

Elected Members Expense Policy 2025- 2028

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1 INTRODUCTION

1.1 PURPOSE

The purpose of this policy is:

- To ensure clarity around what expenses, reimbursements, and resources are available to elected members in carrying out their official duties.
- To ensure that use of public funds (rates / taxpayer dollars) are made in a manner that is transparent, defensible, and in line with the community's expectations.
- To guard against misuse of funds, ensure consistency, fairness, and that claims are reasonable, moderate, and properly documented.
- To provide elected members with certainty and guidance about their entitlements.

1.2 SCOPE

- Applies to all elected members of the Buller District Council (including the Mayor, Councillors, and where relevant, Community Boards).
- Covers eligible expenses such as travel, mileage, communication, conferences, training, and other specific allowances as defined by the Remuneration Authority and by Council policy.
- Applies only while members are performing official Council business (not private or electioneering activities)

1.3 BACKGROUND

- Under the *Local Government Act 2002* elected members are required to act in accordance with transparent, accountable, and prudent financial practices.
- The *Remuneration Authority Act 1977* gives the Remuneration Authority power to set remuneration, allowances, and define rules for reimbursing expenses for elected members.
- The *Local Government Members Determination* (or *Local Government Members Determination*, as updated annually) prescribes what expenses are eligible for reimbursement, sets rates (e.g. mileage, communication) and allowances, and establishes maximums.

1.4 PRINCIPLES

- **Transparency & Accountability:** All claims should be documented, approved, and available (to some extent) to the public to maintain trust.
- **Reasonableness & Moderation:** Claims must be reasonable in the circumstances; not lavish or unnecessary.
- **Consistency:** All members treated equitably under the same rules.
- **Compliance:** Adherence to the Remuneration Authority's determinations and relevant legislation.
- **Fiscal Prudence:** Ensuring that expenses are incurred in a way that seeks value for money, mindful of ratepayer funds.



2 POLICY

2.1 AUTHENTICATION OF EXPENSE REIMBURSEMENTS AND ALLOWANCES

From time to time elected 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 members personally, and only while they are acting in their official capacity as elected members.

Costs for expenses must have a justifiable 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:

- Expenses and reimbursement for the Mayor is approved by the Independent Chair of the Risk and Audit Committee.
- Expenses and reimbursement for Elected Members is approved by the Independent Chair of the Risk and Audit Committee and the Mayor.
- Any expenses to be reimbursed must be on an actual and reasonable basis and in line with Council policy.
- Cost reimbursements will be made via the payroll system.

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, travel time and communications, all limits set in this document do not exceed the Remuneration Authority's Determination.

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

2.2 ALLOWANCES AND EXPENSES

1. Transport options when not using private/council vehicles - taxis/ride share/public transport.

When travelling, elected members should consider the most cost effective method of transport considering distance to travel and availability of the transport options. I.e. ride share services/public transport services are not always available in every town.

Rental cars should only be considered as an option where multiple elected members are travelling to areas where the identified travel options don't exist, or the elected member is staying away overnight and has luggage with them.

Costs paid for directly by the individual for travel within in New Zealand or for international travel will be reimbursed on presentation of actual receipts.

2. Travel and Attendance at Conferences / Seminars / Training Programmes

Prior approval is required for all attendances.

All elected members are entitled to payment of actual and reasonable registration, travel, accommodation, meal, and related incidental expenses (including travel insurance) incurred in attendance at these events, held both within New Zealand and overseas, subject to:



- a) related expenditure being accommodated within existing budgets, and
- b) the appropriate approvals as outlined in this policy.

and excluding reimbursement for purchases from hotel mini-bars and charges for in-room video or cable movies.

All travel and accommodation arrangements for elected members are to be made by Governance Support officers 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.

3. Exceptional Circumstances for Council Related Meetings

Staff may arrange overnight accommodation paid for by the Council when travel or business requirements do not allow for the return on the same day, e.g., if it is unreasonable for an elected member to travel to their home after a late meeting.

4. Domestic Air Travel

All elected members are entitled to utilise domestic air travel for council related travel, generally where travel by air is the most cost effective travel option.

5. International Air Travel

As a general policy all elected member international air travel is by way of economy class, where all or part of the costs of the fares are to be met by the Council.

The approval of the Council is required for exceptions, e.g., where Premium Economy or the equivalent air travel is desirable for health or other compelling reasons.

