



**MINISTRY OF SOCIAL
DEVELOPMENT**

TE MANATŪ WHAKAHIATO ORA

26 APR 2018

Dear [REDACTED]

On 14 February 2018, you emailed the Ministry requesting, under the Official Information Act 1982, the following information:

The documents (budgets, receipts, statements or summaries thereof) that identify:

- 1. For this year, how much has MSD paid for hotel rooms or other accommodation (and associated costs, for example room service);*
- 2. For how many of its own staff and contractors; and how many nights/units of such accommodation been purchased in total?*
- 3. I would also like MSD's policy about staff/executive/Ministry expenditure on accommodation for its own employees and contractors.*
- 4. I also request any and all policies on what expenditure on such expenses MSD considers to be appropriate/defensible use of taxpayer money.*

On 19 February 2018, a Ministerial and Executive Services Advisor contacted you and you clarified your request is for information between 1 January and 16 February 2018.

The Ministry of Social Development employs almost 7,000 staff at more than 150 locations throughout New Zealand. The Ministry constantly seeks ways to provide more efficient and effective services to meet changes in demand and provide value for taxpayer money. The services that the Ministry delivers to New Zealanders require staff to travel throughout the country. Much of the travel undertaken by Ministry staff occurs within Work and Income, which has offices across New Zealand.

The Ministry uses Orbit Travel as its agent to book staff accommodation. Between 1 January and 16 February 2018, 93 Ministry staff and contractors have booked a total of 208 nights of accommodation, which cost \$28,427.38, excluding GST.

Please find below, a table that shows the Ministry's total expenditure on Hotel rooms/accommodation and associated costs between 1 January and 16 February 2018, broken down by incidental type and room costs. Please note that these costs only relate to staff employed by the Ministry of Social Development.

Table One: The Ministry's total expenditure on Hotel rooms/accommodation and associated costs between 1 January and 16 February 2018, broken down by incidental type and room costs.

Incidental Type	Sum of Gross Total (excluding GST)
Beverage	\$108.71
Car Parking	\$269.56
Meals	\$3,938.78
Room Service	\$10.44
Total Incidentals costs	\$4,327.49
Total Room costs	\$28,427.38
Grand Total	\$32,754.87

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Please find enclosed a document titled '*Travel expenses policy*', dated 28 June 2016, and a memo titled '*Accommodation Policy*', dated 19 May 2017. You will note that the names of Ministry staff members are withheld under section 9(2)(a) of the Official Information Act in order to protect the privacy of natural persons. The need to protect the privacy of these individuals outweighs any public interest in this information.

Following your correspondence with Acting Manager, Jonathan Brown, you identified you were interested in all receipts, invoices or other financial information for all accommodation booked the Ministry for its staff in Wellington City, between 5 February and 20 February 2018 (inclusive). You also asked for all associated documents identifying the reasons for the bookings, if such documents exist.

The Ministry is unable to provide you this information as it is held in individual files. In order to provide you with this information, the Ministry would need to divert personnel from their core duties and allocate extra time to complete this task. The diversion of these resources would impair the Ministry's ability to continue standard operations and would be an inefficient use of the Ministry's resources. As such, your request is refused under section 18(f) of the Official Information Act. The greater public interest is in the effective and efficient administration of the public service.

I have considered whether the Ministry would be able to respond to your requests given extra time, or the ability to charge for the information requested. I have concluded that, in either case, the Ministry's ability to undertake its work would still be prejudiced. I have considered whether the Ministry would be able to respond to your request given extra time, or the ability to charge for the information requested. I have concluded that, in either case, the Ministry's ability to undertake its work would still be prejudiced.

However, please find below an itemised table that provides the Hotel rooms/ accommodation and associated costs that have exceeded the recommended accommodation level in central Wellington between 1 January and 16 February 2018. The costs exceed the accommodation level for a variety of reasons including; shortage of accommodation during this period, location and mobility constraints and late confirmation of events. In each instance the responsible budget manager is made aware of the costs and the travel expenses policy is followed. Please note that, as previously mentioned, Ministry staff and contractors booked a total of 208 nights of accommodation, of which seven nights exceeded the accommodation level. Overall, spending across this period on average is under the recommended accommodation level.

Table Two: The Ministry's total expenditure on Hotel rooms/accommodation costs in Wellington Central for staff employed by the Ministry that has exceeded the accommodation cap between 1 January and 16 February 2018.

