



Elected Member’s Remuneration, Allowances & Expenses Policy

Name of Policy:	Elected Member’s Remuneration, Allowances & Expenses
Purpose of Policy:	<p>This policy sets out elected members remuneration and entitlement of elected members to allowances and contributions towards expenses during their term of office.</p> <p>This policy ensures that all remuneration and allowances paid to elected members are in accordance with the Remuneration Authority determination and rules for the appropriate year.</p>
Policy Applies to:	All Elected Members
Responsible for its Updating	Council Secretary / Executive Officer
Final Approval by:	Chief Executive Officer
Policy First Issued	12 October 2016
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1. INTRODUCTION

- 1.1 The Local Government Act 2002 provides for the Remuneration Authority to determine the remuneration, allowances, and rules for reimbursing expenses incurred by all local authority elected members.
- 1.2 Prior to local body term the Remuneration Authority undertakes a review of the settings for elected member remuneration and allowances, in consultation with councils. Following this review, an annual determination is then issued prior to 30 June each year, which may result in adjustments for to the level of remuneration received. (These adjustments may take account of data collected by the State Services Commission on public and private sector remuneration movements, any major legislative changes in the role of elected members and feedback from the sector.)
- 1.3 Allowances set by the Remuneration Authority are reviewed annually and are entirely at the discretion of Council within the limits set by the Remuneration Authority.
- 1.4 Council approved allowances must be included in this policy and published on Council's website. Actual and reasonable expenses incurred by elected members while undertaking Council business will be reimbursed in line with this policy.

2. PURPOSE

- 2.1 This policy covers the remuneration and entitlement of elected members to allowances and contributions towards expenses related to travel, mileage, communication, childcare, and travel, conference and training attendance and professional development during their term in office.
- 2.2 Each year the Remuneration Authority sets the remuneration and allowances for all Elected Members' through the Local Government Members Determination.
- 2.3 The payment of any or all allowances is at the discretion of the Kaikōura District Council.
- 2.4 This policy takes effect from 1 July 2022, unless specified otherwise.

3. PRINCIPLES

- 3.1 The payment of allowances and expenses to Elected Members by Kaikōura District Council is made in accordance with the Auditor General's guidance for a principles-based approach for sensitive expenditure.

The principles are that expenditure decisions:

- Have a justifiable business purpose;
- Preserve impartiality;
- Are made with integrity;
- Are moderate and conservative, having regard to the circumstances;
- Are made transparently; and
- Be made with proper authority.

4. IMPLEMENTATION

- 4.1 From time-to-time elected members incur expenses in their undertaking of Council business which need to be reimbursed. This reimbursement applies only to elected members personally, and only while they are acting in their official capacity as elected members.
- 4.2 In incurring and claiming these expenses, elected members will abide by the principles detailed in Section 2 of this policy.

- 4.3 Any expenses to be reimbursed will be on an actual and reasonable basis and in line with the principles detailed in Section 2 of this policy.
- 4.4 An expense reimbursement form is to be completed and full GST receipts attached for all expense claims and returned to the Executive Officer at least quarterly.
- 4.5 All expense claims submitted by elected members are to be approved by the Executive Officer or Chief Executive and will be in line with approved Council budgets.
- 4.6 Council's internal audit work programme will include sampling of allowances and expense claims paid to elected members.
- 4.7 Any expenses not currently included in this policy will be subject in the first instance to the criteria set by the relevant annual determination.

5. REMUNERATION

- 5.1 The remuneration is determined by the Remuneration Authority, outlined in the relevant annual determination.
- 5.2 Elected members who sit on resource management hearings under the Resource Management Act 1991, District Plan hearings, Regional Plan/Regional Policy Statement hearings receive hearing fees paid at:
- \$93 an hour for a hearing member; and
 - \$116 an hour for a hearing chair.

There is no annual cap on the payment of fees for hearings.

These fees are not part of the governance remuneration pool for councillor's remuneration and positions of additional responsibility. Councillors may also be paid for the time preparing for the hearing.

Preparation time may include time for reading, attending onsite meetings, or attending pre-hearing briefings and meetings. Preparation time is paid at the same rate as attending hearings. The chair of a hearing may also be paid for time spent writing up the decision or communicating for the purpose of the written decision. Travel time is generally not included in preparation time. Councillors may be eligible to claim a travel time allowance as specified in the current Local Government Members Determination.

