

Mayor and Councillors
COUNCIL

26 MAY 2016

Meeting Status: **Public**

Purpose of Report: For Decision

**ELECTED MEMBER EXPENSES AND ALLOWANCES POLICY
2016-2017**

PURPOSE OF REPORT

- 1 This report presents to the Council for adoption the Elected Member Expenses and Allowances Policy for 2016/17 as the current policy expires on 30 June 2016 (see Appendix 1 for draft new policy).

DELEGATION

- 2 Only Council may make a decision in this matter.

BACKGROUND

- 3 The Remuneration Authority ('the Authority') is the independent body responsible for setting Elected Member remuneration and as at the time of writing the current 2015/16 Determination applies. This Determination also contains provisions about allowances and other fees that local authorities may pay to Elected Members. Council has revised its existing Expenses and Allowances Policy after consideration of these provisions, but amendments are minor (see below).

ISSUES AND OPTIONS

Issues

- 4 In 2015 Council approved an Expenses and Allowances Policy which included the provision to grant to Community Board members (not Chairs) a communications allowance of \$190 per annum in recognition that until then, Board members did not receive any communications equipment or support. Council approved this change. The rates for the use of personal computer and printer are unchanged in the 2015 Determination so the amount of \$190 is still appropriate.
- 5 What has changed are some aspects of the mileage allowance. The IRD issued advice (circulated to all Elected Members in December 2015 and in March 2016) that the rate per kilometre for mileage reimbursement had been changed from 0.77c to 0.74c. All other conditions for mileage reimbursement remain unchanged (ie claims reimbursed with a threshold of 30 kms per round trip, capped at 5,000 kms, after which a rate of 0.37c applies). The draft policy has been amended to reflect these changes (Appendix 1).
- 6 Lastly the new Policy has also been amended to refer, in section 8, to the use of mobile devices (can cover either iPads or tablets).

- 7 Once adopted the Policy will be forwarded to the Authority for consideration and endorsement. The deadline for this is 10 June 2016.

CONSIDERATIONS

Policy considerations

- 8 There are no other policy considerations.

Legal considerations

- 9 There are no additional legal considerations.

Financial considerations

- 10 The costs of Elected Member expenses and allowances have been budgeted for.

Tāngata whenua considerations

- 11 There are no tāngata whenua considerations.

SIGNIFICANCE AND ENGAGEMENT

Degree of significance

- 12 This matter has a low level of significance under Council policy.

Engagement planning

- 13 An engagement plan is not needed to implement this decision.

Publicity

- 14 The Policy will be made available on the Council website.

RECOMMENDATIONS

- 15 That Council adopts the Elected Member Expenses and Allowances Policy 2016-2017 as at Appendix 1 of report Corp-16-1899.

Report prepared by	Approved for submission	Approved for submission
Vyvien Starbuck-Maffey	Stephen McArthur	Wayne Maxwell
Democracy Services Manager	Group Manager Strategy & Planning	Group Manager Corporate Services

ATTACHMENT

- Appendix 1 Draft 2016-17 Elected Member Expenses and Allowances Policy

**APPENDIX 1 – DRAFT ELECTED MEMBER EXPENSES AND ALLOWANCES
POLICY 2016-2017**

June 2016

Remuneration Authority
P O Box 10084
WELLINGTON 6143

APPLICATION FOR APPROVAL OF EXPENSE RULES (INCLUDING REIMBURSING ALLOWANCES) APPLICABLE TO ELECTED MEMBERS OF LOCAL AUTHORITIES THE PERIOD 1 JULY 2016 TO 30 JUNE 2017

1. *PLEASE COMPLETE ALL SECTIONS OF THIS APPLICATION FORM*
2. *INCLUDE ANY EXPENSES RULES/ALLOWANCES PAYABLE TO MEMBERS OF ANY COMMUNITY BOARDS*

SECTION 1 – NAME OF LOCAL AUTHORITY

Kāpiti Coast District Council

Contact person for enquiries:

Name: Vyvien Starbuck-Maffey: Democracy Services Manager

Email: vyvien.starbuck-maffey@kapiticoast.govt.nz

Telephone: 04 296 4700

Extension: X728

SECTION 2 – DOCUMENTATION OF POLICIES

List the local authority's policy documents which set out the policies, rules and procedures relating to the expenses and allowances payable to Elected Members.

