

Bylaw and Policy Committee

AGENDA

Notice of Meeting:

A meeting of the Bylaw and Policy Committee will be held on:

Date: Thursday 19 March 2020
Time: 10.30am
Venue: Council Chamber
137 Havelock Street, Ashburton

Membership

Chairperson	John Falloon
Deputy Chairperson	Angus McKay
Members	Rodger Letham Liz McMillan Stuart Wilson Mayor Neil Brown (ex-officio)

Bylaw and Policy Committee

Timetable	
10.30am	Meeting commences

ORDER OF BUSINESS

- 1 Apologies**
- 2 Extraordinary Business**
- 3 Declarations of Interest**

Minutes

- | | | |
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13 March 2020

4. Bylaw and Policy Committee minutes

Minutes of the Bylaw and Policy Committee meeting held on Thursday 4 February 2020, commencing at 9.00am, in the Council Chamber, 137 Havelock Street, Ashburton.

Present

His Worship Neil Brown (Mayor); Councillors John Falloon (Chair), Rodger Letham, Angus McKay, Liz McMillan and Stuart Wilson.

In attendance

Hamish Riach (Chief Executive), Jane Donaldson (GM Strategy and Compliance), Toni Durham (Strategy & Policy Manager), Rachel Thomas (Policy Advisor) and Carol McAtamney (Governance Support Officer).

1 Apologies

Nil.

2 Conflict of Interest

Nil.

3 Extraordinary Business

Nil.

Presentation

Rachel Thomas presented an introduction to Bylaws and Policies detailing the role of this committee, the difference between bylaws and policies and the processes of establishing bylaws and policies.

4 Bylaw & Policy Committee Terms of Reference

Recommendation to Council

That Council adopts the Terms of Reference for the Bylaw and Policy Committee.

Wilson/McMillan

Carried

5 Bylaw and Policy Review Update

Recommendation to Council

- 1. That** Council receives the report.
- 2. That** Council approves the policy projects for 2020.

Letham/McMillan

Carried

5.2 Procurement Policy

Recommendation to Council

That Council adopts the revised Procurement Policy.

Mayor/McKay

Carried

7 Review of Local Government Official Information and Meetings Act 1987 Requests Policy

Recommendation to Council

That Council adopts the revised Local Government Official Information and Meetings Act 1987 Requests Policy.

McMillan/Wilson

Carried

8 Review of Assets Disposal Policy

Recommendation to Council

That Council adopts the revised Asset Disposal Policy enclosed as Appendix One subject to a definition of a community group being provided to Council for a decision.

Wilson/Letham

Carried

Post meeting note: The following definition of a community group has been added to the Asset Disposal Policy
Community Group means a not-for-profit community organisation based in the Ashburton District.
This definition excludes Reserve Boards and Memorial Hall Boards, which have been included in the 'Managers' definition.

The meeting concluded at 9.55am.

5. Bylaw and policy review update

Author	<i>Rachel Thomas; Policy Advisor</i>
Activity Manager	<i>Toni Durham; Strategy and Policy Manager</i>
GM Responsible	<i>Jane Donaldson; Group Manager Strategy and Compliance</i>

Summary

- The purpose of this report is to provide an update of bylaws/policies currently under review, and upcoming reviews in 2020

Recommendation

- 1. That** Council receives the bylaw and policy review report.

Background

1. This section provides an update on current policy projects recently completed or in progress.

Included in this agenda

2. This agenda includes:
 - **Property Leases and Licences Policy update** – An update report has been prepared to introduce the principles of the policy to the committee
 - **Sensitive Expenditure Policy** – minor amendments, structure change, proposed increase of accommodation expenditure from \$190 to \$200 per night (inc GST).

Under review

Revenue and Financing Policy

3. Workshops have been held on this policy to discuss the high-level strategy, and introduce key projects within the review (such as the review of the drinking water rate). The next workshop is on the Stockwater rate (26 March). This policy project is on schedule, with community consultation planned for June-July.

Development and Financial Contributions Policy

4. A report on the Phase One work on this Policy is going to Audit, Finance and Risk on 19 March 2020. This policy project is on schedule, with community consultation planned for June-July.

