



Councillors' Allowances and Reimbursements Policy

1 July 2016 to 30 June 2019

Councillors' Allowances and Reimbursements Policy

This policy sets out the Waikato Regional Council (the council) councillor's expense rules including their allowances and their reimbursements. The details in this policy have been approved by the Remuneration Authority to be the expense rules for the councillors for the period 13 October 2013 to October 2016.

Council process for payment of allowances and reimbursements

Payment for allowances and reimbursements require a claim form to be signed and submitted.

Councillor claims are processed and paid monthly:

- Claim forms are to be submitted to the councillors' administration assistant who will vet, approve and arrange payment into members' bank accounts that are in accordance with policy.
- Claim forms for each month are to be received within 7 days following the end of the month.
- Claims submitted after three months will not be processed except in extraordinary circumstances.
- All reimbursement claims are to be supported with a detailed receipted tax invoice. It is not sufficient for payments made by credit card or EFTPOS docket to be supported by only the credit card/EFTPOS receipt.
- Payment will be made on the 15th of each month by direct credit.

Full receipts are required for payment of any allowances or reimbursements.

Vehicles

Chairperson's car

The chairperson of the council is provided with a vehicle. This vehicle may be used for private use by the chairperson. In periods of absences where the chairperson has delegated his full responsibilities to the deputy chairperson, the deputy chairperson will be entitled to use the vehicle including reasonable private use.

Vehicle provision

The council does not provide council vehicles for members attending council related meetings, except for the chairperson of the council.

Mileage allowances

Mileage rate

The Remuneration Authority determines the maximum mileage rate payable. Council will pay elected members the maximum mileage allowance provided for in the current Remuneration Authority Local Government Elected Member Determination.

Councillors (except for the chairperson) are to include on the monthly claim form details of all meetings (including council/committee) for which a mileage allowance is being claimed. Reimbursement will only be made for mileage listed on the claim form. Sufficient details relating to "council business" meetings are to be included.

Expense claim forms require sufficient detail of the reason for the claim to enable validation against the policy and the travel distance claimed must be within a reasonable tolerance variation of the distance measured by Google maps i.e. with 5% or 20km whichever is the lesser.

Mileage is payable only for the distance travelled on the day that exceeds the threshold distance (as determined by the Remuneration Authority), noting that in the case of a return trip being spread over more than one day due to the requirement to stay overnight, the threshold applies to the return trip.

Mileage for “council business”

Subject to the interpretation and exceptions listed below, councillors are entitled to a mileage allowance when using their own vehicle for “council business”.

Interpretation

With respect to mileage allowances, the term “council business” includes attendance at the following:

- Official meetings of the council and any committees and subcommittees.
- Council/Committee workshops/briefings.
- Statutory hearings.
- An external event or meeting where there has been:
 - a resolution of council or a committee or
 - authorisation by the council chairperson/relevant committee.
- Meetings/Visits within the councillor’s constituency where the councillor is attending as a representative of Waikato Regional Council (details to be provided).
- Seminars and training courses where the councillor’s attendance has been authorised.
- Formal meetings¹ with mayors, territorial authority committee chairs or elected members.
- Official councillor briefings.

At no time does “council business” include events where the primary focus is on social activities, political meetings or electioneering.

Exceptions

- If the council is providing transport, and a councillor chooses – for personal reasons - to travel independently, they may not be entitled to a vehicle allowance.
- Where a councillor chooses – for personal reasons – to travel by private motor vehicle to a conference or seminar outside of the region they will be entitled to reimbursement of the mileage travelled, up to the value of equivalent airfares.

Travel time allowance

Council will pay elected members the maximum travel time allowance provided for in the current Remuneration Authority Local Government Elected Member Determination.

There is no limit to the amount of travel time allowance that can be claimed provided the travel is on ‘council business’.

Travel and accommodation

¹ Criteria to consider when determining whether meeting attendance attracts payment of mileage costs include whether the meeting has been scheduled by a committee secretary; inclusion of the meeting in the corporate calendar; a record of the meeting is maintained through agendas and minutes; the purpose / outcome of the meeting becomes part of council record.

Taxis and other transport

Other than for agreed conference/meeting attendance, there may be occasions when a Councillor requires a taxi/bus service. Actual costs associated with approved use will be reimbursed upon production of an official receipt.

Car parks

Car parks are available for use by councillors for council business in the vicinity of the Grey Street building.

Use of rental cars

There may be occasions when rental cars are required for use by councillors.

Prior approval of the chairperson should be sought in each case with the booking processed by the appropriate council staff if possible.

