

Whakahokinga Utu Whakahaere me te Pūtea ā- Kaikōwhiri

Reimbursement of Elected Members' Expenses and Allowances Policy

Person Responsible: Group Manager Corporate
Services

Date First Adopted: 2002

Date Adopted: 20 September 2021

Status: Current

Date Last Reviewed: Oct 2016

Next Review Date: Sept 2024

Review Period: 3 years

Revision Number:

Purpose of the Policy

This Policy sets out how elected members (including the Mayor, councillors and community boards) will be reimbursed for expenses and paid for allowances they are entitled to when they undertake Council business. This document is available to the public and enables transparency and accountability by elected members.

Objective

This Policy's objective is to ensure that all payments of elected members' allowances and expenses are made in accordance with the Remuneration Authority's determinations and meet the public sector norms of reasonableness and conservatism and will withstand public scrutiny.

Scope

This Policy applies to all elected members including the Mayor, councillors and community board members.

Approval of the Policy

The Remuneration Authority is required under Clause 6 of Schedule 7 of the Local Government Act 2002 (LGA) to determine the remuneration, allowances and expenses for elected members and under clause 6(3)(e) of Schedule 7 of the LGA 2002 it may approve the Council's Expenses and Allowances Policy.

Principles underpinning the Policy

1. The reimbursement of expenses and allowances to elected members as contained in this Policy are approved by the Council and comply with clause 6(3) of Schedule 7 of the LGA 2002.
2. The vehicle mileage and communications allowances are based on those set by the Authority in their determination. Therefore, this Policy needs to be read in conjunction with the latest determination gazetted by the Authority.
3. The Policy is based on the reimbursement of reasonable and actual expenses incurred by an elected member when carrying out their duties and responsibilities as an elected member. These will be paid subject to the provision of GST receipts.
4. The policy reflects public sector norms of reasonableness and conservatism and conforms to the sensitive expenditure guidelines of the Office of the Auditor General for public bodies.
5. Elected members are aware of their entitlements and should not be "out of pocket" for undertaking Council related business. Elected members have copies of the approved rules and access to claim forms.

6. Elected members exercise careful judgement and model the highest standards of behaviour in accordance with these principles. Elected members are aware of their responsibilities in spending public money prudently and understand that any claim needs to be able to withstand public scrutiny.
7. Elected members understand that while the quantity of money spent on an item of sensitive expenditure may be small in terms of the Council's total expenditure, each claim decision is important, because improper expenditure could harm the reputation of, and trust in, the Council.
8. Processes for checking mileage and expenses claims are robust and auditable.

Definitions

Authority means the Remuneration Authority.

Council means the South Taranaki District Council.

Elected Members means the Mayor, councillors and community board members.

Determination means the gazetted remuneration, allowances and expenses determined by the Authority to be paid to elected members.

Policy

1.0 Allowances and Expense Claims

1.1 Allowances and expenses will be payable at the rates stated in the Local Government Elected Members' Determination for:

- Meetings of the Council, community boards, standing committees, special committees, portfolio groups, sub-committees and working parties where appointed as a member. Any exceptions are to be approved by the Mayor/Chief Executive on a case by case basis where there is a clear benefit to the Council from a non-appointed member attending a meeting.
- Council workshops.
- Resource consent hearings (if appointed as a member).
- Meetings of another local authority or external agency when formally appointed to represent the Council or Board.
- Formal deputations to a Minister or Parliamentary Select Committee.
- Training and professional development courses as approved by the Mayor/Chief Executive.
- Seminars and conferences as approved by the Mayor/Chief Executive.
- Representing the Council or Board at an official function with the approval of the Mayor or Board Chairperson.
- Field trips and site visits including site visits for resource consent hearings (with the approval of the Mayor/Chief Executive).

- Civic ceremonies where invited by the Mayor to attend.
- Attendance at other meetings subject to the Mayor's approval or Council resolution or Board recommendation.

2.0 Vehicles

- 2.1 The Mayor will be provided with a Mayoral vehicle. No other elected member is provided with a vehicle.

3.0 Vehicle Mileage Allowances

- 3.1 Vehicle Mileage Allowance is payable at the rate stated in the Local Government Elected Members' Determination.

4.0 Travel Time

- 4.1 Travel time will be paid in accordance with the Determination set by the Authority.

5.0 Taxis and other Transport

- 5.1 The cost of taxis is reimbursed as part of the reasonable and actual expenses incurred in attending the activities listed in 1.1 above and will be reimbursed subject to the provision of GST receipts.

6.0 Carparks

- 6.1 Parking is freely available close to the Hāwera Administration Building. No allowance is made for carparking fees.

7.0 Use of Rental Vehicles

- 7.1 When rental cars are provided, they are treated as a general expense claim.

