. **Reasonableness**

- Where flexibility is possible and appropriate, employees must schedule meetings and other events so as to minimise unnecessary travel time.
- Managers should be flexible in accommodating the needs of employees, taking into account family responsibilities, personal circumstances, safety and security and other relevant factors that may affect their ability to travel.
- Employees should not be out of pocket for reasonable expenses incurred whilst travelling.
- Managers must give consideration to Enterprise Agreements and other workplace agreements in regard to travel, time off in lieu of travel and periods of rest before, during and after travel.

### 4. **Accountability**

- Accountability in relation to travel rests with the traveller and the manager or Delegated Official approving travel.
- Employees who travel and managers or Delegated Officials approving travel are fully accountable for their official travel activities and related resource usage. All employees must ensure they conduct themselves in accordance with the APS Code of Conduct and APS Values, and comply with section 44 of the *Financial Management and Accountability Act 1997* which requires that public money be spent in an efficient, effective and ethical manner.

#### 4.1.2 Initial Approval to Travel

All employees proposing to travel must obtain the prior approval from a Delegated Official before booking travel. Prior approval must be followed up immediately with a Pre-Approval request within the Spendvision travel module. Where applicable, relevant supporting documentation, such as conference agenda, training or meeting details should be provided to the Delegated Official. Any subsequent variations to the approved travel arrangements must also be approved by the Delegated Official.

In instances where travel is unforeseen (for example, an extension of travel arrangements or emergency travel initiated out of hours), prior oral or e-mail approval is required. Both the traveller and the Delegated Official should make a record of the approval in their diaries and the traveller should follow-up promptly with a travel Pre-Approval Request within Spendvision.

In considering requests to incur travel expenditure the Delegated Official must comply with the requirements of Finance Direction 10 "Procurement of Goods & Services" Approving Proposals to Spend Public Monies.

#### 4.1.3 Travel Booking

Bookings for air travel must only be made through Carlson Wagonlit (the ABCC's contracted travel provider). Staff are not permitted to obtain airline tickets directly from an airline. Bookings for accommodation and car hire may be made through Carlson Wagonlit or other provider at the option of the traveller.

#### 4.1.4 Air Travel

ABCC staff are required to travel only on airlines approved by the Department of Finance and Deregulation (refer to Appendix B).

At the time of booking, Carlson Wagonlit will offer travellers the Lowest Practical Fare (LPF). If the LPF is rejected by the traveller, Carlson Wagonlit are required to ask for a reason, and are obliged to report that reason to ABCC. The following are not valid considerations for selecting a particular airline:

- Preference for jets or full-service airlines;
- Access to airline lounges;
- Accumulation of airline benefits such as frequent flyer points.

The Lowest Practical Fare (LPF) is the lowest fare available on the day the travel is booked, on a regular scheduled service, which suits the practical business needs of the traveller, and for:

- outbound flights, leaves within a 45 minute window before the latest possible departure flight; and
- return flights, leaves within a 45 minute window after the earliest practical return flight time.

In assessing the LPF, it is appropriate to consider, but not limited to, the following criteria:

- Health and safety issues for officers requiring certain facilities;
- Ability to provide connecting flights;
- Achieving work-life balance or having carer responsibilities (i.e. flights outside of business hours);
- The provision of relevant in-flight services such as meals, that can affect the total cost of travel;
- The relevant opportunity costs and benefits of travel (i.e. ABCC costs per hour of person travelling); and
- Each leg (outbound and inbound) of a proposed trip should be considered independently.

Frequent Flyer points accrued through work related travel are not to be used for personal travel arrangements under any circumstances.

#### 4.1.5 Class of Air Travel

For domestic flights, SES officers may travel business class and non-SES employees travel economy class. In exceptional circumstances, non-SES officers may upgrade to business class where the Delegated Official considers this appropriate.

A non-exhaustive list of such circumstances may include:

- certain medical conditions
- the traveller will be personally briefing an SES traveller (travelling in business class) during the flight because there is insufficient time to conduct this briefing before and/or after the flight. This situation should be limited to one traveller per SES traveller and when the traveller is seated directly next to the SES officer.

