
REPORT 4
(1215/11/IM)

**Report of the Strategy and Policy Committee
Meeting of Thursday 19 April 2007**

Members: Mayor Prendergast, Councillors Armstrong (Chair), Ahipene-Mercer, Cook, Foster, Gill, Goulden, McKinnon, Morrison, Pepperell, Ritchie, Ruben, Shaw, Wade-Brown and Wain.

THE COMMITTEE RECOMMENDS:

- 1. ITEM 086/07P OTARI-WILTON'S BUSH – FINAL MANAGEMENT PLAN**
(1215/52/IM)(REPORT 1)

THAT Council:

- 1. Approve the final Otari-Wilton's Bush Management Plan and it being forwarded to the Minister of Conservation for final sign-off under the Reserves Act 1977.*

- 2. ITEM 088/07P PAYMENT OF ALLOWANCES AND REIMBURSEMENT OF EXPENSES TO ELECTED MEMBERS**
(1215/52/IM)(REPORT 3)

THAT Council:

- 1. Confirm its current rules and policies for the payment of allowances and the reimbursement of expenses to its elected members (including members of its community boards), as outlined in the attached application form (attached at Appendix 1 to this report, and that the application be referred to the Remuneration Authority for its approval.*

Note: The cover letter to accompany the application form will convey the view of the Strategy and Policy Committee that mileage allowances not applying to active modes is inconsistent with sustainable transport options.

Mayor Prendergast
Deputy Chair

Appendix One

**Local Government Act 2002
(Schedule 7, ss.6 to 13)**

**Remuneration Authority
P O Box 10084
Wellington 6143**

Date: 27 April 2007

**APPLICATION FOR APPROVAL OF EXPENSE RULES (INCLUDING
REIMBURSING ALLOWANCES) APPLICABLE TO ELECTED MEMBERS
OF LOCAL AUTHORITIES FOR PERIOD 1 JULY 2007 TO 30 JUNE 2008**

- 1. PLEASE COMPLETE ALL SECTIONS OF THIS APPLICATION FORM*
- 2. INCLUDE ANY EXPENSES RULES/ALLOWANCES PAYABLE TO MEMBERS OF ANY COMMUNITY BOARDS*

SECTION 1 - NAME OF LOCAL AUTHORITY

Contact person for enquiries:

Name: Ross Bly

Designation: Special Projects and
Electoral Officer

Email: ross.bly@wcc.govt.nz

Telephone: (04) 801-3484 (DDI)

Extension:

SECTION 2 - DOCUMENTATION OF POLICIES

List the local authority's policy documents which set out the policies, rules and procedures relating to the expenses and allowances payable to elected members.

Document name	Reference no. (if any)	Date
Policy on Payment of Elected Members' Allowances and Reimbursement of Expenses		April 2006
Elected Members' Mileage Policy		April 2006
Mobile Phone Policy		April 2006
Councillor Information Technology Policy		April 2006

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Councillor Stationery and Computer Consumables Policy	April 2006
Wellington City Council Travel and Accommodation Standard S-014	February 2007

(These documents do not need to be submitted with this application but you may do so if you wish.)

SECTION 3 - AUTHENTICATION OF EXPENSE REIMBURSEMENTS AND ALLOWANCES

Summarise the principles and processes under which the local authority ensures that expense reimbursements and allowances payable in lieu of expense reimbursements,—

- are in line with council policies
 - have a justified business purpose
 - are payable under clear rules communicated to all claimants
 - have senior management oversight
 - are approved by a person able to exercise independent judgement
 - are adequately documented
 - are reasonable and conservative in line with public sector norms
 - are, in respect of allowances, a reasonable approximation of expenses incurred on behalf of the local authority by the elected member
 - are subject to internal audit oversight.
-
- Comprehensive policy documents, copies of which have been included in our previous applications to the Remuneration Authority for approval of allowances and reimbursement of work related expenses for elected members.
 - The basis of reimbursement is “actual and reasonable” expense only.
 - In the case of one-off expenditure such as travel to conferences, the prior approval of Council must be given.
 - Full documentation of the policies are included in the Elected Members Handbook, copies of which are issued to all members.
 - Periodic reviews of all expense reimbursements are undertaken by the City Secretary on a random basis.
 - All expense claims are approved by the City Secretary. Full receipts are required.
 - Policies set by the Council reflect public sector norms of reasonableness and conservatism.
 - Allowances have been calculated as carefully as possible to approximate expenditure to which allowances relate.
 - Work undertaken by Risk Assurance includes random checks on expense claims and allowances paid to elected members and staff.

