

Environment Canterbury Corporate Policy

Councillors' Allowances and Reimbursements

Effective date	18 August 2022
Policy Owner	Director Corporate Services

Policy statement

1. The remuneration, expenses and allowances payable to members of Environment Canterbury are set out in the Local Government Members (2022/2023) Determination 2022, and actual and reasonable expenses are outlined in this policy, formally approved by the Remuneration Authority (but subject to the provisions in the Determination).
2. Clause 6 of Schedule 7 of the Local Government Act 2002 specifies the Remuneration Authority must determine the remuneration, allowance and expenses payable to members of local authorities. It also states that the Remuneration Authority may prescribe the rules under which remuneration or expenses are applied or reimbursed.
3. Remuneration, allowances and expense reimbursements not determined by the Remuneration Authority cannot be paid.
4. In all situations Environment Canterbury is mindful of the requirement to use public funds responsibly and to maintain public confidence in the organisation.
5. Actual and reasonable expenses may be incurred in relation to legitimate Council business events or legitimate Council business needs and travel.
6. Environment Canterbury will not (with some rare exceptions) fund alcohol related expenses and will be an alcohol-free site/organisation.

Purpose

7. This policy outlines the eligible expenditure that may be reimbursed to members of Environment Canterbury in performing their duties as prescribed in the Local Government Act 2002.
8. From time to time members incur expenses on the Council's behalf, for which they can be reimbursed. Reimbursement and use of council supplied resources apply only to members personally, and only while they are acting in their official capacity as Councillors for Environment Canterbury.

Applies to

9. All Councillors of Environment Canterbury.

Responsibilities

10. The **Council Chairperson** is the primary signatory to approve members' expense claims and expenditure (except for the Chair of Audit, Finance and Risk Committee – see 11 below).
11. The **Chair of Audit, Finance and Risk Committee** is the primary signatory to approve the Chairperson's expenditure.
12. The **Deputy Chair** is the primary signatory to approve the Chair of Audit, Finance and Risk Committee's expenditure.
13. The **Director Corporate Services** is a second signatory to approve Chairperson and Councillor expense claims and expenditure.
14. The **General Manager Governance** is responsible for ensuring members are aware of the policy and accompanying guidelines, facilitating the preparation of Councillor expense claims, and checking for compliance before they are submitted to the Director Finance and Corporate Services and the Chairperson for approval.
15. **Members** are responsible for understanding and abiding by the policy.
16. The **Finance Section** is responsible for processing expenditure that complies with the policy.

Policy principles

17. To be reimbursable, expenses must:
- have a justifiable council-related business purpose; council business includes formal Council 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, political meetings or electioneering.)
 - be moderate and reasonable, having regard to the circumstances and able to pass the test of prudent use of ratepayers' money under public scrutiny
 - be actual and justified by an original receipt
 - be approved by the relevant authoriser
 - be within relevant budget provisions

- be presented on the approved Environment Canterbury Claim Form
- be signed as true and correct by the claimant
- be consistent with the rules set by the Remuneration Authority.

18. Costs for reimbursement will be processed through the payroll system.

Related Information

19. Information relating to the Councillors' Expenses, Allowances, and Reimbursements Policy include:

- Guidelines to this Policy
- Members' Code of Conduct
- Environment Canterbury Fraud Policy
- Clause 6 of Schedule 7, Local Government Act 2002
- Remuneration Authority Act 1977
- Local Government Members (2021/22) Determination 2021

Monitoring and review

20. Monitoring of this policy is the responsibility of the General Manager Governance and a review will occur every three years or earlier, in response to legislative changes, Remuneration Authority determinations and best practice. Any proposed amendments to this policy will be reviewed by the policy owner and presented to the Council for approval and adoption.

