

# Councillor Policy

<b>TITLE:</b>	<b>Elected Members' Expenses and Allowances</b>		
<b>STAFF RESPONSIBLE FOR THE POLICY:</b>	Paul Drury Group Manager Corporate Services	<b>COMMENCEMENT DATE:</b>	9 October 2016

## Rationale

Council's policy and rules for expenses (including reimbursement allowances) for the electoral tenure commencing 9 October 2016.

## Policy

### Elected Members' Allowances and Expenses

#### 1. Authentication of Expense Reimbursement and Allowances

The principles and processes under which Hawke's Bay Regional Council ensures that expense reimbursements and allowances are payable are:

##### 1.1. Principles

- 1.1.1. Are in line with Council policies
- 1.1.2. Have a justified business purpose
- 1.1.3. Are payable under clear rules communicated to all claimants
- 1.1.4. Are approved by a person able to exercise independent judgement
- 1.1.5. Are adequately documented
- 1.1.6. Are reasonable and conservative in line with public sector norms
- 1.1.7. Are, in respect of allowances, a reasonable approximation of expenses incurred on behalf of the local authority by the elected member
- 1.1.8. Support administrative efficiency by the payment, where possible, of standard allowances based on fair and reasonable value of costs incurred, rather than requiring elected members to continue to make numerous claims.

##### 1.2. Processes

- 1.2.1. Councillors are issued with an explanatory memorandum explaining their entitlements and how they should claim them.
- 1.2.2. Councillors are required to make expenditure claims for all allowances, other than agreed regular payments, which are approved by the Chief Executive prior to payment.
- 1.2.3. All reimbursement costs will be based on actual and reasonable expenditure with claims to be supported by appropriate invoices to substantiate the claim and will be approved as part of the Council's normal creditor payment process.

#### 2. Vehicle Provided

- 2.1. Where the Chairman decides to take up the entitlement to a Council vehicle then the terms and conditions for the supply of a vehicle will be determined by the Chief Executive Officer in line with policies set out by the Remuneration Authority.

### 3. **Vehicle Mileage Allowance**

- 3.1. A vehicle mileage allowance is payable to an elected member for travel by that member each day, but only if:
  - 3.1.1. The member is not otherwise provided with a vehicle by the Council; and
  - 3.1.2. The travel is:
    - In a private vehicle; and
    - On Council business; and
    - By the most direct route that is reasonable in the circumstances, and
  - 3.1.3. The distance travelled by the member to the Council Head Office on the day exceeds the threshold distance (all other approved travel by elected members has no threshold adjustment).
- 3.2. The maximum vehicle mileage allowance payable in any one twelve month period is the rate per kilometre as set out in the current Remuneration Authority determination:
  - 3.2.1. \$0.74 per kilometre for the first 5,000 kilometres.
  - 3.2.2. \$0.37 per kilometre for any distance over 5,000 kilometres.
- 3.3. Restrictions on mileage claims for travel to and from the Council Head Office – NB: the threshold distance means the shorter of the following distances:
  - 3.3.1. The distance equivalent to a round trip between the member's residence and the Council Head Office by the most direct route that is reasonable in the circumstances; and
  - 3.3.2. 30 kilometres, if the distance equivalent to a round trip between the member's residence and the Council Head Office is greater than 30 kilometres by the most direct route that is reasonable in the circumstances.
- 3.4. "Council business" is defined as *"Official Council business whereby elected members are invited or required to attend both informal or formal meetings or events related to Council. These do not include meetings with constituents, or the elected member's own initiatives to familiarise or better inform themselves in any way with Council business, or where a Council function is primarily entertainment"*.

### 4. **Travel Time Allowance**

- 4.1. Council may pay a Councillor a travel time allowance if the office of the Councillor cannot be properly regarded as a full-time position.
- 4.2. An allowance may be paid to a Councillor under sub clause (4.1) for each day within the period of this determination that:
  - 4.2.1. The Councillor is travelling on Council business and by the quickest form of transport reasonable in the circumstances; and
  - 4.2.2. The travel time of the Councillor exceeds one hour.
- 4.3. The allowance is payable, in relation to each day for which the Councillor qualifies under sub clause (4.2):
  - 4.3.1. At no more than \$37.50 per hour; but
  - 4.3.2. Only in respect of the travel for that day that exceeds 1 hour.
- 4.4. In this clause, on the Council's business includes:
  - 4.4.1. Travel between a Councillor's residence and the Council Head Office.

**5. Travel and Accommodation - (Mileage Claims – refer Section 3)**

**5.1. Taxis and Other Transport**

5.1.1. Elected members will be reimbursed for the actual and reasonable cost of any expenditure on taxis and other transport incurred where such expenditure is considered reasonable and necessary for the attendance at conferences, seminars and business related meetings attended at the request of Council, or approved by the Chairman.

