

RANGITĪKEI DISTRICT COUNCIL

ELECTED MEMBERS' ALLOWANCES AND RECOVERY OF EXPENSES POLICY

Rangitikei District Council

POLICY ON ELECTED MEMBERS' ALLOWANCES AND RECOVERY OF EXPENSES

APPLICABLE FROM 08 OCTOBER 2022

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.

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DOCUMENTATION OF POLICIES

This Policy forms part of the Governance Documents for Elected Members. It contains provisions around sensitive expenditure and conflicts of interest and is updated when changes are advised by the Remuneration Authority and/or the Local Government Determinations are issued.

AUTHENTICATION OF EXPENSE REIMBURSEMENTS AND ALLOWANCES

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.

Costs for expenses must have a justifiable business purpose, be moderate and conservative having regard to the circumstances, and be appropriate in all respects.

The process for reimbursement of claims includes the following principles:

- any expenses to be reimbursed must be on an actual and reasonable basis and in line with Council policy;
- expense claims are approved by the Chief Executive or the Group Manager – Democracy & Planning, and full original receipts are required; and
- cost reimbursements will be made via the payroll system.

In the case of one-off expenditure such as travel to conferences, the process and prior approvals required are detailed in this policy.

In the case of vehicle mileage, travel time and communications, all limits set in this document do not exceed the Remuneration Authority's Determination. Annual allowances are for the period 1 July 2023 to 30 June 2024 ('the determination term'), and are paid on a pro rata basis for the elected member's term of office.

Updated to reflect provisions in the Local Government Members (2023/24) Determination 2023.

To satisfy the requirements of the Council’s auditors, there will be periodic sampling of expense claims and allowances paid to elected members and staff.

No allowances are paid without deduction of withholding tax.

All expenditure that falls under this policy is approved on the condition that it can be met within relevant budget provisions.

DEFINITIONS

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

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

“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.

“Remuneration Authority” is an independent 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.

ALLOWANCES AND EXPENSES BY GROUP OF MEMBERS

Position	Expense/Allowance	Description
All elected members	Travel and attendance at conferences/ seminars/training programmes	<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 the Executive Officer with the Council’s preferred travel agents, at the most economic cost available (when possible) at</p>

Position	Expense/Allowance	Description
		the time of booking, unless all travel costs are being met privately or by an outside party.
	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 Rangitikei 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 the Executive Officer should be considered as an option in such circumstances.</p> <p>Taxi charge vouchers should be used for planned travel within New Zealand. Costs paid for directly by the individual for unanticipated travel within New Zealand or for international travel will be reimbursed on presentation of actual receipts.</p>
	Exceptional circumstances for Council related meetings	The Executive Officer may arrange overnight accommodation for elected members 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	No airpoints accumulated while on Council business can be utilised for personal use.
	Private accommodation provided by friends/relatives	Payment of \$50 per night when staying in private accommodation, to cover accommodation, breakfast and dinner. It is intended that at least a portion of this allowance is paid to the accommodation provider.

Position	Expense/Allowance	Description
	Childcare allowance	<p>Payment of a contribution towards expenses incurred by an elected member for childcare provided while the member is engaged on local authority business if</p> <ol style="list-style-type: none"> i. the member is a parent/guardian of the child or the person who usually has responsibility for the day-to-day care of the child (other than on a temporary basis), and ii. the child is less than 14 years old, and iii. the childcare is provided by a person who is not a family member of the member and does not ordinarily reside with the member, and iv. the member provides evidence satisfactory to the local authority of the amount paid for childcare, and v. the payment to the member does not exceed \$6,000 per year per child.
Mayor	Car	The Mayor may be provided with a vehicle that will also be available for his/her private use. A deduction will be made from his/her salary as determined by the Remuneration Authority. The Mayor will not be able to claim for vehicle mileage if provided with a vehicle.
	Vehicle mileage	When a vehicle is not provided, the Mayor is entitled to the maximum threshold permitted in the Remuneration Authority's Determination.
	Travel and conferences, courses and seminars	<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.</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 meet the cost of their travel, accommodation and incidental costs.</p> <p>The Council will authorise such expenditure where the partner's involvement directly contributes to a clear business purpose.</p>

Position	Expense/Allowance	Description
	Telephone costs	Full payment may be provided by the Council for: <ul style="list-style-type: none"> a) home telephone line rental and associated toll charges, and b) cellphone based rental and all associated call charges.
	Car parking (Mayor only)	Use of an assigned car-park at the Council's Marton Office for use on Council business.
	Entertainment and hospitality	The Mayor may hold a purchasing card to pay directly for any entertainment or hospitality expenses incurred while carrying out Council business. If such a card is issued, full receipts and details of the names of parties entertained and reasons for the entertainment are to be provided. All expenditure on this card is approved by the Chief Executive.
Mayor and Councillors	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	Provision of a computer for uploading Council/Committee/Community Board meeting papers Option of either <ul style="list-style-type: none"> a) provision of a mobile phone, PC or laptop, and printer. 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, as follows: <ul style="list-style-type: none"> i) \$400 for a PC ii) \$50 for a printer iii) \$200 for a mobile telephone.
	Stationery and consumables	Supply of reasonable amounts of paper and printer consumables for Council business.
Councillors	Conferences, courses, seminars and training	The conference, course, seminar or training event must contribute to the Councillor's ability to carry out

Position	Expense/Allowance	Description
		<p>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.</p> <p>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. These costs can cover a range of items including, but not limited to, tea/coffee, and catering including alcohol with meals.
Councillors, Community Board Chairs	General community related expenses	From time to time Councillors and Community Board chairs may have unforeseen costs arise for items relating to community events, e.g. payment of koha, or purchasing a wreath for attendance at a commemorative event. Reimbursement of such expenditure should be previously approved by the Executive Officer. The items should be appropriate to the occasion and expenditure should be moderate and conservative.
Councillors, Community Board members	Vehicle mileage	<p>Vehicle mileage will be paid for all travel on Council business except when attending a Council/Committee/Community Board meeting when a standard deduction of 30km applies.</p> <p>Mileage will be paid up to the maximum rate per kilometre as set out in the current Remuneration Authority Determination.¹</p> <p>Mileage will be paid to eligible members on receipt of a completed and signed mileage claim, and approved by the Governance Advisor.</p>
	Mobile phone expenses	<p>An allowance towards Council generated calls, text and data through mobile phones:</p> <p>Maximum of \$400 for councillors and community board chairs</p>

¹ 95c per kilometre for the first 14,000 km regardless of vehicle type; after the first 14,000 km the rate is 34c per kilometres for petrol and diesel vehicles, 20c per kilometre for petrol/hybrid vehicles, 11c per kilometres for electric vehicles.

Position	Expense/Allowance	Description
	Landline and broadband connection	Monthly reimbursement (on production of invoice) of the connection/usage costs that can be identified as relating to Council business.
Community Board members	Conferences/training/seminars	<p>Attendance at conferences, courses, seminars and training programmes requires the prior approval of the relevant Community Board. Exceptions to approval of the Community Board being required are:</p> <ul 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.