8.0 Air Travel – Domestic

- 8.1 The Council will pay domestic air travel for elected members approved to attend the activities listed in 1.1, as applicable.
- 8.2 All air travel excluding the Mayor must be arranged through the Support Services Team as early as possible. Any change of travel during the trip is to be notified to the Support Services Team as soon as possible.
- 8.3 The Council will reimburse the reasonable costs of travel to and from the airport, including taxi fares and airport parking charges.
- 8.4 Airpoints or air dollars earned on travel paid for by the Council will only be used for official Council travel and are not available for the private benefit of elected members.

9.0 Air Travel – International

9.1 International travel will be subject to the same rules as domestic travel.

10.0 Spouse/partner travel

10.1 The Council will not pay for spouse/partner travel except when the Mayor's spouse/partner is accompanying the Mayor on official business. This will be assessed and approved by the Chief Executive on a case by case basis.

11.0 Accommodation

11.1 The Council will pay accommodation for elected members approved to attend the activities listed in 1.1. Cost and proximity to the venue will be a consideration when reservations are made for accommodation.

11.2 All accommodation excluding for the Mayor must be arranged through the Support Services Team as early as possible. Any change of accommodation arrangements during the course of the trip is to be notified to the Support Services Team as soon as possible.

11.3 The Council will pay an allowance of \$60 per day for private accommodation while travelling outside the District, paid direct to the host via internet banking.

12.0 Meals, Sustenance and Incidental Expenses

12.1 Any meals and non-alcoholic beverages will be reimbursed on production of itemised tax invoices up to a maximum of \$30 for breakfast, \$30 for lunch and \$60 for an evening meal.

12.2 Mini-bar bills and liquor charges will be the elected member's responsibility and, if charged to Council through the room tab, will be invoiced back to the elected member.

13.0 Communications Allowance

13.1 All elected members are supplied with an electronic device by the Council to read electronic agendas and information provided by the Council. Printing is not required and an allowance for a printer or multi-functional device will not be paid.

13.2 All elected members will supply their own mobile phones and internet service connections.

13.3 The Council will pay a communications allowance to councillors as determined by the Remuneration Authority for:

- Internet service
- Mobile phone – equipment allowance
- Mobile phone – service allowance

- 13.4 The Council will pay a communications allowance to community board members per year as follows:
- Chairperson of a Community Board (half the Councillors' allowance as determined by the Remuneration Authority)
 - Member of a Community Board (quarter of the Councillors' allowance as determined by the Remuneration Authority)

14.0 Childcare Allowance

- 14.1 Childcare allowance will be paid to elected members in accordance with Clause 14 of the Determination set by the Authority and the Council's Elected Members' Childcare Policy.

15.0 Fees for Resource Management Act 1991 (RMA), District Plan and Plan Change Hearings

- 15.1 Fees for RMA, District Plan and Plan Change hearings will be paid to all members appointed to the Environment and Hearings Committee at the maximum rate provided for in the Determination and subject to the criteria as set out in the Determination.

16.0 Sister City

- 16.1 Elected members visiting our Sister City by invitation as part of an approved delegation will have their costs met at the discretion of the Council on a case by case basis.

17.0 Business cards and name tags

- 17.1 The Council will supply business cards and name tags to all elected members.

18.0 Professional Development, Clubs and Associations

- 18.1 No expenses are reimbursed or allowances paid for subscriptions to clubs or associations.

19.0 Tax Status of Allowances

- 19.1 No withholding tax is applied to allowances. Elected members are treated as self-employed by the IRD and the declaration and tax treatment of allowances is their responsibility.

20.0 Claim Forms

- 20.1 Claims for expenses shall be made on the expenses and vehicle mileage and travel time claim forms, setting out the reason for the expenditure and the amount. All claim forms must be signed by the elected member.
- 20.2 Expenses claims for meals require itemised tax invoices to be attached. Receipts for taxi fares and other expenses are required to be attached. Where receipts are

unavailable, for example, for parking tickets from vending machines, document the date, amount, description and purpose.

- 20.3 All claims are to be submitted to the Governance and Support Services Team promptly after the expenditure is incurred.
- 20.4 Vehicle mileage and travel time claim forms are to be submitted monthly, clearly stating the meeting(s) or purpose(s).
- 20.5 Approved claim forms will be submitted to Payroll and the reimbursement will be included in the next payroll payment to the elected member.

21.0 Approval of expenses and mileage claims

- 21.1 The Mayor's expenses claims will be checked by the Executive Assistant to the Mayor and Chief Executive and approved by the Chair of the Audit and Risk Committee.
- 21.2 All other elected members' expenses and vehicle mileage and travel time claim forms will be approved by the Group Manager Corporate Services, with final approval by the Mayor.

22.0 Internal Control

- 22.1 The Risk and Internal Audit Manager will carry out random checks on reimbursement claim forms.

23.0 Review of Policy

- 23.1 This Policy shall be reviewed every three years in the year of the local government election or as determined by the Authority. The Policy can be reviewed by the Council at any time.

24.0 More Information

- 24.1 Consult the Mayor, Chief Executive, Group Manager Corporate Services or Governance and Support Team Leader if you have questions about this policy.