



## Elected and Appointed Members' Allowances and Expenses Policy 2022-2025

### 1 Purpose

This policy sets out rules for elected and appointed members when claiming allowances and expenses and identifies the resources that are available to elected members during their term of office.

### 2 Supporting Policies

The policies, rules and procedures relating to the expenses and allowances payable to elected members are supported by the relevant Local Government Elected Members Determination published by the Remuneration Authority.

This policy may be updated by the Governance Manager to reflect amendments to rates set by the Remuneration Authority, for allowances identified in this policy.

### 3 Background

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 as elected members.

Costs for expenses must have a justifiable business purpose, be moderate and conservative having regard to the circumstances, and be appropriate in all respects.

### 4 Definitions

*Where an interpretation is stated in the Remuneration Authority Determination that interpretation will apply to this policy.*

**Actual** means as evidenced by the original receipt attached to the claim form.

**Allowances** mean the current definition determined by the Remuneration Authority to the value identified in this policy. In the case of allowances, limits set in this policy do not exceed the current Remuneration Authority's Determination.

**Alternate member** refers to Council and co-governance members appointed to a committee or co governance group as an alternate member with non-voting rights unless the appointed member is absent from the meeting. Alternate members must have their office ratified by resolution of the appropriate approving authority. The same expense rules and eligibility as for appointed members apply.

**Appointed members** refer to council and co-governance appointed members who has voting rights. Each appointed member must have their office ratified by resolution of the appropriate approving authority and advise Council in writing.

**Approving Authority** is the authority who has the formal authorisation to mandate the individual representing their organisation as their appointed representative.

The appropriate approving authority must advise Council whether the appointed members who are eligible to claim mileage, travel time and a meeting fee are to be reimbursed individually by submitting a claim form or whether the approving authority is to be reimbursed on receipt of invoice.

**Council** means the Bay of Plenty Regional Council Toi Moana.

**Council business** includes: formal council meetings, committee meetings, workshops, co-governance forums, statutory hearings, site visits, tours, meetings with staff, meetings with community groups, meetings with members of the public and activities where a member attends as a Council representative. It does not include events where the primary focus is on social activity. Council business in relation to seminars, training courses and conferences etc is where the member is attending as an official representative on the Council's behalf and with the approval of the Chairman.

**Expenses** means personal money spent by Elected Members whilst going about their official duties as Elected Members and does not contravene the supporting policies or rules therein identified above

**Family Member of a member** means a spouse, civil union partner, or de facto partner; or a relative, that is, another person connected with the member within 2 degrees of a relationship, whether by blood relationship or adoption.

**Member** includes Elected Members and Council appointed members to any of its committees, joint committees, subcommittees or co-governance forums.

**Professional Development** refers to where a Councillor attends a conference/seminar that is of interest to them but not essential to the representation or business of Council.

**Pro-rata** means where an Elected Member is not a member for the whole determination term the Remuneration Authority's pro- rata formula will be used to calculate allowance amounts.

**Reasonable** means that it is within the amount specified by this policy or as deemed reasonable by the Regional Council Chairperson and/or Chief Executive.

**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.

**Resources** are goods and services normally used by Council to support its business, which are provided to Elected Members for their personal use to assist them in fulfilling their responsibilities as Elected Members.

## 5 Process for reimbursing claims

The following process will apply:

- the requirement to submit a claim form apply to all Council and co-governance appointed members unless the reimbursement is required to be paid to the approving authority on invoice.
- any expenses to be reimbursed must be on an actual and reasonable basis and in line with this policy;
- expenses may only be approved by the relevant General Manager (or his/her delegate) if submitted on the appropriate claim form, signed as a true and accurate record by the claimer and with original GST receipts attached
- all claims must be made within 60 days of expenditure occurring with the aim to keep expenditure within the year in which it occurs and is budgeted for
- cost reimbursements will be made on a monthly basis via the payroll system to the authorised account
- No allowances are paid without deduction of withholding tax.
- The process and prior approvals required for one-off expenditure such as travel to conferences are detailed in this policy.

## **6 Allowances and expenses**

### **6.1 Members living outside the BOPRC boundary**

A member living (permanent or temporary) outside the BOPRC boundary can only claim vehicle kilometre and travel time costs when travelling on Council business within the Council's geographical boundary unless:

- the member's primary place (permanent or temporary) of residence was outside of the local authority area at the time of the local election (as declared by the member under section 61(2)(ca) of the Local Electoral Act 2001); or
- an exceptional circumstance beyond the member's control requires them to move outside the local authority area and on the approval of the regional Council Chairperson.

