

# Elected and Appointed Members’ Expenses and Allowances Policy 2022

<b>Adopted by</b>	Palmerston North City Council on 16 November 2022
<b>Previous revision date</b>	2 June 2021
<b>Next review date</b>	December 2025 (beginning of Council triennium)
<b>Relevant legislation</b>	Schedule 7(6) Local Government Act 2002
<b>PNCC documents reference</b>	Oasis: 16398660

## Contents

1.	<b>Introduction</b> .....	2
2.	<b>Authentication of Expense Reimbursements and Allowances</b> .....	2
3.	<b>Definitions</b> .....	3
4.	<b>Expenses on Council Business (Elected Members)</b> .....	3
5.	<b>Communications Allowances (Elected Members)</b> .....	5
6.	<b>Conference and Training Expenses (Elected and Appointed Members)</b> .....	6
7.	<b>Miscellaneous Expenses and Allowances</b> .....	7
8.	<b>Additional Expenses and Allowances for the Mayor</b> .....	7
9.	<b>Additional Expenses and Allowances for the Deputy Mayor</b> .....	8
10.	<b>Reporting of Expenses</b> .....	9
11.	<b>Review of Policy</b> .....	9
12.	<b>Remuneration as Determined by the Remuneration Authority</b> .....	9
13.	<b>Participation in Hearings Allowance</b> .....	9

## 1. Introduction

This policy sets out the expenses and allowances available to Elected and Appointed Members and the rules for the claiming of expenses during members' term of office.

This Policy covers:

- Communications allowance
- Vehicle mileage allowance
- Conference, course and training attendance, professional development and travel
- Any other allowances for members Council agrees

Contact person for queries: Hannah White, Democracy & Governance Manager, email [hannah.white@pncc.govt.nz](mailto:hannah.white@pncc.govt.nz).

The fundamental principle underlying this policy is that the spending of public money should be subject to the standards of probity, transparency and financial prudence that are to be expected of a public entity, and able to withstand public scrutiny.

This policy applies to the Mayor and Councillors as elected members of the Palmerston North City Council, and any members the Council may appoint.

## 2. Authentication of Expense Reimbursements and Allowances

From time to time Elected and Appointed 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 and Appointed Members personally, and only while they are acting in their official capacity as Elected or Appointed Members.

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

The process for reimbursement of claims includes the following principles:

- Any expenses to be reimbursed must be on an actual and reasonable basis and in line with Council policy;
- Expense claims are approved by the Democracy & Governance Manager. Full original receipts are required; and
- Reimbursements will be made electronically into a nominated bank account.

In the case of one-off expenditure such as travel to conferences, the process and prior approvals required are detailed in this policy.

In the case of vehicle mileage and communications, all limits set in this document will not exceed the Remuneration Authority's Determination. The relevant communications allowance will be paid fortnightly with an Elected Member's salary.

All expenditure that falls under this policy is approved on the condition that it can be met within relevant budget provisions.

### 3. Definitions

**Active transport** means using transport modes that involve physical activity to get to a destination, eg. walking or cycling.

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

**Appointed Member:** A member of a Council Committee who has been appointed by Council for their specific skills or knowledge, to enhance decision making.

**Council business** includes formal Council meetings, Committee meetings, workshops, seminars, statutory hearings, training courses, site visits, meetings with staff, meetings with community groups, meetings with members of the public and official events. It does not include events where the primary focus is on social activity or electioneering.

**Elected Member:** A member of the Council elected under the Local Electoral Act 2001.

**Reasonable** means that it is within the amount specified by this policy or as deemed reasonable by the Mayor 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.