Stormwater Bylaw

5. This policy aims to provide the regulatory tools to ensure that Council can achieve compliance with the conditions of the global stormwater consent obtained in 2019. Officers have done some initial research and work will resume when some other policy projects, specifically the Property Leases and Licences policy, is more advanced.

Policies on future agendas

Art Collection Management Policy – **Community Services Committee (23 April)**

6. This policy sets out how the collection of art works owned by Council is managed. Officers are planning to invite Shirin Khosraviani, Director of the Ashburton Art Gallery, to brief Councillors on 26 March on the condition of the civic art collection.

Backflow Prevention Policy – **Infrastructure Services Committee (4 June)**

7. This policy aims to mitigate and minimise the risk of backflow contamination of the Ashburton District Council drinking water supply networks. Officers are yet to begin this work.

Library Collection Management Policy – **Community Services Committee (23 April)**

8. This policy sets out how the collection of library materials held in the Ashburton public Library is managed including acquisition and disposal.

Options analysis

9. The only feasible option is to receive the report. There are no disadvantages.

Legal/policy implications

10. The review of each document will address the requirements under various Acts of Parliament. Further details will be provided in each specific report.

Financial implications

11. There are no financial implications and no budgetary impacts.

Significance and engagement assessment

12. Significant and engagement assessments are provided under each specific report

6. Sensitive expenditure policy

Author	<i>Rachel Thomas; Policy Advisor</i>
Activity Manager	<i>Toni Durham; Strategy and Policy Manager</i>
GM Responsible	<i>Jane Donaldson; Group Manager Strategy and Compliance</i>

Summary

- The purpose of this report is to consider the review of the Sensitive Expenditure Policy, which provides a framework for managing sensitive expenditure and related conflicts of interest, and is applicable to staff and elected members.
- Officers recommend updates to the policy to ensure consistency with other Council policies, including the external Elected Members' Allowances and Reimbursement Policy, and various internal policies.
- Several changes are proposed to the structure of the policy but only minor changes are proposed to the content. The notable change is the proposed increase in the accommodation expenditure from \$190 to \$200 per night (inc GST).

Recommendation to Council

- 1. That** Council adopts the revised Sensitive Expenditure Policy with the next review scheduled for 2025.

Appendix 1	Changes proposed
Appendix 1	Accommodation analysis
Appendix 3	Draft policy

Background

Current situation

1. Sensitive expenditure is spending by Council seen to give some benefit to an employee or elected member, or spending considered unusual (e.g. travel and accommodation expenditure).
2. The existing Sensitive Expenditure Policy ('the policy') covers a range of matters where: a personal benefit may occur, a conflict of interest may arise, spending is considered unusual (or not core business), or where spending may be considered extravagant. The policy was last reviewed in 2017 therefore is being reviewed as scheduled.
3. The policy applies to both employees and elected members. For employees, the policy should be read alongside the external Procurement Policy, and the internal Corporate Gifts Policy, and Council Vehicle Use & Eligibility Policy. For elected members, the policy should be read alongside the Elected Members' Allowances and Reimbursement Policy, and the Code of Conduct.
4. The review has included: discussion with relevant officers, internal engagement with managers, assessment of market costs for accommodation/travel needs, analysis of other councils policies, and comparison against existing Council policies.
5. Officers had initially proposed the idea of this policy as an internal document, however have identified the need for an external document to ensure transparency. The new policy specifies which clauses apply to employees only, and which to both employees and elected members. Some aspects are covered under the Elected Members' Allowances and Reimbursement Policy 2019 (such as vehicle mileage) therefore it is important to make this distinction.
6. The table below details what is contained in the two policies:

Draft Sensitive Expenditure Policy 2020	EM Allowances and Reimbursement Policy 2019
Employees only: <ul style="list-style-type: none">• Use of private vehicles• Catering for meetings held internally• Credit card usage• Good and services expenditure (loyalty rewards)• Private use of Council assets• Council use of private assets• Private use of Council suppliers	Elected members only: <ul style="list-style-type: none">• Communications equipment• Vehicle mileage• Mayoral vehicle• Travel time• Childcare allowance