Document name	Reference no. (if any)	Date
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(These documents do not need to be submitted with this application but you may do so if you wish.)

SECTION 3 – AUTHENTICATION OF EXPENSE REIMBURSEMENTS AND ALLOWANCES

Summarise the principles and processes under which the local authority ensures that expense reimbursements and allowances payable in lieu of expense reimbursements,

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- are in line with Council policies
- have a justified business purpose
- are payable under clear rules communicated to all claimants
- have senior management oversight
- are approved by a person able to exercise independent judgement
- are adequately documented
- are reasonable and conservative in line with public sector norms
- are, in respect of allowances, a reasonable approximation of expenses incurred on behalf of the local authority by the Elected Member
- are subject to internal audit oversight.

SECTION 4 – VEHICLE PROVIDED

Are any Elected Members provided with use of a vehicle, other than a vehicle provided to the Mayor or Chair and disclosed in the remuneration information provided to the Remuneration Authority? YES/NO

(If Yes – provide full details here.)

SECTION 5 – MILEAGE ALLOWANCES

1. Rate(s) of allowances paid per kilometre (as approved and updated by the Remuneration Authority from time to time):

*74 cents for the first 5,000kms per annum
37 cents for any distance over 5,000kms per annum*

2. How rate calculated (if different from maximum set by Remuneration Authority)

3. Restrictions on mileage claims
(Summarise any restrictions on mileage claims)

Must relate to attendance at Council/Committee, Community Board Meetings, conferences/seminars relating to local government or attendance at Community Organisation meetings as an Elected Member representative.

The travel claimed must be by the most direct route that is reasonable in the circumstances.

30 kilometres threshold for mileage claims for any one trip

SECTION 6 – TRAVEL AND ACCOMMODATION

(Mileage Claims – refer Section 5)

Taxis and other transport

Are the costs of taxis or other transport reimbursed or an allowance paid? YES/NO
(If Yes, state policy. Include any policy on the use of taxi chits/taxi cards)

Only the actual costs of taxis or other transport are reimbursed.

Carparks

Are carparks provided? YES/NO
(If Yes, summarise policy including any restrictions on private use)

Only for the Mayor and Deputy Mayor.

Use of rental cars

Are rental cars ever provided? YES/NO

Air Travel Domestic

Summarise the rules for domestic air travel.

*The actual cost of domestic air travel relating to Council business is reimbursed.
 Generally only economy class is fully reimbursed.*

Air Travel International

Summarise the rules for international air travel (including economy class, business class, stopovers)

*The actual cost of international air travel relating to Council business is reimbursed.
 Generally only economy class is fully reimbursed.*

Airline Clubs/Airpoints/Airdollars

Are subscriptions to airline clubs (such as the Koru Club) paid or reimbursed? YES/NO
(If Yes, summarise policy)

Are airpoints or airdollars earned on travel, accommodation etc., paid for by the local authority available for the private use of members? YES/NO

(Due to the low level of Air Travel this is insignificant).

SECTION 6 (CONTINUED)

Accommodation costs whilst away at conferences, seminars, etc.

Summarise the rules on accommodation costs.

Actual and reasonable costs for accommodation costs while away on Council business are reimbursed where applicable.

Meals and sustenance, incidental expenses

Summarise the rules on meals, sustenance and incidental expenses incurred when travelling. *(If allowances are payable instead of actual and reasonable reimbursements, state amounts and basis of calculation).*

Actual and reasonable costs for meals and sustenance when travelling on Council business are reimbursed.