### 4. Expenses on Council Business (Elected Members)

Expense or Allowance	Description
<b>Travelling to and from Council Business</b>	<p>Members can claim for the reasonable cost of travelling to and from events when on Council business.</p> <p>For events within Palmerston North, members are encouraged to use active or public transport whenever possible.</p> <p>It is expected that for Elected Members, the majority of Council business will be within the Manawatū- Whanganui region. However, on occasion Council business might involve travelling elsewhere in New Zealand or overseas. Overseas must be approved by Council.</p> <p>Members must always use the most cost effective and reasonable method to travel.</p>
<b>Public Transport and Micro-Mobility vehicles</b>	<p>Council encourages members to use public transport and micro-mobility vehicles to travel around the city.</p> <p>All members are entitled to the actual and reasonable costs incurred when using public transport (long distance coach, local bus, train or ferry), micro-mobility vehicles (such as e-bikes and e-scooters) for travel on council business upon the production of receipts or evidence satisfactory to Council.</p> <p>Public transport and micro-mobility can be claimed for travelling to and from Council business within the City boundary.</p>

Expense or Allowance	Description												
<b>Taxis</b>	<p>Taxis 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;</li> <li>• When Elected Members are on official Council business; and</li> <li>• When travelling outside Palmerston North if a taxi is the most appropriate form of transport.</li> </ul> <p>Taxis may not be used if significant travel distances mean that use of a taxi is not the most cost-effective option.</p> <p>All Elected Members are provided with a Taxi Charge Card, which should be used for planned travel within New Zealand.</p>												
<b>Vehicle Mileage Allowance</b>	<p>Elected Members are expected to use a motor vehicle provided from the Council pool when travelling on Council business outside the city. However, if such a vehicle cannot be provided or the arrangements are unsuitable for the Elected Member concerned, then the Elected Member is entitled to be paid a vehicle mileage allowance while undertaking Council business, assessed as follows:</p> <table border="1" data-bbox="411 1055 1406 1205"> <thead> <tr> <th>Vehicle Type</th> <th>Travel up to 14,000km</th> <th>Travel over 14,000km</th> </tr> </thead> <tbody> <tr> <td>Petrol or diesel vehicle</td> <td>\$0.83 per km</td> <td>\$0.31 per km</td> </tr> <tr> <td>Petrol hybrid vehicle</td> <td>\$0.83 per km</td> <td>\$0.18 per km</td> </tr> <tr> <td>Electric vehicle</td> <td>\$0.83 per km</td> <td>\$0.10 per km</td> </tr> </tbody> </table> <p>The vehicle mileage allowance is not payable to a member for travel between their place of residence and anywhere within the Palmerston North City Council boundary.</p> <p>The Mayor is not able to claim for vehicle mileage.</p>	Vehicle Type	Travel up to 14,000km	Travel over 14,000km	Petrol or diesel vehicle	\$0.83 per km	\$0.31 per km	Petrol hybrid vehicle	\$0.83 per km	\$0.18 per km	Electric vehicle	\$0.83 per km	\$0.10 per km
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<b>Air Travel</b>	<p>All Elected Members are entitled to utilise domestic air travel for Council business, where travel by air is the most cost-effective travel option. Travel will be by economy class except where exceptional circumstances arise.</p>												
<b>Parking Expenses</b>	<p>The Council provides Elected Members with car parking exemption cards. The expectation is that these will be used only for Council business.</p>												
<b>Meal Expenses</b>	<p>Members can claim a meal allowance when travelling on Council business.</p> <p>Reasonable meal costs incurred will be met with the total cost not expected to exceed \$75 (NZD) per day. Meal costs incurred overseas will be met within reasonable prevailing local charges. Separate meal costs will not be met where a meal has been provided as a part of the training / conference / meeting, etc. unless needed for dietary requirements.</p> <p>Council will only pay for two beverages with an evening meal. (alcoholic or non-alcoholic) e.g. two glasses of wine / non-alcoholic beverage, two cans or small bottles of beer. Any drinks outside this guideline are to be met by the member.</p>												

Expense or Allowance	Description
	The meal allowance is not payable for council business conducted within the Palmerston North City Council boundary.