Air travel – domestic

It is current practice that no one airline is favoured – the cheapest possible flight is booked to meet requirements. All travel bookings are made through the travel agency appointed by the council.

Members requiring booking of approved air travel should arrange this with the councillors' administration assistant.

Air travel – international

It is current practice that all international air travel will be by economy class except where exceptional circumstances arise. All international air travel requires the prior approval of the chairperson.

It is also current practice that no one airline is favoured – the cheapest possible flight is booked to meet requirements. All travel bookings are made through the travel agency appointed by the council.

Members requiring booking of chairperson-approved international air travel should arrange this with the councillors' administration assistant.

Airline clubs/airpoints/airdollars

The council chairperson will have paid membership of one airline club.

Members travelling must not specify a particular airline for their travel in order to accumulate points from loyalty programs.

Points from loyalty programs accumulated from council business expenditure are accrued to the individual member; however members are encouraged where practicable to use them for council business.

Members may use points from loyalty schemes accumulated from council business travel to upgrade to a higher class of air travel, if the cost to council is not increased by the upgrade. The use of points should not override 'lowest logical fare' available guideline.

Accommodation costs

Councillors attending any council, standing committee, subcommittee or council workshop meetings are entitled to any expenses incurred in attending the meeting. Such expenses could include accommodation.

Actual and reasonable accommodation costs will be paid/refunded (upon production of receipts) where appropriate. Such costs are appropriate when a member is required to travel long distances (in excess of 100 kms one-way).

The accommodation allowance will apply to meetings that commence prior to 10.00am or it is not practicable to return home on the same day, or in exceptional circumstances.

To assist councillors who either live outside their constituency or whose constituency traverses significant distance (well in excess of 100 kilometres from the councillor's place of residence such as in the case of the Nga Tai ki Uta Māori constituency), council's policy is to provide an accommodation allowance of 2 nights per month to service constituency needs.

Note: In the situations outlined above the councillor(s) concerned will need to discuss their particular circumstances with the Council Chairperson and reach agreement on those situations that will qualify for reimbursement.

The council has negotiated corporate rates with hotels and unless extraordinary circumstances arise members are to use these venues where appropriate. Bookings are to be made in consultation with the councillors' administration assistant.

Members who choose to stay privately may claim an amount of \$50 per night (exclusive of meals), or \$70 (inclusive of meals) per night.

For accommodation at approved conferences/seminars, see the professional development, clubs and associations section below.

Meals and incidental expenses

It is policy to provide a lunch or dinner for members attending meetings when the meeting or meetings extend past the lunch or dinner period.

The reimbursement/payment of the actual and reasonable cost of meals (excluding alcohol) will be made when councillors are staying away from home on council business. Any reimbursement will be based on supporting tax invoices. Any such expenditure must be moderate and conservative in the circumstances and be able to withstand the test of public scrutiny in the public sector.

Costs of telephone/toll calls necessary while staying away from home will be refunded. It should be noted that most hotels/motels add a surcharge to calls made through their system.

- Cost of one call home per night can be claimed.
- Costs of calls in contacting constituents may be refunded provided the call is for the business of the council.

Entertainment and Hospitality

Annual councillor function

The council will make budgetary provision for two councillor functions per year. The purpose of the functions is to provide:

- A forum for building relationships between councillors and senior staff, and
- An opportunity to give recognition to the supporting role that spouses/partners give to councillors and senior staff.

Attendance is generally limited to councillors and senior management staff, accompanied by spouses/partners.

If appropriate, costs of accommodation and associated meals will be paid for councillors and partners attending the annual function.

The chief executive or chairperson may invite special guests when deemed appropriate for the function.

With external parties

The council may pay or reimburse expenses related to council sponsored hospitality with dignitaries or other guests. All such expenses should be reasonable and appropriate with regard to the guest, and their relationship to the council.

Any form of expenditure for entertainment must be able to withstand public scrutiny. Proper planning, approval and reporting must be adhered to.

The chairperson and the chief executive must give approval to such expenses.

Communications and Technology

Equipment and technology provided to councillors

The council will make two options available to councillors regarding equipment.

Option One: The council supplies the councillor with a laptop or tablet, mobile/smart phone and facsimile/printer, as appropriate, for their term of office. The equipment remains the property of the council and must be returned when the councillor leaves office. Council will not be responsible for any additional costs incurred through downloading non business related applications to any council owned device.

Option Two: The councillor provides all or part of their own communications equipment, as appropriate, for their period of office. The council pays the councillor an allowance in accordance with the Remuneration Authority determination.

Councillors will be supplied with an internet connection, as appropriate, for their term of office. Reimbursement of costs for the provision of internet services will be based on 25% of the landline and broadband cost up to a maximum allowance of \$250 p.a.