Private accommodation paid for by local authority

Is private accommodation (for example an apartment) provided to any member by the local authority?
(If Yes, give details)

YES/NO

Private accommodation provided by friends/relatives

Are allowances payable in respect of accommodation provided by friends/relatives when travelling on local authority business?
(If Yes, state quantum, basis of calculation and compare with standard allowances payable)

YES/NO

SECTION 7 – ENTERTAINMENT AND HOSPITALITY

Are any hospitality or entertainment allowances payable or any expenses reimbursed? YES/NO
(If Yes, summarise policy, including amounts of any allowances and basis of calculation)

Only actual and reasonable expenses are reimbursed. Approval by the Mayor, Chief Executive and Group Manager Finance.

SECTION 8 – COMMUNICATIONS AND TECHNOLOGY

Equipment and technology provided to elected member

Is equipment and technology provided to Elected Members for use at home on Council business? Only the Councillors and Chairs of Community Boards.

- | | |
|-------------------------------------|--------|
| Mobile device (e.g. tablet or iPad) | YES/NO |
| Fax | YES/NO |
| Printer | YES/NO |
| Broadband | YES/NO |
| Second landline to house | YES/NO |
| Consumables and stationery | YES/NO |
| Mobile Phone (Mayor only) | YES/NO |
| Other equipment or technology* | YES/NO |
| <i>(*If Yes, specify)</i> | |

Are any restrictions placed on private use of any of the above? YES/NO
(If Yes, describe rules)

Reasonable private use is acceptable.

SECTION 8 (CONTINUED)

Home telephone rental costs and telephone calls (including mobiles)

Are telephone rental costs reimbursed in whole or part? YES/NO

Mayor only for telephone rental (whole)

(If Yes, state percentage) %

Are telephone call expenses reimbursed in whole or part? YES/NO

(If Yes, describe process)

Only mobile phone and toll calls relating to Council business are reimbursed.

Approval by Chief Executive and Financial Controller

Allowances paid in relation to communication and/or technology provided by an elected member

Are any allowances paid in relation to communications and/or technology provided by the member relating to council business? YES/NO

(If Yes, in each case describe rules and explain how allowance calculated)

(If Yes, in each case describe rules and explain how allowance calculated)

For Community Board Members (excluding Community Board Chairs) a communications allowance of \$190 shall be paid to each member per annum to cover the use of a personal computer and printer.

SECTION 9 – PROFESSIONAL DEVELOPMENT, CLUBS AND ASSOCIATIONS

Are any expenses reimbursed or allowances paid in respect of members' attendance at professional development courses, conferences and seminars? YES/NO

(If Yes, describe – including how any allowances are calculated)

Actual and reasonable expenses are reimbursed.

Are any expenses reimbursed or allowances paid in respect of subscriptions to clubs or associations? YES/NO

(If Yes, describe – including how any allowances are calculated)

Mayor – Justice of Peace subscription.

SECTION 10 – OTHER EXPENSE REIMBURSEMENTS AND ALLOWANCES

Are any other expense reimbursements made or allowances paid? YES/NO
(If Yes, describe – including how any allowances are calculated)

Where an elected member chooses to use their own vehicle for travel to conferences then the Council may reimburse the equivalent airfare rather than pay the mileage allowance for the distance travelled (whichever is the lowest in cost).

SECTION 11 – TAXATION OF ALLOWANCES

Are any allowances (as distinct from reimbursements of actual business expenses) paid without deduction of withholding tax? YES/NO
(If Yes, specify amount and nature of allowance)

SECTION 12 – SIGNATURE

I seek approval from the Remuneration Authority, in relation to the period 1 July 2016 to 30 June 2017, of the expense reimbursement rules and payments of allowances applicable to Elected Members as set out in this document.

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

_____ Group Manager Corporate Services

Signature

Designation

Date _____