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SECTION 4 - VEHICLE PROVIDED

Are any elected members provided with use of a vehicle, **other than** a vehicle provided to the Mayor or Chair and disclosed in the remuneration information provided to the Remuneration Authority?

NO

(If Yes - provide full details here.)

SECTION 5 - MILEAGE ALLOWANCES

1. Rate(s) of allowances paid per kilometre:

70 cents per kilometre

2. How rate calculated (if different from maximum set by Remuneration Authority)

Not applicable.

3. Restrictions on mileage claims

(Summarise any restrictions on mileage claims)

- Reimbursement will only be made when travelling to Council-approved meetings and functions.
- Reimbursement can only be claimed for actual travel by private motor vehicle or by public transport.
- Claims for reimbursement must reflect the most direct route between the elected member's normal place of residence and the venue of the Council approved meeting or function.
- Travel expenses funded or claimed in full or in part from or by any other person, body corporate or through the tax system cannot be claimed.
- Travel expenses that would be incurred regardless of whether or not an elected member attends a Council meeting or function are not claimable.
- Where an elected member uses the car park under the Civic Centre daily, as a permanent park to attend his/her place of employment, then no mileage costs can be claimed for attending meetings.
- All mileage claims will be subject to audit by Democratic Services or Risk Assurance.

SECTION 6 - TRAVEL AND ACCOMMODATION

(Mileage Claims - refer Section 5)

Taxis and other transport

Are the costs of taxis or other transport reimbursed or an allowance paid? YES

(If Yes, state policy. Include any policy on the use of taxi chits/taxi cards)

- No allowances are paid.
- Costs of travelling by public transport to and from Council-approved meetings and functions and for attendance at conferences or seminars approved by the Council are reimbursed (on production of receipts).
- Taxi chits are provided when required.

Carparks

Are carparks provided? YES

(If Yes, summarise policy including any restrictions on private use)

- Car park provided 24/7.
- No restrictions on private use.
- Car licence plates must be registered with Democratic Services and security staff

Use of rental cars

Are rental cars ever provided? YES (but

(If Yes, summarise policy including any restrictions on private use)

very rarely)

- If travel to a conference has been approved by Council and the cost of a rental car is cheaper than mileage allowance or air fare.

Air Travel Domestic

Summarise the rules for domestic air travel.

- For travel to conferences/seminars etc approved by Council (in advance) where travel by air is the most economic way.
- All travel booked through Democratic Services.
- Compliance in all respects with the Council's Travel and Accommodation Standard. (See Section 2).

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Air Travel International

Summarise the rules for international air travel (including economy class, business class, stopovers)

- For travel approved by in advance by the Council.
- All travel booked through Democratic Services.
- Economy class for flights up to 8 hours.
- Business class travel approved for flights over 8 hours.
- Compliance in all respects with the Council's Travel and Accommodation Standard. (See Section 2).

Airline Clubs/Airpoints/Airdollars

Are subscriptions to airline clubs (such as the Koru Club) paid or reimbursed? NO

(If Yes, summarise policy)

NO

Are airpoints or airdollars earned on travel, accommodation etc., paid for by the local authority available for the private use of members?

SECTION 6 (CONTINUED)

Accommodation costs whilst away at conferences, seminars, etc.

Summarise the rules on accommodation costs.

- Actual and reasonable costs reimbursed.
- Designated hotels to be used where possible.
- All accommodation booked through Democratic Services.

Meals and sustenance, incidental expenses

Summarise the rules on meals, sustenance and incidental expenses incurred when travelling. (If allowances are payable instead of actual and reasonable reimbursements, state amounts and basis of calculation.)

- Reimbursement of meal costs, either payment of the agreed meal allowance or reimbursement based on actual and reasonable costs.
- No reimbursements for purchases from hotel mini-bars and charges for in-room video or cable movies.
- No reimbursement for meals provided by others.
- No incidental allowances are paid for travel within New Zealand.

