

ELECTED MEMBERS' ALLOWANCES AND REIMBURSEMENT



DEPARTMENT:	Governance
RESPONSIBILITY:	Governance Manager, Governance Support
ADOPTED:	6 July 2022
REVIEW:	Every three years, or as required
CONSULTATION:	None required
RELATED DOCUMENTS:	Local Government Act 2002, Remuneration Authority Act 1977, Local Government Members (2022/23) Determination 2022

POLICY OBJECTIVE

To provide a framework for allowances, expenses claimed, and resources available to elected members during their term of office.

DEFINITIONS

Actual: means as evidenced by the original receipt attached to the claim form.

All elected members: includes the Mayor, members of Council and members of the Community Boards.

Council Offices: includes the Council office at 1 Dunorling Street, Alexandra as well as the Community Board meeting chambers at Cromwell, Ranfurly and Roxburgh.

Council business: includes: formal Council and Community Board meetings, committee meetings, workshops, seminars, statutory hearings, training courses, site visits, meetings with staff, meetings with community groups, meetings with members of the public. It does not include events where the primary focus is on social activity.

Entertainment and hospitality: covers a range of items such as tea, coffee, and catering including meals. It also includes non-catering items such as entry to sporting or cultural events.

Family member of the member: means (a) a spouse, civil union partner, or de facto partner: (b) a relative, that is, another person connected with the member within 2 degrees of a relationship, whether by blood relationship or by adoption.

Reasonable: means that it is within the amount specified by this policy or as deemed reasonable by the Mayor and/or Chief Executive.

Remuneration authority: is the body established by the Remuneration Authority Act 1977, with responsibilities under the Local Government Act 2002 to determine remuneration and expense/allowance rules for local authority members.

1. INTRODUCTION

This policy sets out rules on the claiming of expenses by elected members and the resources that will be available to them during their term of office.

2. CONTACT PERSON

Contact person for queries is:

Governance Manager, Governance Support

Email: wayne.mcenteer@codc.govt.nz

Telephone: 021 104 9660

3. AUTHENTICATION OF EXPENSE REIMBURSEMENTS AND ALLOWANCES

- 3.1 From time to time elected members incur expenses on the Council's behalf, which need to be reimbursed. This reimbursement and the use of council supplied resources apply only to elected members personally, and only while they are acting in their official capacity as elected members.
- 3.2 Costs for expenses must have a justifiable business purpose, be moderate and conservative having regard to the circumstances, and be appropriate in all respects.
- 3.3 The process for reimbursement of claims includes the following principles:
 - The "one-up" principal must be applied to the maximum extent possible, in the case of the Mayor, approval is required from the Deputy Mayor and the Executive Manager – Corporate Services, and in the case of the Deputy Mayor, approval is required from the Chief Executive.
 - any expenses to be reimbursed must be on an actual and reasonable basis and in line with Council policy;
 - an exception to the "one-up" principle is expense claims for childcare allowance and travel to and from board meetings as outlined in section 4. These are approved by the Governance Manager, Governance Support and full original receipts are required; and
 - cost reimbursements will be made via the payroll system.
- 3.4 In the case of one-off expenditure such as travel to conferences, the process and prior approvals required are detailed in this policy.
- 3.5 In the case of vehicle mileage, travel time and communications, all limits set in this document do not exceed the Remuneration Authority's Determination.
- 3.6 The Council's internal audit work programme includes sampling expense claims and allowances paid to elected members and staff.
- 3.7 All expenditure that falls under this policy is approved on the condition that it can be met within relevant budget provisions.

4. ALLOWANCES AND EXPENSES BY GROUP OF MEMBERS

Position	Expense/Allowance	Description
All elected members	Taxis	<p>Taxis may be used for council business, instead of private vehicles or public transport, for the following reasons:</p> <ul style="list-style-type: none"> a) safety/security reasons, and b) when travelling outside the district if a taxi is the most appropriate form of transport. <p>Taxis may not be used if significant travel distances mean that use of a taxi is not the most cost effective option. Rental cars booked by Governance staff should be considered as an option in such circumstances.</p> <p>Costs paid for directly by the individual for travel within in New Zealand or for international travel will be reimbursed on presentation of actual receipts.</p>
	Travel and attendance at conferences/ seminars/training programmes	<p>Prior approval is required for all attendances.</p> <p>All elected members are entitled to payment of actual and reasonable registration, travel, accommodation, meal and related incidental expenses (including travel insurance) incurred in attendance at these events, held both within New Zealand and overseas, subject to:</p> <ul style="list-style-type: none"> a) related expenditure being accommodated within existing budgets, and b) the appropriate approvals as outlined in this policy <p>and excluding reimbursement for purchases from hotel mini-bars and charges for in-room video or cable movies.</p> <p>All travel and accommodation arrangements for elected members are to be made by Governance Support officers with the Council's preferred travel agents, at the most economic cost available (when possible) at the time of booking, unless all travel costs are being met privately or by an outside party.</p>