## 6.2 List of allowances and expenses

Position	Allowance/Expense	Description
Councillors and appointed members	Vehicle mileage <sup>1</sup>	<p>Vehicle mileage will be paid for all travel on council/committee business. This also applies where a Councillor attends a meeting where they are not a member of a committee.</p> <p>Mileage will be paid up to the current maximum rate per kilometre set by the Remuneration Authority being:</p> <ul style="list-style-type: none"> <li>• Petrol/diesel vehicle: .95 cents for the first 14,000 kilometres of eligible travel annually, and 34 cents per km thereafter;</li> <li>• petrol hybrid vehicle: .95 cents for the first 14,000 kilometres of eligible travel annually, and 20 cents per km thereafter;</li> <li>• electric vehicle: .95 cents for the first 14,000 kilometres of eligible travel annually, and .11 cents per km thereafter.</li> </ul>
Councillors and appointed members	Other means of transport	Use of public transport for Council related business will be reimbursed on an actual and reasonable basis.
Councillors and appointed members	Travel time	<p>Reimbursement at \$40.00 per hour for travel time (including travel to and from the member's residence) for travel undertaken on any one day to attend a Council related meeting or event with a minimum threshold of one hour of time travelled.</p> <p>Only time in excess of this threshold will qualify for payment and only if the travel is by the quickest form of transport and most direct route reasonable in the circumstances.</p> <p>The maximum amount of travel time payable for eligible travel in a 24 hour period is 8 hours.</p>
Councillors	Taxis	<p>Taxis/Uber may be used for council business, instead of private vehicles or public transport, for the following reasons:</p> <ul style="list-style-type: none"> <li>• safety/security reasons, and</li> <li>• when travelling outside the Bay of Plenty Region, if it is the most appropriate form of transport.</li> </ul> <p>Taxis/Uber may not be used if significant travel distances mean that it is not the most cost effective option. Rental cars approved by the Governance Manager should be considered as an option in such circumstances.</p>

<sup>1</sup> The mileage rates and thresholds used by the Remuneration Authority are based on IRD rates.

Position	Allowance/Expense	Description
		Costs paid for by the individual within New Zealand or approved international travel will be reimbursed on receipt of a claim form with original GST receipts attached.
Councillors	Travel and attendance at conferences, courses, seminars and training for professional development within New Zealand	<p>All elected members are entitled to payment of actual and reasonable registration, travel, accommodation, meal and related incidental expenses (including travel insurance) incurred to attend conferences, courses, seminars or training events for the purpose of their professional development, held both within New Zealand and overseas<sup>2</sup>, subject to:</p> <ol style="list-style-type: none"> <li>a. the event having a justifiable and dominant Council business purpose and contributes to the Councillor's ability to carry out council business</li> <li>b. approval by both the Chairperson (and/or Deputy Chairperson) and the Chief Executive to attend these events when held in New Zealand</li> <li>c. approval by the Council to attend events held overseas</li> <li>d. related expenditure being accommodated within existing budgets. All travel, registration, accommodation and any other costs associated with Councillor attendance to any such approved conference, course, seminar or training are to be made by Governance Services staff with the Council's travel provider, 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.</li> </ol> <p>Any arrangements made exclude the reimbursement for purchases from hotel mini-bars and charges for in-room video or cable movies.</p>

<sup>2</sup> Clause 7.1 of the Sensitive Expenditure Policy determines the Eastern Seaboard of Australia is deemed "domestic travel".

Position	Allowance/Expense	Description
Councillors	Travel and attendance at conferences/seminars/training programmes as an official representative of the Council	<p>All elected members are entitled to payment of actual and reasonable registration, travel, accommodation, meal and related incidental expenses (including travel insurance) incurred to attend events as an official representative of the Council, held both within New Zealand and overseas, subject to:</p> <ul style="list-style-type: none"> <li>• the event having a justifiable and dominant Council business purpose and contribute to the Councillor's ability to carry out council business</li> <li>• approval by both the Chairperson (and/or Deputy Chairperson) and the Chief Executive to attend these events when held in New Zealand</li> <li>• approval by the Council to attend events held overseas</li> <li>• Related expenditure being accommodated within existing budgets.</li> </ul> <p>All travel, registration, accommodation and any other costs associated with Councillor attendance at any such approved conference, course, seminar or training are to be made by Governance services staff with the Council's travel provider, 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> <p>Any arrangements made exclude the reimbursement for purchases from hotel mini-bars and charges for in-room video or cable movies.</p>
Councillors	Meeting fees for resource consent, regional plan, policy statement hearings	<p>Any Councillor sitting as a member of a Resource Consent, Regional Plan, Plan Changes, Policy Statement Hearing Panel, strategy and bylaw hearings/deliberations and appeals process is entitled to be paid a fee of:</p> <ol style="list-style-type: none"> <li>a. \$116 per hour of hearing time including hearing preparation for the Chairperson</li> <li>b. \$93 per hour of hearing time including hearing preparation for the Councillor member<sup>3</sup>.</li> </ol> <p>Completion of a daily timesheet is required. For any period of hearing time that is less than 1 hour, the fee must be apportioned</p>

<sup>3</sup> The meaning of hearing and hearing time is that as defined in the current Local Government Elected Members Determination.