## 5. Communications Allowances (Elected Members)

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<b>Communications Allowance</b>	<p>Council will provide Elected Members with a mobile phone, mobile phone contract and laptop. Equipment remains the property of the Council and will be replaced or updated at least every 3 years. The Council will also cover the costs of any consumables required.</p> <p>When members accept a <b>Council phone, mobile phone contract and laptop</b>, members will be eligible for the following allowances annually:</p> <table border="1"> <thead> <tr> <th>Particular</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Home internet/broadband connection</td> <td>\$800.00</td> </tr> <tr> <td>Multi-functional or other printer</td> <td>\$50.00</td> </tr> <tr> <td>ICT consumables</td> <td>\$200.00</td> </tr> <tr> <td><b>Total annual allowances</b> for the use of their own equipment or services</td> <td><b>\$1,050.00</b></td> </tr> </tbody> </table> <p>When <b>members accept a Council phone and laptop</b>, members will be eligible for the following allowances annually:</p> <table border="1"> <thead> <tr> <th>Particular</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Home internet/broadband connection</td> <td>\$800.00</td> </tr> <tr> <td>Multi-functional or other printer</td> <td>\$50.00</td> </tr> <tr> <td>ICT consumables</td> <td>\$200.00</td> </tr> <tr> <td>Personal telephone plan (mobile plan connection)</td> <td>\$500.00</td> </tr> <tr> <td><b>Total annual allowances</b> for the use of their own equipment or services</td> <td><b>\$1,550.00</b></td> </tr> </tbody> </table> <p>If members choose to <b>use their own phone and/or laptop</b>, members will be eligible for the following allowances annually:</p> <table border="1"> <thead> <tr> <th>Particular</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Home internet/broadband connection</td> <td>\$800.00</td> </tr> <tr> <td>Multi-functional or other printer</td> <td>\$50.00</td> </tr> <tr> <td>ICT consumables</td> <td>\$200.00</td> </tr> <tr> <td>Personal telephone plan (mobile plan connection)</td> <td>\$500.00</td> </tr> <tr> <td>Personal computer, tablet or laptop including for any related docking station</td> <td>\$400.00</td> </tr> <tr> <td>Mobile phone (use of mobile)</td> <td>\$200.00</td> </tr> <tr> <td><b>Total maximum annual allowances</b> for the use of their own equipment or services</td> <td><b>\$2,150.00</b></td> </tr> </tbody> </table> <p>Allowances will not exceed the limits set out by the Remuneration Authority.</p>	Particular	Amount	Home internet/broadband connection	\$800.00	Multi-functional or other printer	\$50.00	ICT consumables	\$200.00	<b>Total annual allowances</b> for the use of their own equipment or services	<b>\$1,050.00</b>	Particular	Amount	Home internet/broadband connection	\$800.00	Multi-functional or other printer	\$50.00	ICT consumables	\$200.00	Personal telephone plan (mobile plan connection)	\$500.00	<b>Total annual allowances</b> for the use of their own equipment or services	<b>\$1,550.00</b>	Particular	Amount	Home internet/broadband connection	\$800.00	Multi-functional or other printer	\$50.00	ICT consumables	\$200.00	Personal telephone plan (mobile plan connection)	\$500.00	Personal computer, tablet or laptop including for any related docking station	\$400.00	Mobile phone (use of mobile)	\$200.00	<b>Total maximum annual allowances</b> for the use of their own equipment or services	<b>\$2,150.00</b>
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## 6. Conference and Training Expenses (Elected and Appointed Members)

Expense or Allowance	Description
<p><b>Conferences, Courses, Seminars and Training</b></p>	<p>All Elected and Appointed Members are entitled to request attendance of any conference, course, seminar or training event which contributes to the member's ability to carry out their Council role effectively.</p> <p><b>In New Zealand and less than \$2,000</b></p> <p>The Mayor and Deputy Mayor or if one of those is unavailable the other acting conjointly with the Democracy &amp; Governance Manager, can approve Elected and Appointed Members training in New Zealand up to the value of \$2,000.</p> <p><b>Overseas or greater than \$2,000</b></p> <p>Council approval is needed for training courses in New Zealand greater than \$2,000, or overseas.</p> <p>Council has a fixed training budget for Elected and Appointed Members.</p> <p>Travel and accommodation arrangements for Elected and Appointed Members are to be made by Council staff with the Council's preferred travel agents, 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, staff will consider cost and environmental efficiency of travel when making bookings.</p> <p>If a member arranges their own travel, they are entitled to be reimbursed at the rate of the most economic cost of travel available to Council staff, or the actual cost of travel (whichever is lower).</p> <p>No financial provision is to be made for a partner of a member attending any conference or training opportunity, other than for the Mayor's partner attending a conference in association with the Mayor.</p>
<p><b>Disclosure on the Gift Register</b></p>	<p>If travel costs are being paid for by an outside party, members must disclose the provider as a gift on the gift register as soon as practicable.</p>
<p><b>Costs Not Covered When Attending a Training Course</b></p>	<p>This policy does not cover purchases from:</p> <ul style="list-style-type: none"> <li>• hotel mini-bars,</li> <li>• charges for in-room movies,</li> <li>• newspapers,</li> <li>• laundry,</li> <li>• hotel telephone calls and</li> <li>• other miscellaneous costs.</li> </ul> <p>These expenses will be met by the member concerned.</p>