Draft Sensitive Expenditure Policy 2020	EM Allowances and Reimbursement Policy 2019
<p>Employees and elected members:</p> <ul style="list-style-type: none"> • Introduction, Application, Principles • Approval and Reimbursement of Sensitive Expenditure • Travel and accommodation expenditure • Vehicle and taxis • Fines incurred in relation to vehicles • Parking • Tipping • Private arrangements and stopovers • Entertainment and hospitality expenditure • Koha and donations • Failure to comply 	

Previous Council decision or direction

7. When the policy was reviewed in 2017 the majority of changes were minor wording and structure changes. The notable changes included:
- increasing the accommodation limit from \$180 to \$190 per night;
 - reducing the meal allowance from \$60 per meal, to \$30 for each breakfast and lunch, and \$60 for dinner; and
 - permitting catering for internal meetings where an external party is attendance.

Interested and affected parties

8. These include:
- elected members and Council employees,
 - the community in general as ratepayers, and
 - the Business Support, People and Capability, and Executive teams of Council.

Internal consultation

9. Managers were given the opportunity to comment on the meals and accommodation allowances in the policy. In general, managers support the allowances as detailed in the policy. Some concerns were raised regarding the \$190 per night for accommodation as not being sufficient.

Issues

Accommodation

10. The accommodation amount was increased during the last review from \$180 to \$190 per night (inc GST). Offices have assessed market rates at popular hotels in main cities (see Appendix Two) and determined this expenditure should be increased to \$200 per night. Generally, accommodation can be found for less than \$200, however of the hotels sampled in Auckland the average nightly rate was \$191. Furthermore, this policy will not be reviewed again for five years during which time prices are likely to increase.
11. There is an expectation staff will look for an economical option. Often when conferences are held, hotel rates can be higher than usual.

What do others do?

12. Not all councils choose to adopt an external policy. Of those that do, many (including Council's policy) are based on the document [Controlling sensitive expenditure: guidelines for public entities](#) produced by the Office of the Controller and Auditor General.

Options analysis

Option One – roll over the Sensitive Expenditure Policy (status quo)

13. Under this option, the policy would be rolled over. This option has no advantages as Council would be missing an opportunity to align the policy with current practice.

Option Two – amend the Sensitive Expenditure Policy (recommended)

14. This option proposes a number of changes to ensure clarity and consistency (detailed in Appendix One). The only substantive change proposed is increasing the accommodation allowance from \$190 to \$200 per night.
15. If the recommendation were supported to adopt the amended policy (Appendix Two) then the policy would remain external. This means elected members will oversee the review of the policy every five years. The alternative is to remove the policy and develop an internal document. This is an entirely feasible option, but is not recommended for reasons detailed in the table below.

Advantages of maintaining the policy	Disadvantages of maintaining the policy
<ul style="list-style-type: none">Best practice – the Office of the Controller and Auditor General recommend all entities should consider sensitive	<ul style="list-style-type: none">Inconsistent approach – other similar matters are managed with internal policies therefore there is a good argument that the

Advantages of maintaining the policy	Disadvantages of maintaining the policy
<p>expenditure. The policy is a documented form of this commitment.</p> <ul style="list-style-type: none"> • Transparency and certainty – maintaining the policy as external provides a transparent approach. • Elected members retain oversight– over the expenditure limits (i.e. for meals and accommodation). • Alignment with other Council policies – the amendments proposed align with current practice. 	<p>policy should be an internal not an external document.</p> <ul style="list-style-type: none"> • Resource required for review – if a policy is maintained, staff and elected member time would be required to review the policy. For an external policy, this takes an estimated minimum staff time of 12 hours, plus the time taken for management and Executive Team approval, and for elected members to review and debate the policy.

Option Three – remove the Sensitive Expenditure Policy

16. As per the table below, officers see few advantages in this option.

Advantages of removing the policy	Disadvantages of removing the policy
<ul style="list-style-type: none"> • The only advantage of having no policy would be that no resource would be required for review. 	<ul style="list-style-type: none"> • Having no policy means there would be no standards for probity to ensure financial prudence. • Council would face reputational risk if staff or elected members incurred extravagant expenditure.