6. STATIONERY

- 6.1 Council will supply a reasonable amount of paper and printer consumables, and other stationery requirements for Council business.

7. COMMUNICATIONS AND TECHNOLOGY

- 7.1 The Mayor and Councillors are provided with a laptop (or similar). Full technical support is provided where related to Council business.
- 7.2 The Mayor is provided with a mobile phone and full payment of all expenses related to the use of the mobile phone.
- 7.3 Council will pay annual allowances in recognition of elected members' use of personal communication equipment and services for Council business as set out in the Remuneration Authority's Determination.

8. TRAVEL ENTITLEMENTS AND ALLOWANCES

Vehicles

8.1 Vehicles are not provided for Elected Members' private use

Vehicle Milage

8.2 Elected members can claim a vehicle mileage allowance to reimburse costs incurred for eligible travel.

An elected member's travel is eligible for the mileage allowance if:

- The elected member is not provided with a vehicle by Council;
- The elected member is travelling in a private vehicle;
- The elected member is travelling on Council business; and
- The most direct route that is reasonable is taken.

8.3 The vehicle mileage allowance is set by the Remuneration Authority and is reviewed annually. The allowance is based on the rate set by the Inland Revenue.

8.4 Any mileage allowance claimed should meet the reasonable additional cost the elected member incurs by using their own vehicle for travel required on Council business. This includes travel from home to the place of work or other venues required for local authority business.

8.5 The current vehicle mileage allowance rate is set out in the Remuneration Authority's Determination.

8.6 All claims for vehicle mileage allowance are to be approved by the Chief Executive.

Travel Time Allowance

8.7 Elected members can claim a travel time allowance for travelling within New Zealand on Council business.

8.8 The Mayor is not eligible for this allowance because the role is deemed to be full time and remuneration set accordingly.

8.9 Council will pay the travel time allowance set by the Remuneration Authority for all eligible travel claimed by an elected member.

An elected members travel is eligible for the travel time allowance if:

- The elected member is travelling on Council business;
- The elected member uses the quickest form of transport that is reasonable; and
- The most direct route reasonable is taken.

8.10 Elected members cannot claim for the first hour of eligible travel time travelled in a day.

8.11 The maximum total amount of travel time allowance that an elected member may be paid for eligible travel in a 24-hour period is eight hours.

8.12 An elected member who resides outside the district boundary is only eligible for a travel time allowance in respect of travel time after the first hour of eligible travel time within the Kaikōura District boundaries.

8.13 The current travel time allowance rate is set out in the Remuneration Authority's Determination.

8.14 All claims for travel time allowance are to be approved by the Chief Executive.

Car Parking

8.15 The Mayor, Deputy Mayor and Councillors are each provided with a West End carpark pass for use at the Kaikōura Civic Offices when on local authority business.

Public transport, taxis and other transport

8.16 All Elected Members may be entitled to reimbursement of costs accrued using public transport when the travel relates to attending local authority business.

8.17 Taxis or ride sharing services may be used for council business, instead of private vehicles or public transport, for safety or security reasons, or where it is the most appropriate form of transport. Taxi charge vouchers should be used for planned travel within New Zealand.

8.18 Taxis or ride sharing services should not be used where significant travel distances mean that use of a taxi is not the most cost effective option.

8.19 Rental cars may be utilised when attending meetings or conferences in other centres, where this is the most cost-effective travel option.

8.20 Costs paid for directly by an elected member for unanticipated travel will be reimbursed on presentation of actual receipts.

Use of rental cars

8.21 The Mayor, Deputy Mayor, and Councillors may occasionally be provided with rental cars when attending local authority business in other centres, where this is the most cost-effective travel option.

8.22 Rental cars are not provided for travel to and from Kaikōura.

Mayoral Car

8.23 Kaikōura District Council may provide a motor vehicle to the Mayor for restricted private use, partial private use, or full private use) or a vehicle-kilometre allowance in accordance with the relevant annual determination.