**5.2. Carparks**

5.2.1. Individual carparks are allocated to each elected member for use on Council and Committee meeting days only. In addition, the Chairman has a permanent car park and one other car park is permanently available for any other elected member to attend Council business at the Council offices.

**5.3. Use of Rental Cars**

5.3.1. Elected members will be reimbursed for the actual and reasonable cost of any expenditure on rental cars where this is considered necessary to attend conferences, courses and business meetings attended at the request of Council, or approved by the Chairman. If rental cars are used they are to be cheaper than mileage allowance or air fare.

**5.4. Air Travel – Domestic**

5.4.1. All domestic travel is to be approved in advance by the Chairman or Chief Executive and booked through Council Corporate Services.

**5.5. Air Travel – International**

5.5.1. All international travel is to be approved in advance by the Chairman or Chief Executive and booked through Council Corporate Services.

5.5.2. Council will meet the cost only of economy class fares unless specifically approved otherwise by the Chairman or Chief Executive.

5.5.3. Stopovers for long distance flights will be at the discretion of the Chairman or Chief Executive, and where approved, will be paid or reimbursed.

**5.6. Airline Clubs/Airpoints/Airdollars**

5.6.1. The Chairman is provided with a Koru Club membership on the basis of frequency of air travel. Airpoints or Airdollars earned on travel, accommodation etc, paid for by the Council are available for the private use of members.

**5.7. Accommodation Costs While Away at Conferences, Seminars, etc**

5.7.1. Elected members will be reimbursed for the actual and reasonable cost of any expenditure incurred where this expenditure is incurred for attendance at the request of Council or approved by the Chairman or Chief Executive. Travel is to be approved in advance and all bookings are to be made through Council Corporate Services. This provision also applies to Councillors who normally live at a distance from Napier who stay overnight prior to or between Council or committee meetings.

**5.8. Meals and Sustenance, Incidental Expenses**

5.8.1. The reasonable cost of meals and sustenance will be paid or reimbursed where such expenditure is incurred for attendance at conferences, courses and business meetings attended at the request of Council, or approved by the Chairman or Chief Executive. A light lunch is generally provided to Councillors on Council and Committee meeting days.

**5.9. Private Accommodation Paid for by Local Authority**

5.9.1. An allowance of \$50 per night can be claimed by elected members where they decide to stay privately when attending a conference, course or business meeting where their attendance is at the request of the Council or approved by the Chairman or Chief Executive. Reasonable additional costs associated with staying privately can be claimed only if the prior approval of the Chairman or Chief Executive has been received.

**6. Entertainment and Hospitality**

6.1. There are no hospitality or entertainment allowances paid to elected members. Where entertainment or hospitality is required at the request of the Council, or on the approval of the Chairman or Chief Executive, reimbursement can be claimed on an actual and reasonable basis.

**7. Equipment and Technology Provided to Elected Members**

7.1. The following allowances are paid to elected members to assist with the costs of equipment and technology provided by the elected member. Where Council requires members to use the following equipment the allowances below will be paid:

Item	Annual Allowance
Use of a printer (with or without scanner)	\$40
Use of a mobile phone	\$60
Use of an internet connection	\$250
Council related toll and mobile phone charges	\$400
TOTAL	\$750

7.2. Elected Members will be limited to a total payment in any one financial year of \$750.

7.3. Council provides each elected representative with an iPad Pro and @hbrc email account for conduct of all Council business. This equipment continues to be the property of the Council. The communications allowances which would otherwise be paid for the use of a personal computer or tablet will not be paid in accordance with Audit NZ advice received.

**8. Professional Development, Clubs and Associations**

8.1. Council pays for the cost of professional development courses, seminars, etc approved by Council or the Chairman, within a specified annual budget.

8.2. No expenses or allowances in respect of subscriptions to Clubs or associations are paid other than professional bodies specific to their role with Council – eg, RMLA for Hearings Committee Members.

**9. Other Expense Reimbursements and Allowances**

9.1. The following are reimbursed or provided to elected members:

9.1.1. *Clothing*

- Elected members will be supplied with a rain jacket bearing the Council's logo.

9.1.2. *Stationery*

- Stationery and printer cartridges are available on request for use on Council business.

9.1.3. *Elected Members' Office*

- Elected members are entitled to use the Te Mata room, located adjacent to the Council Chamber, opposite the elevator on the ground floor of the Regional Council building. The office is equipped with a table and chairs and a computer.

9.1.4. *Chairman's Office*

- The Chairman is provided with an office at the Council's offices in Napier. This office includes a direct dial telephone extension, a mobile phone with associated costs and a networked computer. Full secretarial assistance is also provided.

**10. Signature**

10.1. I seek approval from the Remuneration Authority, in relation to the electoral tenure commencing 9 October 2016, of the expense reimbursement rules and payments of allowances applicable to elected members as set out in this document which was adopted by Council on 9 November 2016.

10.2. The approved document and any attachments will be available for public inspection in accordance with the Remuneration Authority's determination.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_  
(Andrew Newman, Chief Executive)