



ELECTED MEMBER ALLOWANCES AND EXPENSES POLICY 2020

Whanganui District Council

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EXECUTIVE SUMMARY

This document explains elected members' allowances and entitlements, and the approval process for this expenditure. It also outlines members' entitlements to professional development related to their roles. This policy supports prudent and transparent use of public money.

PURPOSE OF THE POLICY

The purpose of this policy is to provide a framework for expenditure by, and for, elected members. It also provides a central record of the resources available to elected members during their term of office.

This policy provides transparency to the public, as well as guidance for elected members and staff, when considering expenditure incurred on behalf of elected members.

As a result, this policy applies to all elected members – the Mayor, councillors, and the Whanganui Rural Community Board (where relevant).

This policy covers Council's application of the remuneration system overseen by the Remuneration Authority, including travel and other allowances. It also sets out members' entitlements to external professional development opportunities. It does not cover expenditure incurred by other organisations or non-governance civic activities, e.g. Sister Cities.

This policy should be read in conjunction with determinations issued by the Remuneration Authority, which can be accessed at www.legislation.govt.nz

BACKGROUND AND KEY ISSUES

Elected members are entitled to a range of allowances and reimbursement as determined by an independent central agency, the Remuneration Authority. The Authority allows councils some discretion in deciding how to apply the remuneration structure. This policy clarifies how reimbursement entitlements are managed by this Council.

Council also chooses to invest in elected members' professional development. Council carries out a wide range of activities, and members determine the strategic and policy direction of the organisation. Members are to be provided with training and development to support their decision-making role across these activities.

This framework has been developed to ensure training is relevant and fairly available to all members.

In addition to external training opportunities, Council will also provide in-house training to elected members throughout their term on subjects relevant to their governance roles.

INTERPRETATION

'Council business' includes attendance at the following:

- Official meetings of the Council and any committee and subcommittee of Council
- Council workshops
- Meetings and workshops of advisory groups established by Council

- Meetings and workshops of external bodies to which the elected member has been appointed by Council
- Statutory hearings
- Meetings of Council-owned companies
- Visits to, and tours of, facilities or sites or works for which the Council is responsible for, or has involvement in, or which will be the subject of business to come before the Council or any committee
- Seminars and training courses where the elected member's attendance has been authorised or arranged by Council
- Official briefings or meetings with Council officers

'Council business' does not include events where the primary focus is social activity, or any activity related to elections.

POLICY OBJECTIVES

This policy is concerned with providing transparency to the public and guidance to staff and elected members. It sets out rules on the claiming of expenses by elected members and the resources that will be available to them during their term of office.

1.0 Reimbursement and the use of Council-supplied resources only applies to elected members, and only while they are acting in their official capacity as elected members undertaking Council business.

1.1 The definition of Council business is as provided for in the 'Interpretation' section of this policy.

1.2 Costs for expenses must have a justifiable business purpose and be moderate and conservative in all respects.

1.3 As much as possible, expenditure relating to Council business should be identified and approved ahead of time, and payment arranged by Council staff.

1.4 Reimbursement of any unexpected expenditure incurred by elected members will be subject to provision of receipts.

1.5 Any claims for expenditure that is not allowed for in this policy will be treated as sensitive expenditure and subject to approval by the Chief Executive and Mayor.

1.6 Where this policy is silent or not specific in relation to claims for expenses or allowances the Council shall be guided by the Auditor-General's 2007 good practice guide on "Controlling Sensitive Expenditure: Guidelines for Public Entities".

2.0 Provision of communications equipment is an operational decision.

2.1 Council may choose to provide either:

- a) *communications equipment; or*
- b) *an annual allowance for any or all equipment provided to the elected member, as per amounts set by the Remuneration Authority. Where a member is not a member for the whole period of the determination, the amount of the allowance is pro-rated.*

3.0 Use of Council vehicles is preferred for elected members if driving out of town on Council business.

3.1 *Pool vehicles should be booked by contacting the Democracy Services and Advice team in advance.*

3.2 *If a pool car is unavailable, members can utilise their own vehicle and claim subsequent allowances and reimbursement by completing the relevant forms using the online portal LGHub.*

3.3 *Members are encouraged to share transport when more than one member attends an event.*

4.0 Whanganui District Council will pay members their full entitlements under the relevant determination issued by the Remuneration Authority.

4.1 *Travel allowances and mileage are payable only when incurred while carrying out Council business as per the 'Interpretation' section of this policy.*

4.2 *Claims for these allowances need to be made using the relevant forms on LGHub.*

5.0 Members are entitled to the full childcare reimbursement sum prescribed by the Remuneration Authority each financial year.

5.1 *This amount will be paid out on the provision of receipts, at a rate preferred by the member concerned.¹*

6.0 The Chair of the Audit and Risk Committee will approve the quarterly statements of the Mayor's credit card.

7.0 Professional development will be provided to elected members throughout their term on subjects relevant to their governance roles.

¹ This means the member can choose the rate of subsidy received, as long as the childcare arrangements meet the provisions of the Remuneration Authority's determination, and do not exceed the prescribed annual limit.

- 7.1 To support effective training, members are asked to complete a Skills Review Matrix to identify areas where development is required. This will provide an overview of development needs.*
- 7.2 Opportunities to attend external training and seminars will be offered to elected members when available.*
- 7.3 Members may also propose external training courses for themselves. These need to relate to the member's role and provide a capacity building element or a benefit to Council and the community.*
- 7.4 All requests for external training are to be sent to the Democracy Services and Advice team for processing. Any requests above \$1,500 will require approval by the Mayor. Any member who has incurred more than \$5,000 in professional development costs in a financial year will require Mayoral approval for any further training in the same year. Application forms can be found on LGHub.*
- 7.5 On completion of an off-site workshop, seminar or conference the Elected Member will complete the Elected Member Professional Development Report Form available on LGHub. The Mayor may ask the Elected Member to give a verbal report on the off-site workshop, seminar or conference to a Governance meeting.*

8.0 International travel

- 8.1 Prior approval of the Council is required for all international travel at Council's expense.*

9.0 Gifts

- 9.1 As per the Code of Conduct, members are required to declare any gift received worth more than NZ\$50, for inclusion in the publicly available register of interests.*

MONITORING AND REVIEW

As expenses related to travel, accommodation and meals are sensitive expenditure this policy aims to balance Elected Members' professional development needs with prudent use of ratepayer funds.

To provide transparency and confidence to the community, the Council will publish expenses quarterly on its website.

This policy will be reviewed triennially, following elections, as well as following any substantial changes to Remuneration Authority determinations.