Position	Allowance/Expense	Description
		<p>accordingly. Hearing fees are not payable to the Council's Chairperson.</p> <p>Hearing meeting fees are reimbursed external to the Remuneration Authority's Councillors' Remuneration Pool.</p>
Councillors	Non-accountable overnight expenses	In order to cover incidental expenses (such as toll calls home, newspapers etc.) when staying away from home overnight on council business, a lump sum allowance of \$15.00 per night may be claimed.
Councillors	Exceptional circumstances for council related meetings	The Governance Co-ordinator may arrange overnight accommodation on behalf of elected members when travel or business requirements do not allow for the return on the same day, e.g. if it is unreasonable for an elected member to travel to their home after a late meeting, or there are consecutive meetings over a few days that make it unreasonable for Councillors traveling long distances to return to their place of residence on a daily basis. The approval of the Chief Executive (or his/her delegate) is required.
Councillors	Domestic air travel	All elected members are entitled to utilise domestic air travel for council related travel, generally where travel by air is the most cost effective travel option. <sup>4</sup>
Councillors	International air travel	As a general policy all elected member 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. International travel at Council expense must be authorised by resolution in a public session of a Council meeting.
Councillors	Air points	No airpoints accumulated while on council business can be used for personal use and best endeavours must be made to utilise those airpoints for future Council-related travel where possible.
Councillors	Parking expenses	Reimbursement of casual carparking costs related to council business will be reimbursed. This will be on receipt of a signed claim accompanied by a GST receipt.
Councillors	Entertainment and hospitality	Reimbursement of costs incurred while travelling on council business. These costs can cover a range of items including, but not

<sup>4</sup> Clause 7.1 of the Sensitive Expenditure Policy determines the Eastern Seaboard of Australia is deemed "domestic travel"

Position	Allowance/Expense	Description
		<p>limited to, tea/coffee, and catering including alcohol with meals.</p> <p>The following maximum limits for meals apply:</p> <p>Breakfast - must not exceed \$25.00 (incl. GST) per elected member per meal. Any costs over this limit are the responsibility of the individual to pay.</p> <p>Lunch - must not exceed \$30.00 (incl. GST) per elected member per meal (including any alcohol). Any costs over this limit are the responsibility of the individual to pay.</p> <p>Dinner - must not exceed \$75.00 (incl. GST) per elected member per meal (including any alcohol). Any costs over this limit are the responsibility of the individual to pay.</p> <p>Original documentation and tax invoices/GST receipts are required for reimbursement. Lesser amounts than the maximum allowed will only be reimbursed to the value of the itemised receipt.</p> <p>Separate meal expenses cannot be claimed if a meal is provided as part of another package paid for by the organisation - for example, when lunches and dinner are included in conference registration.</p> <p>Meal expenses cannot be claimed for partners/spouses accompanying an Elected Member while on Council related business.</p>
Councillors and committee chairs	General community related expenses	<p>From time to time councillors and committee chairpersons may have unforeseen costs arise for items relating to community events, e.g. payment of koha, or purchasing a wreath for attendance at a commemorative event.</p> <p>Reimbursement of such expenditure must comply with relevant council policy and have prior approval by the Chief Executive or his/her delegate. The items should be appropriate to the occasion and expenditure should be moderate and conservative.</p>
Chairperson	Car	<p>The Chairperson will be provided with a vehicle that will also be available for private use while appropriate for public service use (as per OAG guidelines and Remuneration Authority rules).</p> <p>The maximum purchase price for an electric/hybrid vehicle purchased by the Council for the Chairperson is \$68,500 (including GST and on road costs) and \$55,000 for a petrol/diesel vehicle (inc GST). A deduction will be made from the</p>