Air Travel

8.24 Council will pay domestic air travel for those elected members approved to attend seminars, conferences, training and development courses, or for any other Council business approved by the Mayor and Chief Executive.

8.25 All air travel arrangements for elected members are to be made by the appropriate Council officer in accordance with the principles of this policy.

8.26 International air travel by an elected member is by way of economy class. The approval of Council is required for exceptions.

8.27 Council, where appropriate, will pay travel insurance for all domestic and international travel.

9. CHILDCARE ALLOWANCE

9.1 Elected members can claim a childcare allowance as a contribution towards expenses incurred by the member for childcare while the member is engaged on Council business.

Elected members are eligible for the allowance if:

- they are engaged on local authority business at the time of the childcare;
- they are the parent or guardian of the child, or usually has day-to-day responsibility for the care of the child; and
- the child is under 14 years of age.

The childcare must be provided by someone who:

- is not a family member of the elected member; and
- does not ordinarily reside with the elected member.
- Elected members must provide evidence of the amount paid for childcare.

9.2 Eligible elected members can claim up to \$6,000 per year for each child if the childcare meets the criteria above.

9.3 All claims for childcare allowance are to be approved the Chief Executive.

10. ATTENDANCE AT CONFERENCES, COURSES, TRAINING, PROFESSIONAL DEVELOPMENT AND TRAVEL

10.1 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 conferences, courses and training programmes held both within New Zealand and overseas, subject to related expenditure being accommodated within existing budgets.

10.2 All travel and accommodation arrangements for Elected Members are to be made by Council support staff with Council's preferred travel agents at the most economic cost available (where possible) at the time of booking. This does not apply if all travel related costs are being met privately or by an outside party.

Airline rewards and club membership

10.3 The Mayor is entitled to subscriptions to relevant airline benefit programmes given frequent travel requirements.

10.4 Airpoints and Airdollars earned on travel and accommodation paid for by the Kaikōura District Council-are available for the private use of Elected Members.

Accommodation

- 10.5 Council will pay accommodation costs for those elected members approved to attend seminars, conferences, training and development courses, or for any other Council business approved by the Mayor and Chief Executive.
- 10.6 All accommodation arrangements for elected members are to be made by the appropriate Council officer in accordance with the principles of this policy.
- 10.7 No allowances are payable in respect of accommodation provided by friends or relatives when travelling on local authority business.

Meals and beverage

- 10.8 Elected Members can claim actual and reasonable meal costs (excluding alcohol) incurred while the member is engaged on Council business.
- 10.9 Alcohol costs or purchases from hotel mini-bars will not be reimbursed.

11. HOSPITALITY AND ENTERTAINMENT

- 11.1 No hospitality or entertainment allowances are payable and expenses are not reimbursed.
- 11.2 The Mayor does not hold a purchasing card to pay any costs directly for any hospitality expenses incurred while carrying out local authority business. Costs for such expenses are provided for in operational or catering budgets.

12. REVIEW

- 12.1 This Policy will be reviewed every three years.

13. DEFINITIONS

Term	Definition
Actual	means as evidenced by the original receipt attached to the expenses reimbursement claim form.
Council business	includes: formal Council and Community Board Meetings, Committee and Subcommittee 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.
Elected Members	are those individuals declared to be elected to the Kaikōura District Council as Councillor or Mayor
Family member	(in relation to the childcare allowance) a spouse, civil union partner, or de facto partner of the elected member, or a relative, that is, another person connected with the elected member within two degrees of a relationship, whether by blood relationship or by adoption.
Hearing	has the same meaning as section 5 of the Local Government Members Determination for the year to which it applies, and includes resource consent hearings; pre-hearing meetings held under section 99 of the Resource Management Act (RMA); a hearing as part of the process of the preparation, change, variation, or review of a district plan; a mediation hearing in the Environment Court as part of an appeal process and a hearing on an objection against a charge fixed by a local authority under section 36 of the RMA.

Local Government Members Determination	is the annual determination given by the Remuneration Authority that specifies the remuneration for Elected Members, and their entitlements and allowances
Remuneration Authority (the Authority)	is the independent body set up by Parliament to handle the remuneration of key office holders such as Judges, Members of Parliament, local government representatives, and some individual office holders and board members of independent statutory bodies