
NEW PLYMOUTH DISTRICT COUNCIL

**POLICY ON ELECTED MEMBERS’
ALLOWANCES AND RECOVERY OF EXPENSES**

**FOR THE
2022-2025 ELECTORAL TERM¹**

POLICY PURPOSE

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.

DOCUMENTATION OF POLICIES

In addition to this document, the following documents set out the policies, rules and procedures relating to the expenses and allowances payable to elected members:

- Council Policy Register
- Travelling Overseas Policy
- Approval to Attend Professional Development Events

POLICY STATEMENTS

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.

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

¹ The exact date from when this policy will apply is the day that elected members come into office after the 8 October 2022 local body elections.

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- Elected member reimbursement claims outside this policy (such as a contribution to petrol costs rather than vehicle mileage) will be considered on a case-by-case basis and are subject to prior approval provided that funding is available.
 - 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 or another 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. This includes the provision of pro-rata allowances where an elected member serves a part year.

The Council's internal audit work programme includes sampling expense claims and allowances paid to elected members and staff. The Council publicly reports on the sensitive expenditure of elected members and the Chief Executive.

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.

All claims must be lodged no later than one month after the close of the financial year in which the expense was incurred.

APPROVALS

The Chair of the Finance, Audit and Risk Committee approves all Mayoral expenses prior to reimbursement. In the Chair's absence the Deputy Chair of the Finance, Audit and Risk Committee can approve Mayoral expenses.

The Mayor is to approve all other elected member expenses prior to reimbursement. In the Mayor's absence the Deputy Mayor can approve elected member expenses with exception of their own expenses.

All approvals are to be checked by the Governance Lead prior to being submitted for payment. In the Governance Lead's absence the Group Manager Corporate Services will check the approvals.

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 Chair of the Finance, Audit and Risk Committee.

“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 and 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.

“Sensitive Expenditure” is spending by an organisation that could be seen as giving some private benefit that is in addition to the business benefit to the entity of the spending.

ALLOWANCES AND EXPENSES BY TYPE OF EXPENSE/ALLOWANCE

Expense/Allowance	Position	Description
Travel and attendance at conferences/seminars/training programmes	All elected members	<p>Payment of actual and reasonable registration, travel, accommodation, meal and related incidental expenses (including travel insurance) incurred in attendance at approved events, held both within New Zealand and overseas, subject to:</p> <ul style="list-style-type: none"> related expenditure being accommodated within existing budgets, and the appropriate approvals as outlined in this policy and any other relevant policy <p>and exclude reimbursement for purchases from hotel mini-bars and charges for in-room video or movies.</p> <p>All travel and accommodation arrangements are to be made by the Governance Team 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>
Domestic air travel	All elected members	Domestic air travel for Council related travel, generally where travel by air is the most cost effective travel option.
International air travel	All elected members	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.
Airline club	Mayor	Given frequent travel requirements for the role, payment of an Air New Zealand Koru Club subscription.

Expense/Allowance	Position	Description
Air points	All elected members	Air points may be accrued when travelling on Council business.
Private accommodation provided by friends/relatives	All elected Members	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.
Exceptional circumstances for Council related meetings	All elected members	Staff may arrange overnight accommodation when travel or business requirements do not allow for the elected member return on the same day, e.g. if it is unreasonable to travel to their home after a late meeting.
Car	Mayor	<p>A vehicle will 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.</p> <p>Where the Mayor elects not to have a Council provided vehicle, the mileage reimbursements set out elsewhere in this policy shall apply.</p>
Car parking	Mayor	Use of a permanently assigned carpark at the Civic Centre for use on Council business.
Car parking	All elected members	Use of limited assigned carparks at Civic Centre for use on Council business provided the appropriate car parking pass is displayed in the vehicle.
Parking expenses	All elected members	Reimbursement of casual car parking costs related to Community Board or Council business held at any Council premises. This will be on receipt of a written claim accompanied by a receipt.

Expense/Allowance	Position	Description
Taxis	All elected members	<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 New Plymouth 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 Governance Team 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>
Rental Cars	All elected members	<p>Rental cars may be utilised when attending meetings or conferences in other centres, where this is the most cost-effective travel option. These are to be booked by the Governance Team except in exceptional circumstances.</p>
Vehicle mileage	All elected members	<p>Vehicle mileage will be paid for travel on Council business at the maximum rate per kilometre as set out in the current Remuneration Authority Determination.</p> <p>Mileage will be paid to eligible members on receipt of a written mileage claim.</p>
Travel time	All elected members	<p>Reimbursement at the rate set out in the current Remuneration Authority Determination.</p>

Expense/Allowance	Position	Description
Entertainment and hospitality	Mayor and Councillors	<p>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.</p> <p>Full receipts and details of the names of parties entertained and reasons for the entertainment are to be provided.</p>
General community related expenses	Mayor, Councillors, Community Board Chairs	<p>From time to time costs may arise for items relating to community events, e.g. payment of koha, or purchasing a wreath for attendance at a commemorative event. Expenditure should have the prior approval of the Governance Lead. The items should be appropriate to the occasion and expenditure should be moderate and conservative.</p>
Childcare allowance	Mayor, Councillors, Community Board Chairs	<p>Reimbursement for childcare expenses incurred while the elected member is engaged on Council business.</p> <p>A maximum of \$6,000 can be reimbursed for each child under 14 years of age.</p> <p>Reimbursement is subject to the matters contained in the current Remuneration Authority Determination.</p>
Communications equipment	Mayor, Councillors, Community Board Chairs	<p>The Council will provide a laptop.</p>

Expense/Allowance	Position	Description
Communications equipment	Community Board Members	Provision of an annual allowance for any or all equipment personally provided, as follows: i) \$400 for the use of one personal computer, tablet, or laptop including any related docking station ii) \$50 for the use of a multi-functional or other printer.
Landline and broadband connection	Mayor	Full reimbursement of home telephone line rental and associated toll calls.
Landline and broadband connection	Councillors, Community Board Chairs and Members	Monthly reimbursement (on production of invoice) of the connection/usage costs that can be identified as relating to Council business. or \$800 per annum for landline and broadband connection.
Communications Equipment	Mayor, Councillors and all Community Board Chairs and Members	\$200 per annum for the use of a personal mobile telephone. OR Provision of mobile phone, rental costs and all associated call charges.
Mobile phone expenses	Councillors, Deputy Mayor Community Board Chairs and Community Board members	Where an elected member chooses not to have a Council issued mobile phone - an annual \$500 allowance towards Council generated calls, text and data through mobile phones

Expense/Allowance	Position	Description
Stationery and consumables	Mayor, Councillors, Community Board Chairs and members	Supply of reasonable amounts of stationery for Council business.

Policy contact

The policy holder is the Governance Team within the Corporate Services Group

Review

This policy shall be reviewed at the beginning of each electoral term.