Policy Authorisations

21. The policy, and any amendments, must be approved by the Council.

Councillor's Expenses, Allowances and Reimbursements

Guidelines and Procedures

Council process for payment

1. Payment of expense reimbursements require a claim form to be signed and submitted for approval. Councillor claims are processed and paid monthly.
 - All claims are to be accompanied by a detailed receipted tax invoice. It is not sufficient for payments made by credit card or EFTPOS to be supported only by the credit card/EFTPOS docket. Receipts must be itemised, for example, a hotel receipt must specify accommodation and meal costs separately.
 - Claims will be refused if no receipts are provided.
 - It is preferable for each person to submit their own meal and accommodation claims. However, where this is not possible and only combined claims are possible, meal and accommodation claims for multiple people must list the names of those people.
 - Detailed description of business reasons must be supplied.
 - Alcohol cannot be claimed unless pre-approval is obtained from the Chairperson.
 - Members must seek approval first before incurring expenses and submit an expense claim in the same month (where possible) as the expense is incurred.
 - Authorised approvers must review and approve each member's expense claim and pre-approved overnight stays, travel, accommodation, and conference attendance.
 - Claim forms are to be submitted to the General Manager Governance who will check and verify, arrange for the Chairperson and the Director Corporate Services to approve, and arrange payment with the payroll system.
 - Claim forms for each month are to be received within five working days following the end of the month. Members must submit their expense claims in the financial year expenses were incurred.
 - Receipts/claims submitted after three months will not be reimbursed except in extraordinary circumstances.

- Submitted claims will be reimbursed in the next available payment run.

Travel

Airline clubs / air points / loyalty rewards

2. No air points or loyalty rewards accumulated on travel or accommodation etc, while on Council business can be used for personal benefit.

Air travel – domestic

3. Members are entitled to use domestic air travel for Council related travel where air travel is the most cost-effective travel option. All approved travel bookings are made through the Governance team.
4. For the sake of clarity, if a member resides outside of the Canterbury Regional Council area and, for personal reasons, chooses to travel by airline to the Council area on Council business, compensation will be paid for travel time only, as outlined in paragraphs 33 and 34.

Air travel – international

5. The prior approval of the Council is required for any international air travel, where costs or partial costs are paid for by council funds. As a general policy all international air travel by members is economy class, where Council funds all or part of the fares. Council approval is required for exceptions, e.g., where Premium Economy or the equivalent air travel is desirable for health or other compelling reasons.
6. All approved bookings are to be made by the Governance team.

Accommodation in exceptional circumstances for Council related meetings

7. The Governance team may arrange overnight accommodation for members when travel or business requirements make it unreasonable for a member to return on the same day, e.g, travelling after a late meeting, travelling in excess of 100km one-way, or in exceptional circumstances.
8. Environment Canterbury has negotiated corporate rates with hotels/motels and unless extraordinary circumstances arise, members are to use these venues where appropriate. Bookings are to be made in consultation with the Governance .
9. Accommodation should be cost-effective, taking into account the location relative to where members are working, the standard of accommodation and safety and security issues.
10. Purchases from hotel mini-bars and charges for in-room video or cable movies are to be paid for by the Councillor before checking out of the accommodation.
11. Councillors who choose to stay with friends or relatives are entitled to a special allowance of \$50 per overnight stay. In this instance, the member cannot claim other

expenses such as meals and incidentals.

Meals

12. Breakfast is not claimable on day one of travel, although in some exceptional circumstances approval may be given by the Chairperson for this expense up to a maximum of \$30 per head (e.g., if travel time commences pre-breakfast).
13. When staying overnight, a reasonable cost for breakfast may be claimed for day two onwards, or where possible, breakfast may be charged back to accommodation.
14. Lunch is **not claimable** on day one of travel within the boundaries of the Canterbury Regional Council.
15. Lunch **is claimable** on day one of travel outside the boundaries of the Canterbury Regional Council. A reasonable cost will be reimbursed.
16. Dinner **is claimable** when staying away overnight and will be reimbursed to a maximum of \$80 (including GST) per night.
17. Claims for alcohol will not be accepted unless pre-approval has been obtained from the Chairperson.
18. Morning and afternoon tea are **not claimable** (this includes takeaway coffee and bottled water).
19. Reimbursements will only be made when members are on official Council business.
20. Meals cannot be claimed if:
 - a complimentary meal is provided
 - a meal is prepaid through an accommodation package (e.g, hotel breakfast)
 - the cost of the meal is included in the cost of seminar or conference
 - members are entertained by their hosts.

Car parking

21. Parking fees incurred while on Canterbury Regional Council business will be reimbursed on production of an original detailed receipted GST invoice.