Legal/policy implications

Local Government Act 2002

17. While there is no specific legislative mandate to adopt a sensitive expenditure policy, Council has a responsibility to adhere to principles of financial management. Under the Local Government Act 2002, Council must act prudently and in a manner that promotes the current and future interests of its community.

Financial implications

Requirement	Explanation
What is the cost?	This varies depending on the type of expenditure incurred. Costs are met from within managers' budgets.
Is there budget available in LTP / AP?	Yes
Where is the funding coming from?	Various sources depending on the type of expenditure. For instance, individual managers are responsible for setting budgets related to team expenditure for conferences and training etc.
Are there any future budget implications?	No – however, if the expenditure limits are increased managers will need to consider this for future budgets.
Finance review required?	No

Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Low – not significant
Level of engagement selected	Inform – one way communication
Rationale for selecting level of engagement	The low level of significance means the community only need to be informed about this policy. Community interest is unlikely. Internal consultation has been carried out with Council officers who generally support the policy.
Reviewed by Strategy & Policy	Toni Durham; Strategy & Policy Manager

Next steps

Date	Action / milestone	Comments
9 April 2020	Council adopt policy	
2025	Review policy	May be reviewed earlier if required

Appendix one

Table 1 – Details of changes proposed

Clause	Action/rationale
Related documents	Updated to reflect the amended titles of documents. Removed – ADC Procurement Strategy, and Civil Defence Plan.
Objective	Minor update
Definitions	<p>New definitions included for:</p> <ul style="list-style-type: none"> • Actual – recommended by the OAG • Council business – to align with the definition in the Elected Members’ Allowances and Reimbursement Policy (EM Allowances Policy) • Employee – for clarity • Elected member – for clarity and alignment with the EM Allowances Policy • Koha – for clarity • One-up approval – for clarity • Reasonable – recommended by the OAG • Sensitive expenditure – definition amended for clarity
1. Introduction	Amended to ensure clarity.
2. Application	Amended to clarify some sections of the policy apply to both employees and elected members, and some to employees only.
3. Principles	The principles remain the same, however have been updated to ensure clarity and alignment with the EM Allowances Policy.
4. Approval and reimbursement of sensitive expenditure	New section included which details the one-up approvals required. This information had previously been located in the credit card usage section, however should apply more widely to all types of sensitive expenditure.
5. Sensitive expenditure application to both employees and elected members (this section introduces a new structure for the policy)	
5.1 Travel and accommodation expenditure	<p>Air travel - further detail has been included in this section to ensure clarity and align with current practice.</p> <p>Accommodation – section summarised, increase from \$190 per night to \$200 per night (inc GST).</p>
5.2 Vehicles and taxis	Use of ‘motor’ removed from this section as this excludes electric vehicles. Details on fines now included in new section.
5.3 Fines incurred in relation to vehicles	New clause, however the intent remains the same – fines must be paid by the driver.
5.4 Parking	Minor rewording for clarity.
5.5 Tipping	Minor rewording for clarity.

Clause	Action/rationale
5.6 Private arrangements and stopovers	Minor rewording for clarity.
5.7 Entertainment and hospitality expenditure	Requirement that this expenditure is pre-approved, where possible, and supported by clear documentation.
5.8 Koha and donations	Koha and donations sections combined. Koha amount of \$1,000 remains the same.
6. Sensitive expenditure applicable to employees only (this section introduces a new structure for the policy)	
6.1 Use of private vehicle	Minor rewording to ensure clarity and alignment with the EM Allowances Policy.
6.2 Catering for meetings held internally	Section summarised to remove duplication from elsewhere in the policy.
6.3 Credit card usage	Details of one-up approval has been removed from this section and moved to the general section regarding approval and reimbursement. New statement included stating the card holder is responsible for all purchases made using their card.
6.4 Goods and services expenditure (loyalty rewards)	Minor rewording for clarity.
6.5 Private use of Council assets	Minor rewording for clarity.
6.6 Council use of private assets	Minor rewording for clarity.
6.7 Private use of Council suppliers	No change.
7. Failure to comply	Applies to both employees and elected members.