Position	Expense/Allowance	Description
All elected members	Exceptional circumstances for council related meetings	Staff may arrange overnight accommodation when travel or business requirements do not allow for the return on the same day, e.g. if it is unreasonable for an elected member to travel to their home after a late meeting.
	Domestic air travel	All elected members are entitled to utilise domestic air travel for council related travel, generally where travel by air is the most cost effective travel option.
	International air travel	As a general policy all elected member international air travel is by way of economy class, where all or part of the costs of the fares are to be met by the Council. The approval of the Council is required for exceptions, e.g. where Premium Economy or the equivalent air travel is desirable for health or other compelling reasons.
	Air points	Council will not provide or maintain 'airpoints' or 'airdollars' subscriptions or programmes for elected members.
	Private accommodation provided by friends/relatives	a) \$75 per night payment when staying in private accommodation, to cover accommodation, breakfast and dinner; or b) \$50 per night payment when staying in private accommodation to cover accommodation only. It is intended that at least a portion of this allowance is paid to the accommodation provider.
	Parking expenses	Reimbursement of casual carparking costs related to community board or council business. This will be on receipt of a signed claim accompanied by a receipt.
	Childcare allowance	Reimbursement for childcare allowance payments where these payments are incurred to enable elected members to undertake the following activities: i. Attendance at Council, Committee or Community Board meetings where the elected member is either a member of the Committee or Community Board, or is a Council appointee to the Committee; and ii. Attendance at portfolio or working party meetings

		<p>to discuss items of Council business.</p> <p>The maximum value for reimbursement is set at the Living Wage per hour (plus GST if applicable), per child, and that</p> <ul style="list-style-type: none"> i. The child is to be under 14 years of age; and ii. Payments made to a family member for childcare is not allowed; and iii. Evidence of payment made and received are to be appended to any expense claim; and <p>The maximum accrual allowance is to be \$6,000 (plus GST if applicable) per qualifying child</p>
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Position	Expense/Allowance	Description
Mayor	Car	<p>The Mayor will be provided with a vehicle that will also be available for his/her private use.</p> <p>A deduction will be made from his/her salary as determined by the Remuneration Authority.</p> <p>The Mayor will not be able to claim for vehicle mileage.</p>
	Travel and attendance at conferences / seminars / training programmes	<p>The prior approval of the Chief Executive is required for travel within New Zealand for: council business; attendance at conferences / courses / training events / seminars; other purposes associated with the position of Mayor. With the expense claims being signed off as per the “one-up” principle, as outlined in 3.3 above.</p> <p>The prior approval of the Council is required for all international travel, where costs or partial costs are paid for by council funds.</p> <p>Where the Mayor or the Mayor’s authorised representative is accompanied by his/her partner on international travel, the Council will only meet the cost of the partner’s travel, accommodation and incidental costs where the partner’s involvement directly contributes to a clear council business purpose.</p>
	Telephone costs	<p>A cellphone for council business is provided; or</p> <p>Full payment by the council of:</p> <ul style="list-style-type: none"> a) home telephone toll charges relating to council business, and b) cellphone based call charges relating to council business. <p>Reimbursement of actual costs of telephone calls made on local authority business will be paid on production of the relevant telephone records and receipts.</p>
	Airline club	<p>Given frequent travel requirements for the role, payment of an Air New Zealand Koru Club subscription is available.</p>
	Entertainment and hospitality	<p>The Mayor may hold a credit card to pay directly for any entertainment or hospitality expenses incurred while carrying out council business.</p> <p>Full receipts and details of the names of parties entertained and reasons for the entertainment are to</p>