The council will also supply any necessary sundry consumables. Sundry consumables should be arranged through the councillors' administration assistant.

IT support will be available as appropriate.

Councillors will be required to sign up to the WRC IT Policy to use council equipment or access council systems.

Home telephone rental costs and telephone calls (including mobiles)

Mobile telephones

The council will provide a mobile phone for all councillors and cover all expenses associated with the use of that phone other than private calls. Councillors should use the ## key in front of the number to record private calls which will be charged automatically to the councillor by council's cell phone provider. Councillors can sign up to a monthly text plan which will be billed directly to them. The phone remains the property of the Council and must be returned when the councillor leaves office.

Councillors who choose not to have a cell phone will receive an allowance of \$60 per annum for the hardware and can claim actual costs incurred or claim an additional allowance of \$400 per annum. This allowance is based on half the cost of the monthly rental.

Residential telephone connections

Councillors are entitled to reimbursement of the cost of a residential telephone connection or broadband connection based on 25% of the landline and broadband cost up to a maximum allowance of \$250 p.a.

Reimbursement of call costs

The council will reimburse costs of any calls incurred in the business of the council upon the provision of appropriate detailed accounts.

All personal calls are a cost to be borne by the councillor.

Professional development, clubs and associations

Conferences, courses, seminars etc

An annual budget currently \$2,000 per councillor, will be set aside for councillor attendance at conferences/ courses/seminars. (Annual LGNZ Conference not included – see below, or LGNZ “Making Good Decisions” accreditation courses). This budget is to fund the enrolment / registration fees associated with training events. Other costs of attendance, such as accommodation, meals and travel will be paid from general council funds.

The annual allowance may be allocated variably across the three year term subject to budget availability

If a councillor does not provide a valid reason for non-attendance, Council reserves the right to recover costs.

When considered appropriate for a councillor to attend a conference/course/seminar at the cost of the council, approval shall only be given for the purpose of acquiring knowledge, including new developments, or transacting business that is appropriate to that councillor. Costs of attendance must be able to be met within the approved budgets.

Attendance will generally be authorised by resolution in a public session of a council or committee meeting, but may also be authorised in writing by the council chairperson.

Councillors who have been authorised to attend a conference, course, seminar etc. will have attendance fees, travel, accommodation and meals paid for. Unless otherwise agreed by the chief executive, all travel and accommodation will be booked through the councillors’ administration assistant.

Generally, the council will not meet costs of partners/spouses attending conferences/courses/seminars.

Councillors, after attendance at an approved conference/course/seminar must report to an appropriate meeting on relevant matters including course content, matters of interest to other members and staff and an assessment of the value of the attendance.

LGNZ conference

Attendance at the LGNZ Annual Conference will be considered and resolved by the council.

The council will meet the costs of registration, meals and accommodation for the attending councillors.

Other expense reimbursements and allowances

Councillors travelling overseas (other than courses/conferences)

The council may support the actual and reasonable costs of councillors travelling overseas on fact-finding visits after consideration of the following factors:

- The information to be gained is necessary to the achievement of the performance measures of a relevant council project in the Annual Plan/LTP.
- A personal visit is required and the nature of the visit is such that a councillor is appropriate for the task.
- The visit is an effective means of obtaining the information.
- The councillor applying for support is an appropriate member to undertake the proposed visit.
- Any special circumstances, which are seen to justify support.

All applications for support shall be in writing and will require the approval of council.

When a councillor will be travelling overseas on a personal visit and is asked by the council to undertake some work which can be conveniently included in their itinerary, then the council may approve any extra expense incurred as it sees fit.

Accident insurance

The council has an accidental death policy that covers councillors in the case of an accidental death world wide.

The policy will pay out \$100,000 per councillor up to the age of 65 and \$50,000 per councillor aged 65-75 years.

With a limit of \$1,000,000 for any one year or \$500,000 if the Councillor is on a non scheduled flight.

- The cover applies 24 hours a day 7 days a week.
- For death or permanent disablement by accident.
- The proceeds are to cover the costs of replacing the councillor with any payment to the deceased estate being at the discretion of council.

Taxation of allowances

Taxation on allowances shall be deducted at the prevailing taxation rates as determined by the Inland Revenue Department.

Related guidelines and policy documents

- Office of the Auditor-General publication – “Controlling sensitive expenditure: Guidelines for public entities” is available at www.oag.govt.nz
- Rules for Reimbursing Expenses of Elected Members of Local Authorities – Amended Approval Process and Application Form. (Remuneration Authority, 14 March 2007)
- Waikato Regional Council Fraud Policy