Table 2 - Clauses recommended for removal

Clause	Action/rationale
Exercising judgement	Clause removed as this duplicates the information in the 'principles' section.
Disposal of surplus assets	Clause removed as this is covered under the Asset Disposal Policy.
Donations	Clause now combined with koha clause.
Gifts	Clause removed as this is covered under the internal Corporate Gifts Policy.

Appendix two – accommodation analysis

	Auckland	Christchurch	Wellington	Dunedin	Queenstown	Hamilton
Amount per night incl (GST)	President \$155 Adina \$224 Heritage \$212 Albion \$155 Barclay \$214 Quest on Eden \$206 Auckland Harbour \$228 Grand Central \$134	103 Prince of Bealey \$144 Distinction \$272 Hotel 115 \$216 Heartland \$167 Arden \$159 Pomeroy's on Kilmore \$195 Hotel Carlton Mill \$125 CentrePoint on Colombo \$167	Copthorne \$170 Quest \$153 Oaks \$190 Bay Plaza \$155 Trinity \$202 West Plaza \$199 James Cook \$202 Distinction \$237	Victoria \$153 Chamberson \$188 Quest \$249 Law Courts \$111 Allan Court \$158 Kingsgate \$242 Scenic Southern Cross \$218 Euro \$178	Mercure \$215 Swiss-Belsuites \$171 Heritage \$191 Melbourne Lodge \$189 Garden Court \$199 Ramada \$188 St James \$160 Hurley's of Queenstown \$172	Distinction \$150 Heartland Ambassador \$157 Camelot on Ulster \$178 Ventura \$158 Atrium \$156 Ashwood Manor \$184 Parkview \$180 Novotel \$241
Average	\$191	\$180	\$188.50	\$187.13	\$185.62	\$175.5

Policy

DRAFT SENSITIVE EXPENDITURE POLICY

TEAM:	People and Capability, Governance
RESPONSIBILITY:	Manager People and Capability, Governance Team Leader
ADOPTED:	TBC
REVIEW:	Every five years, or as required
CONSULTATION:	Internal consultation with employees
RELATED DOCUMENTS:	<p>Council policies and strategies include:</p> <ul style="list-style-type: none">Code of Conduct (Council and Methven Community Board)Conflicts of Interest Policy (internal)Corporate Gifts Policy (internal)Delegations ManualElected Members' Allowances and Reimbursement PolicyFraud and Corruption PolicyProcurement PolicyVehicle Use & Eligibility Policy (internal) <p>Relevant legislation includes but is not limited to:</p> <ul style="list-style-type: none">Commerce Act 1986Sale of Goods Act 1908Fair Trading Act 1986Consumer Guarantees Act 1993Public Finance Act 1989Financial Reporting Act 1993Privacy Act 1993Official Information Act 1982Local Government Act 2002Local Government Official Information and Meetings Act 1987Public Audit Act 2001

Policy objective

This policy provides a framework for managing sensitive expenditure and any related conflicts. The purpose is to ensure that all Council expenditure is undertaken in ways that are transparent, appropriate, conservative and has a justifiable business purpose.

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Definitions

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

Council means Ashburton District Council.

Council business (in the context of sensitive expenditure) means attendance at meetings/events for work purposes, which include:

- Conferences
- Training courses
- Statutory hearings
- Meetings with stakeholders and/or community members
- Fact-finding or investigative travel
- Travel as part of a Sister/Friendship City Delegation, where the host city does not wholly cover the cost of such travel.

Council business shall be performed in accordance with all other relevant Council policies and guidelines. Meetings/events which are primarily a social activity, such as recreational events including concerts or sporting games, are specifically excluded from the Council business definition.

Note – the Elected Members' Allowances and Reimbursement Policy contains an elaborated version of this definition to account for circumstances relevant to matters in that policy.

Credit card includes vehicle fleet cards, purchase cards and equivalent cards used to obtain goods and services before a payment is made.

Employee means a person employed by the Ashburton District Council on a temporary, permanent or contractual basis.

Elected member means the mayor, any councillor or Methven Community Board member.