6. Air Points

Council will not provide or maintain 'Airpoints' or 'Airdollars' subscriptions or programmes for elected members.

7. Parking Expenses

Reimbursement of casual car parking costs related to community board or council business.

This will be on receipt of a signed claim accompanied by a receipt.

2.3 ALLOWANCES FROM THE RENUMERATION AUTHORITY DETERMINATION

1. Vehicle-Kilometre Allowance (Mileage)

- (1) A local authority may pay to a member a vehicle-kilometre allowance to reimburse that member for costs incurred in relation to eligible travel.
- (2) A member's travel is eligible for the allowance if—
 - (a) it occurs at a time when the member is not provided with a motor vehicle by the local authority; and
 - (b) the member is travelling—
 - (i) in a private vehicle; and
 - (ii) on local authority business; and
 - (iii) by the most direct route that is reasonable in the circumstances.
- (3) The allowance payable to a member for eligible travel is, —
 - (a) for a petrol or diesel vehicle, —
 - (i) \$1.17 per kilometre for the first 14,000 kilometres of eligible travel in the determination term; and



- (ii) 37 cents per kilometre after the first 14,000 kilometres of eligible travel in the determination term;
- (b) for a diesel vehicle, -
 - (i) \$1.26 per kilometre for the first 14,000 kilometres of eligible travel in the determination term; and
 - (ii) 35 cents per kilometre after the first 14,000 kilometres of eligible travel in the determination term;
- (c) for a petrol hybrid vehicle, —
 - (i) 86 cents per kilometre for the first 14,000 kilometres of eligible travel in the determination term; and
 - (ii) 21 cents per kilometre after the first 14,000 kilometres of eligible travel in the determination term;
- (d) for an electric vehicle, —
 - (i) \$1.08 per kilometre for the first 14,000 kilometres of eligible travel in the determination term; and
 - (ii) 19 cents per kilometre after the first 14,000 kilometres of eligible travel in the determination term.

2. Home Security System Allowance

Allowance

Members can be reimbursed expenses of having a home security system installed and monitored up to a maximum of:

- \$4,500 for installing the system; and
- \$1,000 in any year for monitoring, call-outs, and repairs.

Security threat and risk assessment procedure

Members may only be reimbursed for these expenses following a security threat and risk assessment authorised by the Council, undertaken by a suitably qualified person or organisation. Council will reimburse the cost of a security threat and risk assessment.

Approvals of claims for reimbursement for both the security threat and risk assessment, and expenses related to installation and monitoring, call-outs, and repairs of the system are subject to the same approvals process as outlined in Clause 2.1 of the Elected Member Expense Policy 2025-2028.

Members who have previously claimed this allowance should satisfy the approvers that their primary residence has changed, or that the system previously claimed is out of date and recommended to be replaced by a suitably qualified person or organisation. This must be documented with evidence to the approver's satisfaction.

Supplementary security expenses above allowance limit

A member may also be reimbursed for additional expenses for the provision of supplementary security measures at their primary place of residence within the Council area if the security threat and risk assessment recommends that those supplementary security measures be provided to the member.

Approval of supplementary security expenses are subject to approval by the Remuneration Authority, on application from the Council.

Approval of applications to the Remuneration Authority under this clause are to follow the same

process as approval of claims in Clause 2.1 of the Elected Member Expense Policy 2025-2028.

3. Taxation of Allowances

Any allowances (separate from the reimbursement of actual business expenses) are subject to deduction of withholding tax.

3 RELATED POLICIES

Buller District Council Sensitive Expenditure Policy

Public Audit Act 2001

<https://www.legislation.govt.nz/act/public/2001/0010/latest/DLM88541.html>

Local Government Act 2002

<https://www.legislation.govt.nz/act/public/2002/0084/latest/DLM170873.html>

Remuneration Authority Determination 2025/26

<https://www.legislation.govt.nz/regulation/public/2025/0140/latest/LMS1450171.html>

4 MONITORING

This policy will be monitored by the Governance Services Team.

5 POLICY REVIEW

This policy will be reviewed in line with the Remunerations Authority Determination..

Document History

DATE	DETAILS
02/10/2025	Created by the Governance Secretary.
16/10/2025	Approved by the Chief Executive Officer
16/10/2025	Published to the website and uploaded for Elected Members