Rental cars

22. Rental cars may be used when attending meetings or conferences in other centres, where this is the most cost-effective travel option.
23. Approved rental car bookings are to be made by the Governance team using Environment Canterbury's preferred rental car agency.

Taxis and other transport

24. Other than for agreed conference/meeting attendance, there may be occasions when a member requires a taxi service. Taxi fares can be booked in advance through the relevant Governance staff. Such taxi fare bookings will be paid directly by the Council and there is no need for Councillors to pay for the taxi fare individually. Pre-approval by the General Manager Governance (including taxi company to be used) is required.
25. Taxi costs paid for by the individual member for unanticipated taxi travel within New Zealand, or for international travel on Council business, will be reimbursed on presentation of actual receipts.

Vehicles

Chairperson's car

26. The Council Chairperson may be provided with a vehicle. The value of the vehicle shall be reasonable for the purpose intended and appropriate for public service use (as per the Office of The Auditor General guidelines and the then current Remuneration Determination). If the Chair elects to have the vehicle available for private use, a deduction will be made from their salary as determined by the Remuneration Authority. The Chairperson will not be able to claim for vehicle mileage.

Vehicle provision

27. The Council does not provide Council vehicles for members attending meetings, except for the Chairperson of the Council.

Mileage and travel time allowances

28. In accordance with the *Local Government Members (2021/22) Determination 2021*, the following rules apply:
 - Vehicle mileage and travel time allowances will be paid for all travel on Council business when the member is travelling in a private vehicle by the most direct route that is reasonable in the circumstances.
 - The maximum allowance for a petrol or diesel vehicle is:
 - 83 cents per km for the first 14,000 kms travelled in the determination term (1 July 2022 to 30 June 2023)
 - 31 cents per kilometre for any distance over 14,000 kms travelled in the determination term (1 July 2022 to 30 June 2023).
 - The maximum allowance for a petrol hybrid vehicle is:

- 83 cents per km for the first 14,000 kms travelled in the determination term (1 July 2022 to 30 June 2023)
 - 18 cents per km for any distance over 14,000 kms travelled in the determination term (1 July 2022 to 30 June 2023).
 - The maximum allowance for an electric vehicle is:
 - 83 cents per km for the first 14,000 kms travelled in the determination term (1 July 2022 to 30 June 2023)
 - 10 cents per km for any distance over 14,000 kms travelled in the determination term (1 July 2022 to 30 June 2023).
29. If the Council is providing transport, and a member chooses, for personal reasons, to travel independently, they may not be entitled to a vehicle allowance.
30. Where a member chooses, for personal reasons, to travel by private vehicle to a conference or seminar outside of the Canterbury region they will be entitled to reimbursement of the mileage travelled, up to the value of equivalent airfare.
31. Any speeding fines and any other traffic infringement notices incurred will not be reimbursed.
32. For the sake of clarity, the member is not required to be a member of the committee or subcommittee to claim mileage attendance.
33. Compensation for travelling time within New Zealand on Council business can be claimed by members (other than the Chair) at a rate of \$40.00/hr for each hour of travel time after the first hour of travel time in a day. Travel must be by the quickest form of transport reasonable in the circumstances and by the most direct route reasonable in the circumstances. Only time travelled in excess of one hour will qualify for payment, up to a maximum of eight hours in a 24-hour period.
34. If a member resides outside the Canterbury Regional Council area and travels to the Council area region on Council business, compensation for travel time will only be paid after the member crosses the Council's boundary and after the first hour of travel within the region.

Catering, hospitality and entertainment

Annual Councillor function

35. The Council will make budgetary provision for one Councillor function per year. The purpose of this function is to provide:
- a forum for building relationships between members and senior staff
 - an opportunity to give recognition to the supporting role that spouses/partners give to members and senior staff.

36. Attendance is generally limited to members and senior management staff, accompanied by spouses/partners.
37. If appropriate, costs of accommodation and associated meals will be paid for by members and partners attending the annual function.
38. The Chief Executive or Chairperson, when it is deemed appropriate for the function, may invite special guests.

Catering

39. The Councillors' Lounge (adjacent to the Council chamber) is equipped with tea and coffee making facilities. Catering and refreshments will be provided to councillors attending formal meetings, served in the Councillors' Lounge. Catering and refreshments are arranged through the Governance team.
40. Members may use the Wharekai staff café at their personal cost.

