



**CENTRAL
HAWKE'S BAY**
DISTRICT COUNCIL



Elected Member Remuneration and Expenses Policy

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Elected Member Remuneration and Expenses Policy

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PURPOSE OF THIS POLICY

The purpose of this policy is to set clear expectations of the provision of remuneration and allowances for elected members and other representatives of the Central Hawkes Bay District Council (Council).

REMUNERATION

The Remuneration Authority is responsible for setting remuneration, allowances and payment of expenses for mayors and other elected members. Following a declaration from the Remuneration Authority, Council will adopt the allocation of the "Elected Member" pool for addition positions of responsibilities before submitting to the Remuneration Authority for declaration.

MILEAGE

Elected members (excluding the mayor) are entitled to a mileage allowance when using their vehicle for Council business. Mileage may include travel to and from the member's primary place of residence if the travel is:

- in the member's own vehicle; and
- on Council business as outlined below; and
- by the most direct route reasonable in the circumstances.

Mileage will be reimbursed on presentation of an online Mileage Claim Form at the applicable rate determined by the Remuneration Authority at the time of travel.

Criteria for mileage

If a member of a local authority travels from a place where the member permanently or temporarily resides that is outside the local authority area, to the local authority area on local authority business, the member is only eligible for a vehicle-kilometre allowance for eligible travel after the member crosses the boundary of the local authority area.

If a member's primary place of residence was outside the local authority area at the time of the local election, or an exceptional circumstance beyond the member's control requires them to move outside the local authority area, the Mayor may apply to the remuneration authority to waive the "boundary of the local authority area" rule for the applicable member.

With respect to both mileage allowances and meeting fees, the term "Council business" includes attendance at:

- 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 seminars of external bodies to which the elected member has been appointed by Council
- statutory hearings
- meetings of Council-owned companies
- seminars and training courses where the attendance of an elected member has been authorised
- discussions with committee chairpersons or Council officers
- consultation with Mayors, territorial authority committee chairpersons, or elected members
- official briefings or agenda preview meetings
- an external event or meeting where there has been:

- a resolution of Council or committee, or
- an authorisation by the Council's Mayor, or
- with respect to the member of a committee, an authorisation by the Chairperson of that committee.

MEETING FEES

Meeting fees will not typically apply to elected members.

Fees Related to Hearings

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|------------------------------|---|
| Chairperson | An elected member who acts as the chairperson of a hearing is entitled to a fee of \$100 per hour. For any period of hearing time that is less than 1 hour, the fee must be apportioned accordingly. |
| Member | An elected member who is not the chairperson of a hearing is entitled to the maximum fee as set by the prevailing Local Government Members Determination. |
| Mayor | These fees are not payable to the Mayor, who is paid the mayor's remuneration and allowances. |
| District Licensing Committee | As determined by the Minister of Justice and in accordance with the Cabinet fees framework, District Licensing Committee members will receive the following remuneration: chairperson: \$624 per day (\$78 per hour for part days) other members: \$408 per day (\$51 per hour for part days) |

TRAVEL TIME ALLOWANCE

Elected members (excluding the mayor) are entitled to an allowance for time travelled within New Zealand on council business, provided:

- the journey is by the quickest form of transport and the most direct route reasonable in the circumstances; and
- the travel time exceeds one hour; and
- the travel time does not exceed nine hours (including the first hour, which is not covered) within a 24 hour period.

The allowance is available each day for any business on behalf of the council or between the member's residence and an office of the council. It is not available for overseas travel.

Elected members can claim travel time allowance by submitting an online Expense Claim Form, and this will be paid at the maximum allowance as set by the prevailing Local Government Members Determination.

However, if a member of a local authority permanently or temporarily resides outside the local authority area and travels to the local authority area on local authority business, the member is only eligible for a travel-time allowance for eligible travel time—

- a) after the member crosses the boundary of the local authority area; and
- b) after the first hour of eligible travel time within the local authority area

If a member's primary place of residence was outside the local authority area at the time of the local election, or an exceptional circumstance beyond the member's control requires them to move outside the local authority area, the Mayor may apply to the remuneration authority to waive the "boundary of the local authority area" rule for the applicable member.

CONFERENCES, SEMINARS AND MEETINGS

The Chief Executive will liaise with the Mayor on an annual basis with regards to the training and development budget requirements for Elected Members.

Council will pay expenses for the attendance of the Mayor and councillors at conferences, seminars and meetings. Two categories of meetings have been identified and defined below, together with the relevant conditions regarding entitlement to expenses.

Representative meetings

This is a conference where those attending are representing Council; would usually vote; and typically includes the Mayor and Chief Executive, however, may include two Elected Members.

Prior approval to attend any meeting as a council representative is required from the Mayor.

Partners can travel and attend sessions of the meeting. A partner's expenses, other than shared accommodation, will not be met by the Council.

Ad hoc and professional development meetings

Councillors who would like to attend an professional development opportunity will have the costs covered, only where the Elected Member has sought prior approval from the Mayor and the professional development has a wider benefit to the Elected Members governance development.

Eligible expenses include:

- registration fees
- accommodation where applicable that balances cost-effectiveness with proximity to the event
- reasonable costs for meals and sustenance
- toll calls relating to official Council business and one phone call home per day
- taxi expenses for transport from/to airport/arrival point to venue (courtesy vehicles should be used where available)
- parking fees.

Travel arrangements are made through the Mayor and Chief Executive's Executive Assistant as early as possible in order to obtain maximum discounts. In most cases, registration and accommodation will be invoiced directly to the Council. However, there may be some instances where elected members pay for related expenses and are entitled to claim costs by submitting an Expense Claim Form.