Date	Supplier	Number of Nights	Average cost per night
7 February 2018	Park Hotel Lambton Quay	1	\$171.48
12 February 2018	Quest On Johnston	3	\$171.02
12 February 2018	Travelodge Wellington	1	\$429.65
12 February 2018	Travelodge Wellington	1	\$197.43
13 February 2018	Travelodge Wellington	1	\$429.65

Notes: Gross Amount Excluding GST

The principles and purposes of the Official Information Act 1982 under which you made your request are:

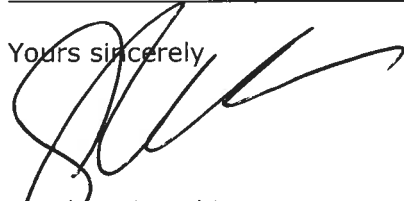
- to create greater openness and transparency about the plans, work and activities of the Government,
- to increase the ability of the public to participate in the making and administration of our laws and policies and
- to lead to greater accountability in the conduct of public affairs.

This Ministry fully supports those principles and purposes. The Ministry therefore intends to make the information contained in this letter and any attached documents available to the wider public shortly. The Ministry will do this by publishing this letter and attachments on the Ministry of Social Development's website. Your personal details will be deleted and the Ministry will not publish any information that would identify you as the person who requested the information.

If you wish to discuss this response with us regarding the Ministry's expenditure on accommodation for staff and contractors, please feel free to contact OIA_Requests@msd.govt.nz.

If you are not satisfied with this response, you have the right to seek an investigation and review by the Ombudsman. Information about how to make a complaint is available at www.ombudsman.parliament.nz or 0800 802 602.

Yours sincerely



Stephen Crombie
Deputy Chief Executive, Corporate Solutions

Home » Resources & Tools » Helping Staff » Policies and Standards » Financial Policies » Travel Policies » **Travel expenses policy**

Travel expenses policy

This policy sets out the rules for claiming travel-related expenses at MSD.

On this Page:

Travel expenses

This policy applies to all MSD employees. If the staff member's employment contract / agreement and/or any other documentation on file are more generous than the provisions within this policy, the contract/agreement or other documentation takes precedence.

Any personal expenses (i.e. anything enjoyed by a staff member such as meals, accommodation, travel etc) are the responsibility of the individual, not MSD, unless they were incurred while carrying out the work of MSD. Expenses incurred while travelling will be reimbursed on an actual and reasonable basis, or covered by a daily allowance.

Note: you cannot claim if meals, accommodation and travel were provided.

Example: staff cannot claim if they are flying during a meal period and a meal is provided on the flight.

Reimbursement - allowances or actual and reasonable

If you are required to travel overnight on official MSD business, you must check whether you are eligible to receive repayment for meal expenses and incidentals incurred or a daily allowance.

You and your manager should decide which type of allowance is best for your time away and how many meals, if any, will be provided by either MSD or the host (eg, meals provided during a course, conference, or hui).

If you are required to work away from home for 14 nights or more, the relieving provisions apply.

Travel Advance

If you are travelling away overnight, you may ask for an advance to pay for meals and incidentals.

[Travel advance policy \(http://doogle/resources/helping-staff/policies-standards/finance/travel/advance.html\)](http://doogle/resources/helping-staff/policies-standards/finance/travel/advance.html)

[Arrange travel advance \(http://doogle/resources/helping-staff/procedures-manuals/finance/travel/domestic/arrange-travel-advance.html\)](http://doogle/resources/helping-staff/procedures-manuals/finance/travel/domestic/arrange-travel-advance.html)

Reimbursement for meals and incidentals in New Zealand

You will receive repayment for meals and incidentals on an actual and reasonable basis.

Use judgement, but expect to be challenged and disallowed if above guidance levels.

Guidance: MSD considers \$63 per day to be a reasonable amount for actual costs (made up of \$12.50 breakfast, \$12.50 lunch, \$30 dinner and \$8 incidentals) and \$35 for each period of less than 24 hours after the first 24 hours, on a per-trip basis.

Note 1: the same reimbursement is payable if staying privately with a friend, thus no extra for accommodation/gift.

Note 2: Alcohol will not be reimbursed unless it is for entertainment, or an event. Generally speaking, expenditure on alcohol is generally regarded as a personal expense.

Staff members are expected to use their own credit card and seek reimbursement. National Accounting Centre (NAC) processes claims within 48 hours, hence can reimburse staff before the personal credit card statement falls due.

It is suggested that staff make an expense claim on receipt of the personal credit card statement for the business items thereon, this will act as a reminder and keep expense claim form completion to a minimum.

NB: You can now charge back all meals to the hotel you are staying at – the cost of these must be reasonable. This means you will not need to submit an expense claim for reimbursement of these costs.

Daily allowance

You are eligible for this allowance if you stay away overnight. You will receive a daily fixed sum allowance of: \$63 for each 24-hour period and \$35 for each period of less than 24 hours for meals and incidentals. Daily allowances are inclusive of the incidentals allowance.