- The traveller is undertaking several flights over several days and is required to arrive at each location rested and ready for business.
- No other fare was available within the Lowest Practical Fare timeframe/policy.

#### 4.1.6 Accommodation

Accommodation may be booked through Carlson Wagonlit, who will select accommodation in light of the applicable daily cap and other traveller requirements such as proximity to business. Employees may also book their chosen accommodation, requesting government rates.

#### 4.1.7 Use of Taxi's and Public Transport

Employees are encouraged to use public transport where this is cost effective, taking into account travel times, service frequency and proximity to final destination.

Taxis are the normal standard for cars with driver service. Private hire car services other than taxis should not be used, except:

- where the vehicle's Greenhouse Rating is rated at 9 or above on the Commonwealth's Green Vehicle Guide (<http://www.greenvehicleguide.gov/GVGPUBLICUI/home.aspx>), e.g. Toyota Prius Hybrid; or
- in exceptional circumstances with the approval of a Delegated Official. Wherever possible, prior approval should be obtained.

During official travel, taxis should only be used for official purposes, such as travel to/from the airport on the day of travel and from ABCC offices to other work-related locations. Taxis may also be used to travel between accommodation and work locations when such use represents efficient, effective and ethical use of public money. As accommodation is usually booked as close as possible to the employee's base of business while away from home base, use of taxis for this purpose would usually be limited.

The ABCC will meet the costs of official travel via taxis and other public transport. Employees are to meet their own costs for any personal travel using taxis and other public transport, e.g. to/from restaurants and places of entertainment. A Delegated Official may approve the use of taxis for travel this type of in exceptional circumstances, e.g. accommodation or work to/from a restaurant where walking/public transport is not a reasonable option. Wherever possible, prior approval should be obtained.

Employees using public transport may either pay these costs by travel card or seek reimbursement. Travel card is the preferred mode of meeting ABCC approved taxi expenditure.

Expenditure on taxis and other public transport is not included in the traveller's daily cap.

Provided they consider it efficient, the Delegated Official may approve the use of taxis in the home city for work related appointments or meetings and for staff to travel home where they are required by their manager to work after 8.00 pm. In these circumstances it is not necessary to process a travel Pre-Approval through Spendvision. However, the approval of a Delegated Official must still be obtained.

#### 4.1.8 Motor Vehicle Rental

Rental cars may be used where they are more cost-effective than taxis, airlines and other forms of transport.

Employees may book rental cars through Carlson Wagonlit or through their chosen rental car company, requesting government rates.

Payment of hire and ancillary costs such as petrol should be made by MasterCard wherever practicable.

Close attention is to be paid to vehicle collection and return times, so as to minimise total hire charges.

#### 4.1.9 Private Vehicles

Refer to Finance Direction 17 Vehicle Usage for information covering the use of private vehicles.

#### 4.1.10 Parking Fees

With the approval of a Delegated Official, employees may utilise paid car parking facilities whilst on work related business. In these circumstances it is not necessary to process a travel Pre-Approval through Spendvision.

#### 4.1.11 Incidental Allowance

Traveller's are entitled Incidental Allowance of \$20 per overnight stay. This amount is included in the daily cap.

**Example:** If travelling for, 2 nights and 3 full days, the incidental allowance is \$40 as it only applies for each night spent travelling.

Cardholders use their MasterCard to withdraw the Incidental Allowance in cash from an Automatic Teller Machine (ATM).

Cash withdrawals should be made immediately before or during the period of travel. (In any event, no later than five days after completion of the trip.) Where possible, only one ATM withdrawal should be made per trip as the ABCC is charged a fee on each withdrawal.

#### 4.1.12 Accessing Acquittable Cash Payments

It is expected that ABCC employees use merchants that accept MasterCard. However, in circumstances where the MasterCard is unable to be used (e.g. no merchant in the area accepts MasterCard), the traveller may incur the expenditure and seek latter re-imbusement.