## 7. Miscellaneous Expenses and Allowances

<b>Vehicle Mileage Allowance for Appointed Members</b>	Appointed Members who live outside of Palmerston North will be recompensed at a rate agreed by contract.
<b>Subscriptions</b>	Expenses in respect of subscriptions to organisations will be reimbursed to or paid on behalf of an Elected Member where, in the opinion of the Chief Executive, membership would assist the Elected Member in carrying out their duties.
<b>Travel Time Allowance</b>	A travel time allowance is not payable to Elected Members.
<b>Childcare Allowance</b>	A childcare allowance is not payable to Elected Members.
<b>Other</b>	Other expenses will be reimbursed to or paid on behalf of Elected Members where in the opinion of the Chief Executive such expenses are justified.

## 8. Additional Expenses and Allowances for the Mayor

<b>Expense or Allowance</b>	<b>Description</b>
<b>Car and Car Parking</b>	<p>The Mayor will be provided with a vehicle that will also be available for their private use. A deduction will be made from their salary as determined by the Remuneration Authority. The Mayor will not be able to claim for vehicle mileage.</p> <p>Use of an assigned car park in the Civic Administration Building in addition to a car parking exemption card.</p>
<b>Travel and Conferences, Courses and Professional Development</b>	<p>The prior approval of the Chief Executive is required for travel within New Zealand or Australia for: Council business; attendance at conferences/ courses/ training events/ seminars; or other purposes associated with the position of Mayor.</p> <p>Where the Mayor or the Mayor's authorised representative is accompanied by their partner, the Council will meet the cost of their travel, accommodation and incidental costs in line with this policy.</p> <p>The Chief Executive will authorise such expenditure where the partner's involvement directly contributes to a clear business purpose.</p> <p>The prior approval of Council is required for:</p> <ul style="list-style-type: none"> <li>Any travel by the Mayor outside New Zealand or Australia for the purpose of exploring partnerships, initiatives, facilities or operations which may be of benefit to Palmerston North.</li> <li>Any travel as part of a Sister City Delegation, where the cost of such travel is not wholly covered by the host city, or</li> <li>The associated travel, accommodation and incidental costs for the Mayor's partner to accompany the Mayor on overseas trips (excluding Australia).</li> </ul>

Expense or Allowance	Description
<b>Airline Club</b>	Given frequent travel requirements for the role, payment of an Air New Zealand Koru Club subscription.
<b>Entertainment and Hospitality</b>	<p>The Mayor holds a credit card to pay directly for any entertainment or hospitality expenses incurred while carrying out Council business. Full receipts and details of the names of parties entertained and reasons for the entertainment are to be provided.</p> <p>All expenditure on this card is approved by either the Chair of the Strategy &amp; Finance Committee or the Chair of the Risk &amp; Assurance Committee.</p>
<b>Provision of Equipment/Services</b>	<p>Council will provide the Mayor a:</p> <ul style="list-style-type: none"> <li>• Mobile phone;</li> <li>• Computer and/or laptop; and</li> <li>• An internet connection.</li> </ul> <p>In addition, the Council pays in full the Mayor's:</p> <ul style="list-style-type: none"> <li>• Home telephone rental, and associated toll charges;</li> <li>• Monthly mobile phone based rental, and all associated call charges.</li> </ul>