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Private accommodation paid for by local authority

Is private accommodation (for example an apartment) provided to any member by the local authority? NO

(If Yes, give details)

Private accommodation provided by friends/relatives

Are allowances payable in respect of accommodation provided by friends/relatives when travelling on local authority business? YES

(If Yes, state quantum, basis of calculation and compare with standard allowances payable)

- Elected members travelling on Council business who choose to stay privately are paid an allowance of \$60 per night, which includes the cost of accommodation breakfast and dinner.

SECTION 7 - ENTERTAINMENT AND HOSPITALITY

Are any hospitality or entertainment allowances payable or any expenses reimbursed? NO

(If Yes, summarise policy, including amounts of any allowances and basis of calculation)

SECTION 8 - COMMUNICATIONS AND TECHNOLOGY

Equipment and technology provided to elected member

Is equipment and technology provided to elected members for use at home on council business?

PC or Laptop YES

Fax NO

Printer YES

Broadband YES

Second landline to house NO

Consumables and stationery YES

Mobile Phone YES

Other equipment or technology* NO

*(*If Yes, specify)*

Are any restrictions placed on private use of any of the above? YES

(If Yes, describe rules)

- Equipment not to be used for electioneering purposes.

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SECTION 8 (CONTINUED)

Home telephone rental costs and telephone calls (including mobiles)

Are telephone rental costs reimbursed in whole or part? YES (for mobile phones)

(If Yes, state percentage) Please see below.

Are telephone call expenses reimbursed in whole or part? YES
(If Yes, describe process)

- Reimbursement of up to \$85 per month or the actual amount of the account, whichever is the smaller, is made to elected members for mobile phones provided (excluding community board members).
- This reimbursement includes the monthly rental costs of \$28.

Allowances paid in relation to communication and/or technology provided by elected member

Are any allowances paid in relation to communications and/or technology provided by the member relating to council business? YES
(If Yes, in each case describe rules and explain how allowance calculated)

- A reimbursement allowance of \$60 per month is paid to elected members (excluding community board members) towards the monthly rental and usage charges for broadband.
- The calculation of the allowance is based on the average costs charged by a range of service providers.

SECTION 9 - PROFESSIONAL DEVELOPMENT, CLUBS AND ASSOCIATIONS`

Are any expenses reimbursed or allowances paid in respect of members' attendance at professional development courses, conferences and seminars? YES

(If Yes, describe - including how any allowances are calculated)

- No allowances are paid.
- Course registration fees are paid subject to the approval of the City Secretary.

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Are any expenses reimbursed or allowances paid in respect of subscriptions to clubs or associations?

NO

(If Yes, describe - including how any allowances are calculated)

SECTION 10 - OTHER EXPENSE REIMBURSEMENTS AND ALLOWANCES

Are any other expense reimbursements made or allowances paid?

YES

(If Yes, describe - including how any allowances are calculated)

- A home-based technology allowance of \$45 per month is paid to the Chairs of the Tawa and Makara/Ohariu Community Boards to reimburse the incumbents of those positions a portion of the communication costs (i.e. business related telephone calls, internet connection, fax machines etc) incurred by them in carrying out their duties.

Footnotes:

1. Include in this section any expense reimbursements or allowances paid not covered by earlier sections of this form.
2. Include in this section reimbursements of expenses of spouses/partners or allowances paid to them.
3. Include in this section details of any accident insurance provided if the proceeds are payable to the elected member or estate.

SECTION 11 - TAXATION OF ALLOWANCES

Are any allowances (as distinct from reimbursements of actual business expenses) paid without deduction of withholding tax?

YES

(If Yes, specify amount and nature of allowance)

- Withholding tax is deducted from the mileage allowances paid but is not deducted from any of the other allowances paid (i.e. the mobile phone or broadband allowances).

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SECTION 12 - SIGNATURE

I seek approval from the Remuneration Authority, in relation to the period 1 July 2007 to 30 June 2008, of the expense reimbursement rules and payments of allowances applicable to elected members as set out in this document.

The approved document and any attachments will be available for public inspection in accordance with the Remuneration Authority's determination.

Signature

Designation

Date