In exceptional circumstances the traveller's manager may approve the withdrawal of cash from an ATM to meet expenses. In this case the cardholder is required to fully acquit the cash withdrawal by presenting tax invoices and receipts. Any excess acquittable cash payment is to be repaid within 5 working days of the debt occurring.

It is expected that acquittable cash payments will be the exception rather than the rule.

## 4.2 Travel Involving an Overnight Stay

### 4.2.1 Travel Allowance - Daily Caps

Employees undertaking official travel are able to charge travel expenditure to their MasterCard up to a specified daily cap. Expenditure on accommodation, breakfast, lunch and dinner may be incurred in any combination up to the daily cap.

The daily cap is the amount of daily expenditure ordinarily expected to be incurred (due to travel) for accommodation (inclusive of credit card surcharges, booking fees etc.), meals and incidental personal costs (e.g. toiletries, newspapers and laundry).

It excludes other travel costs that may be charged to the travel credit card, e.g. transport costs (including taxis, airport shuttles, coaches, buses, trains, trams, other public transport and car parking), internet costs (to access the ABCC network or email) and costs of business telephone calls (e.g. to the ABCC or ABCC clients).

The daily cap also excludes ATM withdrawal fees, e.g. use of an ATM other than the Commonwealth Bank for ABCC travel credit cards.

The allowance for travel includes specific daily caps for each of the following categories:

- a) Capital Cities
- b) Other Locations (except High Cost Country Centres)
- c) High Cost Country Centres

Employees who will, or are likely to, exceed the applicable daily cap must obtain the prior approval of a Delegated Official. Travel costs incurred in excess of the daily cap, that have not been approved by a Delegated Official, will be required to be repaid. A daily cap reconciliation spreadsheet that reconciles actual travel expenditure to the daily cap may be used by travellers at the discretion of the delegate.



**a) Capital City Rates**

	<b>SES employees</b> (includes \$20 cash payment)	<b>Other employees</b> (includes \$20 cash payment)
Adelaide	\$320	\$270
Brisbane	\$370	\$310
Canberra	\$330	\$270
Darwin	\$360	\$280
Hobart	\$285	\$230
Melbourne	\$330	\$285
Perth	\$350	\$280
Sydney	\$360	\$295

**b) Other Locations (except High Cost Country Centres)**

	<b>SES employees</b> (includes \$20 cash payment)	<b>Other employees</b> (includes \$20 cash payment)
	\$260	\$210

### c) High Cost Country Centres

There are designated locations that are classified as high cost centres. The daily rate for these locations comprises a non-accommodation cap of \$115.00 (including \$20.00 cash payment), plus the accommodation component listed below.

<b>High Cost Country Centres Accommodation Rates</b>	
<b>Albany (WA)</b>	\$120
<b>Alice Springs (NT)</b>	\$130
<b>Ballarat (VIC)</b>	\$125
<b>Bendigo (VIC)</b>	\$125
<b>Bright (VIC)</b>	\$115
<b>Broome (WA)</b>	\$215
<b>Bunbury (WA)</b>	\$125
<b>Burnie (TAS)</b>	\$125
<b>Cairns (QLD)</b>	\$125
<b>Carnarvon (WA)</b>	\$150
<b>Christmas Island (WA)</b>	\$150
<b>Cocos (Keeling) Island</b>	\$110
<b>Dalby (QLD)</b>	\$110
<b>Dampier (WA)</b>	\$175
<b>Derby (WA)</b>	\$180
<b>Devonport (TAS)</b>	\$130
<b>Echuca (VIC)</b>	\$125
<b>Emerald (QLD)</b>	\$120
<b>Esperance (WA)</b>	\$120
<b>Exmouth (WA)</b>	\$190
<b>Geelong (VIC)</b>	\$120
<b>Geraldton (WA)</b>	\$135
<b>Gladstone (QLD)</b>	\$120
<b>Gold Coast (QLD)</b>	\$135
<b>Halls Creek (WA)</b>	\$150
<b>Hervey Bay (QLD)</b>	\$120
<b>Horn Island (QLD)</b>	\$170
<b>Horsham (VIC)</b>	\$115
<b>Jabiru (NT)</b>	\$200
<b>Kalgoorlie (WA)</b>	\$140
<b>Karratha (WA)</b>	\$285
<b>Kununurra (WA)</b>	\$185
<b>Launceston (TAS)</b>	\$115
<b>Mackay (QLD)</b>	\$135