Position	Allowance/Expense	Description
		Chairperson's salary as determined by the Remuneration Authority <sup>5</sup> . The Chairperson is not eligible to claim for the vehicle mileage allowance.
Chairperson	Travel and conferences, courses and seminars	<p>Prior approval of the Chief Executive and Deputy Chairperson is required for travel within New Zealand for: council business; attendance at conferences/courses/training events/ seminars; other purposes associated with the position of Chairperson.</p> <p>Prior approval of the Council is required for all international travel, where costs or partial costs are paid for by council funds.</p> <p>A partner accompanying the Chairperson to the annual LGNZ Conference and pre-conference Regional Sector Group Tour is entitled to payment of actual and reasonable registration and dinner, travel (including travel insurance) and meals not included as part of the conference. This does not include the conference partner tours costs.</p>
Chairperson	Telephone costs	<p>Full payment by the council of:</p> <ul style="list-style-type: none"> <li>a) home telephone line rental and associated toll charges, and</li> <li>b) cellphone based rental and all associated call charges.</li> </ul>
Chairperson	Airline club	Given frequent travel requirements for the role, payment of an Air New Zealand Koru Club subscription.
Chairperson	Expenses and entertainment and hospitality	<p>The Chairperson may hold a credit card<sup>6</sup> to pay directly for any expenses and entertainment or hospitality incurred while carrying out council business and to undertake his/her duties for the Council. Full receipts and details of the names of parties entertained and reasons for the entertainment are to be provided.</p> <p>Private use of the credit card is prohibited.</p> <p>All expenditure on this card is approved by the Chairperson of the Risk &amp; Assurance Committee, the Council Deputy Chairperson and the Chief Executive (or appropriate delegate).</p>
Chairperson and Councillors	Communications equipment	For the purpose of carrying out council related business Elected Members will be provided with the use of a laptop or tablet based on their preference.

<sup>5</sup> The vehicle deduction is calculated based on the current Remuneration Authority's Determination

<sup>6</sup> Refer Office of the Auditor General Sensitive Expenditure Guidelines

Position	Allowance/Expense	Description
		<p>The following allowances apply and are paid on an annual basis. Where a member is not a member for the whole of the determination term, allowances will be paid on a pro rata basis. Allowances are paid at the end of the calendar year.</p> <p><b>Printer</b> – Councillors may be supplied with a printer and all related consumables on request.</p> <p>Where a Councillor uses their own printer an allowance of \$50.00 applies with a \$200 allowance for associated consumables.</p> <p><b>Mobile Phone</b> - The mobile phone device is self-selected and supplied by Councillors to meet their individual needs. Councillors will receive an allowance of \$200.00 for mobile phone use and an allowance of \$500 for mobile services.</p> <p><b>Internet Service</b> – the internet service is self-selected and supplied by Councillors to meet their individual needs. Councillors will receive an allowance of \$800.00 for an internet service.<sup>7</sup></p>
Chairperson and Councillors	Childcare Allowance	<p>An Elected Member is entitled to claim a childcare allowance on an annual basis, as a contribution towards expenses incurred by the member, for childcare provided while the member is engaged on Council business.</p> <p>A member is eligible if:</p> <ol style="list-style-type: none"> <li>a. they are the parent or guardian of the child, or is a person who usually has the day to day care responsibility of the child (other than on a temporary basis); and</li> <li>b. the child is under 14 years of age; and</li> <li>c. the childcare is provided by a person who is not a family member; and does not usually reside with the member.</li> </ol> <p>The claim must set out the actual costs incurred and paid by the member and must include a receipt or other appropriate record of payment of the amount paid for the childcare services provided.</p> <p>Childcare allowance will be paid at the living wage hourly rate and must not total more than \$6,000 per annum per child.</p>

<sup>7</sup> Refer also to the “Bay of Plenty Regional Council ICT Policy for Councillors” and “Councillor’s Information and Communication Technology (ICT) Support”

<b>Position</b>	<b>Allowance/Expense</b>	<b>Description</b>
Appointed members	Meeting fee	<p>Each officially appointed member is entitled to reimbursement of a meeting fee of \$200 per meeting attended. This also applies to workshops, site visits, representative meetings and any other business that the Forum Chairperson requires members of the Forum to attend.</p> <p>Appointed members must have their office ratified by resolution of the Council or an appropriate approving authority. Council appointed or other appointed members eligible to claim a meeting fee will be from non-profitmaking/volunteer/community/iwi/hapu organisations.</p> <p>Meeting fees will be paid to eligible appointed members on receipt of a completed and signed claim form or invoice and approved by the Governance Manager.</p> <p>Claims must be made within 60 days of expenditure occurring with the aim to keep expenditure within the year in which it occurs.</p>
Acting Regional Chairperson	Allowance	<p>If the Regional Chairperson is not being paid (either as a result of a resignation or through having been granted formal unpaid leave by the Council) then the person acting in the position of Regional Chairperson as a result of a vacancy or temporary absence of the incumbent must be paid the full remuneration and allowances attached to the role for the period of their tenure. This package would replace that member's normal remuneration package.</p>