Communication allowances

41. In accordance with the *Local Government Members (2021/22) Determination 2021*, the following communications allowances are payable when councillors use their own mobile phone device and have chosen to use a council-owned HP X2 Tablet device:
 - for use of a multi-functional (or other) printer, \$50 per annum
 - for use of a personal mobile phone, \$200 per annum; and
 - for use of a personal mobile phone service, \$500 per annum; and
 - for use of ICT consumables, up to \$200.
42. When a councillor has chosen not to use a council-owned HP X2 Tablet device they are entitled to the above allowance plus an additional \$400 per annum for use of a personal device.
43. If the Council requests a member to use the member's own internet service for the purpose of the member's work on local authority business, the member is entitled to an allowance for that use of up to \$800 for the determination term.
44. The Council will supply any necessary sundry consumables such as printer ink, paper and computer mice.
45. Sundry consumables should be arranged through the Governance team.
46. Any council-owned device and any unused peripheral consumables remain the property of Environment Canterbury and must be returned when the member leaves office.

Mobile phones

47. If the Council requests a member to use the member's own mobile telephone service for the purpose of the member's work on local authority business, the member is entitled, at the member's option, to:
- an allowance for that use of up to \$500 for the determination term; or
 - reimbursement of actual costs of telephone calls made on local authority business on production of the relevant telephone records and receipts.
48. The Council will provide a mobile phone for the Chair and cover all expenses associated with the use of that phone. The phone remains the property of Environment Canterbury. The Chair will not receive a mobile phone allowance.

Childcare allowance

49. In accordance with the *Local Government Members (2021/22) Determination 2021*, members may claim a childcare allowance as a contribution to expenses of up to \$6,000 per child per annum if:
- the member is the parent or guardian of the child or is usually responsible for the day-to-day care of the child; and
 - the child is under 14 years of age; and
 - the childcare is provided by someone who is not the member's family member and does not ordinarily reside with the member.
50. Satisfactory evidence of the amount paid for childcare must be provided in the form of an original detailed receipted GST invoice.

Professional development, clubs and associations

Conferences, courses, seminars etc

51. An annual budget will be set aside for Councillors' attendance at conferences/ courses/ seminars. (Annual LGNZ Conference not included, see below). Councillors will be allocated \$2,500 each per year and can utilise future budget as long as the total does not exceed \$7,500.
52. When considered appropriate for a member to attend a conference/course/seminar at the cost of Environment Canterbury, approval shall only be given for the purpose of acquiring knowledge, including new developments, or transacting business that is appropriate to that member. 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.

53. Members 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 General Manager Governance, all travel and accommodation will be booked through the Governance team.
54. The Council will not meet costs of partners/spouses attending conferences/courses/seminars except in the rare circumstances that the involvement of a partner/spouse directly contributes to a clear business purpose.
55. Members, after attendance at an approved conference/course/seminar, should 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

56. Attendance at the Local Government New Zealand (LGNZ) Annual Conference will be considered and resolved by the Council.

Councillors travelling overseas (other than courses/conferences)

57. Environment Canterbury may support the costs of members 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/Long Term Plan
 - a personal visit is required for the nature of the visit is such that a Councillor is appropriate for the task
 - the visit is an effective means of obtaining information
 - the Councillor applying for support is an appropriate member to undertake the proposed visit
 - any special circumstances which are seen to justify support.
58. All applications for support shall be in writing and will require support from the relevant principal Committee prior to consideration by the Council.
59. When a member 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.

Calculation and Taxation of allowances

60. If any allowance is payable as a single amount for the determination term and a

member is not a member for the whole of the determination term, the amount payable to that member shall be pro-rated in accordance with the formula provided in the Local Government Members (2021/22) Determination 2021.

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

Resource consent hearing fees

Fees for attending ATA and RMA resource consent hearings

62. Fees for attending ATA and RMA resource consent hearings will be paid in accordance with the Local Government Members (2021/22) Determination 2021.

Breach of expense and reimbursement rules

63. Instances where this policy has not been followed may lead to an investigation pursuant to the Members' Code of Conduct.