<b>Maitland (NSW)</b>	\$110
<b>Mount Isa (QLD)</b>	\$160
<b>Newcastle (NSW)</b>	\$130
<b>Newman (WA)</b>	\$195
<b>Norfolk Island (NSW)</b>	\$130
<b>Port Hedland (WA)</b>	\$270
<b>Port Lincoln (SA)</b>	\$115
<b>Port Macquarie (NSW)</b>	\$115
<b>Queanbeyan (NSW)</b>	\$115
<b>Tamworth (NSW)</b>	\$110
<b>Thursday Island (QLD)</b>	\$180
<b>Townsville (QLD)</b>	\$125
<b>Wagga Wagga (NSW)</b>	\$120
<b>Warrnambool (VIC)</b>	\$115
<b>Weipa (QLD)</b>	\$140
<b>Whyalla (SA)</b>	\$120
<b>Wilpena Pound (SA)</b>	\$145
<b>Wonthaggi (VIC)</b>	\$125
<b>Yulara (NT)</b>	\$330

The ABCC rates are reviewed annually.

#### 4.2.2 Non-commercial Accommodation

Where employee's stay in non-commercial accommodation, such as with family or friends, no accommodation expenses are payable. Instead a non-acquittable cash withdrawal not exceeding \$80.00 per day is available via ATM to meet expenses. Meal costs and the Incidentals Allowance of \$20.00 continue to apply.

#### 4.2.3 Variations to Daily Cap

The daily cap applies to full-day (24 hour) period entailing an overnight stay in commercial accommodation and purchase of all meals. There are situations in which the full cap is not applicable, such as when the employee stays in non-commercial accommodation, when some or all meals are provided in conjunction with the travel, or on days of departure or return when part-day travel may occur. In these circumstances, travellers and their managers may use the following indicative amounts to determine reasonable meal costs:

Breakfast	\$20.00
Lunch	\$20.00
Dinner	\$45.00

These amounts are for guidance as to reasonable cost only. It is expected that all meal costs will be charged to the MasterCard or, when an acquittable cash payment is approved, that tax invoices and receipts will be provided by the employee, and sighted by the Delegated Official.

## 4.3 Other Travel Issues

### 4.3.1 Travel Not Involving an Overnight Stay

Where a Delegated Official has approved a travel request that does not involve an overnight stay the ABCC will meet all reasonable costs associated with the travel. The MasterCard is the principal payment method for meeting such expenditure and is intended to cover items such as taxi fares, parking and, if appropriate, meals.

In general, the cost of:

- lunch will be met where the duration of the travel exceeds 6 hours and concludes after 2 pm and the distance of travel exceeds a radius of 250km as measured from the relevant state office; and
- dinner will be met where the duration of the travel exceeds 10 hours and concludes after 7 pm.

### 4.3.2 Other Costs Arising From Travel

Where employee's incurs additional expenses as a result of work related travel, the manager may approve reimbursement of reasonable expenses including bus fares, car park fees etc.

The Delegated Official may also consider reimbursement of additional family related costs associated with the travel.

Expenses claimed must be submitted to a Delegated Official for approval on a 'Request for Reimbursement' form together with supporting tax invoices and receipts.

### 4.3.3 Useful Contacts

MasterCard	13 2221
Carlson Wagonlit	1300 550 318



## Appendix B – Department of Finance and Deregulation Approved Airlines

ABCC employees are required to use the following airlines<sup>1</sup> from a panel established by the Department of Finance and Deregulation.

Jetstar Airways

Regional Express (REX)

Qantas Airways

Virgin Blue

1. Except when travelling to a remote location where there is no requirement to use a specific charter airline.