		<p>be provided.</p> <p>All expenditure on this card is approved by the Deputy Mayor.</p>
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Position	Expense/Allowance	Description
Mayor, Councillors	Car parking	The Mayor has an assigned carpark and limited parking is available for Councillors at the Dunorling Street office for use on council business.
	Rental Cars	Rental cars may be utilised when attending meetings or conferences in other centres, where this is the most cost effective travel option.
Mayor, Councillors and Community Board Chairs	Communications equipment	<p>The Remuneration Authority states that Council may allow for either of the following options:</p> <ul style="list-style-type: none"> a) provision of a tablet computer. Full technical support is provided for council business; or b) provision of an annual allowance for any or all equipment provided by the elected member for the determination term, as follows: <ul style="list-style-type: none"> i) \$400 for the use of a personal computer, tablet or laptop, including any related docking station ii) \$50 for the use of a multi-functional or other printer iii) \$200 for the use of a mobile phone iv) Up to \$200 for the use of ICT consumables v) Up to \$800 for the member's own internet service if the local authority requests a member to use it. <p>(These annual allowance values are provided from the Remuneration Authority).</p> <p>Remuneration for personal computer or electronic tablet is not available as council has chosen to provide elected members with tablets.</p>
	Stationery and consumables	Supply of reasonable amounts of paper and printer consumables required for Council business.

Councillors	Travel and attendance at conferences / seminars and training programmes	<p>The conference, course, seminar or training event must contribute to the Councillor's ability to carry out council business.</p> <p>Attendance at these events when held in New Zealand must be approved by both the Mayor (or the Deputy Mayor) and the Chief Executive. Attendance at these events when held overseas must be approved by the Council.</p>
	Entertainment and hospitality	Reimbursement of costs incurred while hosting official visitors to the council, or while travelling on council business.
Position Expense/Allowance Description		
Board Chairs	Special events	<p>Events such as payment of koha, or purchasing a wreath for attendance at a commemorative event.</p> <p>Prior approval by the Chief Executive Officer for the expenditure is required.</p> <p>The items should be appropriate to the occasion and expenditure should be moderate and conservative.</p>
Councillors, Community Board members	Vehicle mileage	<p>Members living more than 15 kilometres away from the Council office may claim the allowance for distances in excess of the normal commuting distance, i.e. a round trip distance of 30 kilometres in any one day.</p> <p>The 30 kilometre threshold applies only to travel from the member's home to a council office.</p> <p>For other travel by members, no threshold distance will apply.</p> <p>Mileage will be paid up to the maximum rate per kilometre as set out in the current Remuneration Authority Determination.</p> <p>If a member travels from a place where the member permanently or temporarily resides that is outside the local authority area, to the local authority area on local authority business, the member is only eligible for a vehicle-kilometre allowance for eligible travel after the member crosses the boundary of the local authority area.</p> <p>Mileage will be paid to eligible members on receipt of a completed and signed mileage claim, and approved by the Governance Manager, Governance Support.</p>

	Landline and broadband connection	Monthly reimbursement (on production of invoice) for the usage costs that can be identified as relating to council business.

Position	Expense/Allowance	Description
Councillors, Community Board members	Travel time	<p>Reimbursement at \$40.00 per hour for travel time (including travel to and from the member's residence) for travel undertaken on any one day to attend a Council or Community Board related meeting or event with a minimum threshold of one hour of time travelled.</p> <p>Only time in excess of this threshold will qualify for payment and only if the travel is by the quickest form of transport reasonable in the circumstances.</p> <p>The hourly reimbursement rate is as per the Remuneration Authority - Local Government Travel Time Allowance.</p>
Community Board members	Travel and attendance at conferences / seminars and training programmes	<p>Attendance at conferences, courses, seminars and training programmes requires the prior approval of the relevant community board.</p> <p>All expenditure will be approved on the condition that it can be met within relevant budget provisions.</p> <p>Exceptions to approval of the community board being required are:</p> <ol style="list-style-type: none"> a) when a board member is to be the Council's representative at a conference or event; in such cases the approval of the Council is required, and b) for RMA hearings training, as there is a separate budget for such training which is managed by staff.

Relevant Legislation or Regulations:

Public Audit Act 2001

Local Government Act 2002 (Legislative Compliance)

Related Procedures or Documents:

Code of Conduct (elected members)

Sensitive Expenditure Policy

Fraud Policy

Conflict of Interest

Vehicle Use Policy

Delegations Register

Information Systems & Technology User Policy

Document Management Control:

Prepared by: Governance Manager

File Location Reference: Doc ID 547191

Date Issued: 30 June 2021