Examples

A staff member leaves the office at 11am. If they return to the office at 9am the next day, they have been away for less than 24 hours so they are eligible for the part payment of \$35.00 (not the \$63).

A staff member leaves home at 6.30am to catch a 7.30am flight. They return three days later, arriving back home at 6.30pm. Home Allowance (see below).

Expense Claim Illustration (Example 2)

Date	Time Left Home	Time Returned Home	Allowance	Total Claim
15 June	6.30am		3 (24-hour) days @ \$63	\$189.00
18 June		6.30pm		\$35.00
				\$224.00

Travel time

You can claim reasonable travelling time to and from the airport if that travel is longer than the time it would take you to travel to work. The 24-hour period is counted from the time you leave home to the time you return. If you live closer to the airport than to your workplace, your travel time will start from check-in.

The incidentals allowance is included in the daily allowance - even if a meal is deducted from the allowance.

Meals and incidentals overseas

MSD uses rates independently supplied and these are available on the intranet. MSD policy is to use the "inexpensive" column for breakfast + lunch + dinner + miscellaneous to get the daily rate. (see your Financial Analyst (FA) for help).

There is no actual allowance available. Use judgement, but expect to be challenged and disallowed if above guidance levels on a trip basis.

Who can authorise purchase?

All international travel is to have prior approval.

General Manager can then authorise the expense claims.

Expenses for dependent care

There may be extra costs relating to dependent care, such as childcare or elder care, because you are required to stay away for work overnight or to work overtime. The additional cost of this care will be repaid on an actual and reasonable basis, provided it is approved by your manager.

Example

A staff member has a child in after-school care and has been asked to work overtime, so the child has to be supervised for an additional three hours.

The cost of the additional supervision will be repaid to the staff member (with the prior approval of the manager) on an actual and reasonable basis, on the production of a receipt to support the claim.

Vehicle allowance

In most cases, MSD will provide a vehicle or transport for travel on MSD business as needed. You can only use your private vehicle for MSD business if you have the prior approval of your manager.

The motor vehicle rate is 72c per km.

If you travel regularly as part of your role you must keep a log of all kilometres travelled in each year.

When claiming the vehicle allowance, you must keep an accurate record of the date, time of travel (departure and arrival times), destination, and actual kilometres travelled for all approved travel. The log or summary of journeys must also be attached to support the claim.

You and your manager may reach agreement on a different arrangement for a vehicle allowance if:

it is at a lower rate than the vehicle allowance rates, or
other forms of public transport would be less economical.

[Expense claim form \(Excel 138.5KB\) \[http://doogle/documents/resources/helping-staff/forms-templates/finance/expense-claims/expense-claim-domestic.xls\]](http://doogle/documents/resources/helping-staff/forms-templates/finance/expense-claims/expense-claim-domestic.xls)

Content owner: Finance **Last updated:** 28 June 2016

RELEASED UNDER THE
OFFICIAL INFORMATION ACT



Memo

To: Bruce Simpson, Chief Financial Officer
CC: s 9(2)(a) OIA Manager Financial Operations
From: s 9(2)(a) OIA Lead Category Manager
Date: 19 May 2017
Security level: IN CONFIDENCE

Accommodation Policy

Purpose

Purpose of this memo to obtain approval to adjust the accommodation room rate limits in existing policy

Background

Accommodation limits were set at least seven year ago as follows: (rates are exclusive of GST)

- Four major centres (Auckland, Christchurch, Dunedin and Wellington) \$150 per night
- All other locations \$130 per night

Orbit Travel manages the MSD preferred accommodation providers through their Online Booking Tool. Each year they go to the market on our behalf to ensure the rates we are paying are the best possible rates for a "standard" room in our preferred locations based on our volume of use.

The trend in the past 12 months show demand exceeding supply in the major centres, in particular, resulting in it being difficult to find suitable rooms within existing policy. The average room rate in major centres was \$155 and \$125 for the regions.


Benchmarked against Orbits existing customers these rates rank as one of the lowest which gives us confidence that we are getting a good price through Orbit Travel.


Proposal

Orbit has just been back to the market on our behalf (copy attached for your information). The result indicate a number of providers now propose nightly rates over policy eg James Cook and Novotel in Wellington and Novotel in Hamilton.

Recommendation

We recommend that you approve the updating of the existing accommodation limits in policy as follows:

Approve / ~~not approve~~ - the limit for major Centres, Auckland, Wellington, Christchurch, Dunedin and Hamilton to a rate of \$165.00 per night for a standard room (excluding GST) 

Approve / ~~not approve~~ - the limit for all other locations in New Zealand be increased to a rate of \$140.00 for a standard room per night (excluding GST) 

Note - the policy limits recommend are in line with government agencies Orbit manage 



Bruce Simpson

Chief Financial Officer

Date 9/6/2017

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