## 9. Additional Expenses and Allowances for the Deputy Mayor

Expense or Allowance	Description
<b>Car Parking</b>	Use of an assigned car park in the Civic Administration Building in addition to a car parking exemption card.
<b>Entertainment and Hospitality</b>	<p>The Deputy Mayor holds a credit card to pay directly for any entertainment or hospitality expenses incurred while carrying out Council business. Full receipts and details of the names of parties entertained and reasons for the entertainment are to be provided.</p> <p>All expenditure on this card is approved by either the Chair of the Strategy &amp; Finance Committee or the Chair of the Risk &amp; Assurance Committee.</p>
<b>Provision of Equipment/Services</b>	<p>Council will provide the Deputy Mayor a:</p> <ul style="list-style-type: none"> <li>• Mobile Phone;</li> <li>• Computer and/or laptop; and</li> <li>• An internet connection.</li> </ul>



Expense or Allowance	Description
	In addition, the Council pays in full the Deputy Mayor's: <ul style="list-style-type: none"> <li>• Monthly mobile phone based rental, and all associated call charges.</li> </ul>

## 10. Reporting of Expenses

All expenses (including the cost of taxis)<sup>1</sup> claimed by Elected Members are to be reported annually to the Strategy & Finance Committee (or equivalent committee).<sup>2</sup> This will include all discretionary expenditure of the Mayor and Deputy Mayor, including credit card expenses.<sup>3</sup>

## 11. Review of Policy

This policy applies from 17 November 2022 and will be reviewed at the beginning of every Council triennium. **The amounts payable as an allowance in this policy shall be adjusted automatically if changes are made by the Remuneration Authority.**

## 12. Remuneration as Determined by the Remuneration Authority

**LINK TO DETERMINATION TO BE ADDED ONCE AGREED.**

## 13 Participation in Hearings Allowance

Expense or Allowance	Description
<b>Allowance for Participating in a Resource Consent or District Plan Hearing</b>	Hearings Commissioners are accredited by completing the <i>Making Good Decisions</i> certification programme.  Elected Members who are accredited members of the Hearings Committee are entitled to receive additional payments in addition to their annual remuneration for: <ul style="list-style-type: none"> <li>• Resource Consent hearings under the Resource Management Act 1991 (RMA),</li> <li>• Resource Consent hearings under the Housing Accords and Special Housing Areas Act 2013 (HASHA),</li> <li>• District Plan hearings, and</li> <li>• Dog Control hearings under the Dog Control Act 1996</li> </ul>

<sup>1</sup> Included by resolution of Council 16 November 2022.

<sup>2</sup> On 16 September 2020, the Finance and Audit Committee resolved that all expense claims by Elected Members be reported annually.

<sup>3</sup> Further direction was given at the same meeting that the expenses of the Mayor and Deputy Mayor be reported separately. The Mayor and Deputy Mayor reporting was to address discretionary expenditure, itemised as: hospitality, training, travel, accommodation, gifts, credit card expenditure and the Mayoral Relief and Discretionary funds.

	<p>Council will pay the following hourly rate to Elected Members who participate in a hearing:          Chairperson - \$116 per hour          Hearing member - \$93 per hour</p> <p>Hearings Commissioners can claim for the time preparing for the hearing, which is paid at the same rate as attending hearings. Preparation could include:</p> <ul style="list-style-type: none"> <li>• time for reading,</li> <li>• attending onsite meetings, or</li> <li>• attending pre-hearing briefings and meetings.</li> </ul> <p>Hearings Commissioners can also claim for the time taken to attend a site visit.</p> <p>The Chair of a hearing may also be paid for time spent writing up the decision or communicating for the purpose of the written decision.</p> <p>Reimbursement for preparation should be reasonable and proportionate to the length of the hearing.</p> <p>The Mayor cannot receive fees for participating in resource consent hearings.</p> <p>Members are to claim by the quarter hour, and must submit a valid claim form.</p>
<p><b>Allowance for Participating in an Alcohol Licensing Hearing and District Licensing Committee meetings</b></p>	<p>Elected Members who are appointed members of the District Licensing Committee are entitled to receive additional payments in addition to their annual remuneration for:</p> <ul style="list-style-type: none"> <li>• Alcohol licensing hearings under the Sale of Liquor Act 2012</li> </ul> <p>Council will pay the following hourly rate to Elected Members who participate in an alcohol licensing hearing or meeting.</p> <p>Chairperson - \$78 per hour up to \$624 per day          Hearing member - \$51 per hour up to \$408 per day</p> <p>Members are to claim by the quarter hour and must submit a valid claim form.</p>