All expenditure must be substantiated by appropriate documentation such as invoices or receipts and include the names of the parties entertained and the reasons for the entertainment or hospitality.

COMMUNICATIONS TECHNOLOGY

In lieu of an allowance, elected members will be provided with iPads at the beginning of the triennium for Council-related use, although a reasonable degree of private use is acceptable.

Elected members are provided with a Council email address which is not to be used by members for any personal business.

The Mayor is provided with a mobile phone for which the costs are covered.

Council assets, such as photocopiers, stationery, telephones, mobile phones, internet and email access, laptops, cameras etc, are to be used for business purposes. Limited reasonable personal use of Council assets and services is acceptable.

Payment for all personal use of the Council's assets or services which incur a cost, is to be reimbursed to Council promptly.

USE OF THE MAYORAL VEHICLE

The Mayor will be provided with a vehicle which is for restricted private use. The mayoral vehicle:

- is usually driven home and securely parked by the mayor
- is otherwise generally available for use by other local authority members or staff on Council business
- is used solely for Council business; and
- all travel in the vehicle is recorded in a log-book.

REIMBURSEMENT OF INCIDENTALS

Reasonable expenses incurred in the pursuit of Council business will be reimbursed on presentation of an Expense Claim Form supported with the relevant invoices/receipts (GST registered).

If a GST registered invoice/receipt is not provided, reimbursement cannot be made.

Payment of mileage claims and allowances will be paid fortnightly as per the pay cycle. Conference and travel expenses other than mileage will be reimbursed on the 20th or last day of the month as per the creditors' payment run.

Claims must be submitted for payment within 3 months of the expense occurring.

GIFTS

A gift is usually given as a token of recognition of something provided by the recipient. The giving of gifts must be appropriate, transparent and reasonable.

The giving of gifts by Council requires the prior approval of the Mayor.

The receiving of a gift is not strictly 'sensitive expenditure'; nevertheless, it is a sensitive issue. It is especially important that receiving a gift does not alter Councils decision-making, as this could be perceived as acting without impartiality or integrity.

Under no circumstances should a gift be accepted from an organisation or individual who is involved in the process of negotiating or tendering for the supply of goods or services to the Council.

If a gift over \$50 is accepted the Mayor and Governance Support Officer must be notified, and the Mayor shall consider the following points to determine the appropriate disposal of any gift, reward, discounts or inducements:

a) All gifts over \$50 received by Councillors are to be recorded in the Gift Register.

b) The Mayor may then distribute any such gifts including;

- Allowing the recipient to keep the gift.

- Consideration will be given to equity, and the association with provider and appropriateness of the person receiving the gift.
- Return the gift to the provider.

c) That Councillors are encouraged to use their discretion as to whether gifts under the value of \$50 should be declared on the gift register.

DONATIONS

Council does not generally make donations. On rare occasions, if a donation is approved by the Chief Executive/Mayor, it should not result in any obligations on Council. Donations should be to a recognised organisation and be by normal commercial means and not cash.

The process for the giving of koha, as within tikanga Māori culture is stipulated in the next section and the Koha Procedure.

KOHA

Giving koha is the practice of bestowing an unconditional gift where the recipient has neither stipulated that it be given, nor has an expectation of receiving it. It is an integral part of Maori culture and significant protocol is attached to it. Traditionally, koha has taken many forms but in more recent times it has tended to be in the form of money.

Koha is an unconditional gift, or a spontaneous contribution given on appropriate occasions which carries no tax obligation as defined by the IRD.

Koha can be given or received for unsolicited services, as within tikanga Māori.

Koha will:

- a) Be in the form of money
- b) Be paid to external person(s) or non-profit community groups who provide support, or undertake a one-off activity and expect non-payment for such activity or support in return
- c) Not be given in lieu of salary or as a payment for service(s) provided
- d) Not be given by the Council to Council employees
- e) Be determined by the Mayor or Chief Executive to the size of the contribution

Payment of koha will be made in line with the Koha Procedure.

Determining Council payments of koha

a) Where Councillors attend a cultural gathering (tangi, hui etc.) representing the Council, the Council may provide a contribution towards koha.

b) Therefore consideration will be made to:

- The importance of the event to Council
- Whether Councillors will attend in a personal capacity or whether they will attend as a formal Council representative(s).
- If it is deemed that attendance will be in a personal capacity, then any koha will be the personal responsibility of the Councillor concerned, i.e. not Council.

- Notification, which should be made by the Councillor attending the Hui (including tangi), to the Mayor, where possible, before attending the cultural gathering. The Councillor will also provide the Mayor with details of the purpose of the gathering (kaupapa, mate - deceased person etc.).

c) In relation to considering koha for a tangi, Council will consider:

- The deceased having mana (wisdom, importance)
- Significance and/or prominence within the community
- Prominence and/or standing in local government or government sector
- Association with the Central Hawke's Bay District Council

Other circumstances where koha payment may be made

a) Koha may be paid to external non-profit community groups and individuals (non-Council employees) in certain circumstances. This may include:

- An individual or non-profit community group who support a conference opening;
- Acknowledging an individual or non-profit community group who support an opening and/or blessing of a new building;
- Where an individual or non-profit community group attend to support/lead a mihi whakatau (welcome) or poroporoaki (farewell or closing of a hui);
- Where prominent guests are welcomed by mana whenua (people of the local area) at the request of the Council.