Koha is a gift, present, offering, donation or a contribution. A koha is often given as a sign of appreciation to maintain social relationships.

One-up approval is approval granted by a person senior to the person who will benefit, or who might be perceived to benefit, from a purchase. In most instances, this will be the manager, group manager or Chief Executive.

Reasonable means that it is appropriate, fair, moderate, sensible, and within the amount specified by this policy or as deemed reasonable by the appropriate one-up approval.

Sensitive expenditure means any expenditure which could, or could be seen to, give an unjustifiable private benefit to an individual additional to the Council benefit for which the expenditure is incurred. Examples of sensitive expenditure include (but are not limited to) travel to desirable locations, business class travel, expensive hotel stays, entertainment, employee recognition and gifts.

Supplier means a current or potential provider of goods or services to Council.

Policy statement

1. Introduction

- 1.1. From time to time, employees and elected members incur expenses which are considered 'sensitive expenditure'. Reimbursement of these expenses is only available when acting in the capacity of their position on Council business.
- 1.2. Council spends public money and, as a consequence, all expenditure is subject to the standard of probity and financial prudence expected of a local authority. Expenditure must be capable of withstanding public scrutiny.
- 1.3. Sensitive expenditure will normally have one or more of the following attributes:
 - potentially results in a perceived or real private benefit to an individual,
 - considered an 'unusual' expenditure item for Council,
 - does not directly align with the core business of Council or has an unclear link to the normal business purposes of Council,
 - may involve a conflict of interest (legal or ethical), and/or
 - may be considered an extravagant or immoderate expenditure.

2. Application

- 2.1. This policy applies to both employees and elected members. All clauses apply to employees, and some to both employees *and* elected members.
- 2.2. For employees, the policy should be read alongside the external Procurement Policy, and the internal Corporate Gifts Policy, and Council Vehicle Use & Eligibility Policy. For elected members, the policy should be read alongside the Elected Members' Allowances and Reimbursement Policy, and the Code of Conduct.

3. Principles

- 3.1. Employees and elected members must exercise proper and prudent behaviour in relation to all expenditure. This includes being honest, accountable and complying with expenditure controls. The lowest overall cost to the Council should be preferred.
- 3.2. Relevant principles are:
 - there must be a justifiable business purpose,
 - expenditure decisions must preserve impartiality,
 - expenditure must be moderate and conservative, having regard to the circumstances, and
 - the process must be transparent with the appropriate approvals obtained.
- 3.3. Expenditure must not be motivated by the potential for individual benefit.
- 3.4. In the absence of a specific rule, good judgement must be exercised by taking into account the principles of this policy and the context of a given situation.

4. Approval and reimbursement of sensitive expenditure

4.1. Authorisation must be given:

- before the expenditure is incurred, wherever practical;
- by applying the one-up principle; and
- where a justified business purpose is evident, in the opinion of the person giving approval.

4.2. Approval for sensitive expenditure must be granted by the appropriate one-up approval

Position seeking approval	Approval granted by
All employees	Manager
Manager	Group Manager
Group Manager	Chief Executive
Chief Executive	Mayor
Mayor	Group Manager – Business Support
Elected members	Governance Team (on behalf of the Chief Executive) in line with this policy

4.3. All claims must be submitted promptly after the expenditure is incurred. Except in exceptional circumstances this means within one month of the transaction.

4.4. Sensitive expenditure will only be reimbursed if it is deemed to be reasonable, actual and has been incurred directly in relation to Council business.

5. Sensitive expenditure applicable to both employees and elected members

5.1 Travel and accommodation expenditure

5.1.1. Travel and accommodation costs may be incurred while conducting Council business elsewhere in New Zealand or overseas. The principles of a justified business purpose, and moderate and conservative expenditure, are particularly relevant for travel and accommodation expenditure.

5.1.2. All travel and accommodation arrangements must be made well ahead of the travel date so the expenditure is cost effective.

5.1.3. Bookings can be made to leave the day prior to an event, if it is considered reasonable.

5.1.4. Wherever possible, Council's preferred suppliers should be used.

5.1.5. Reasonable expenses will be met for unexpected events, e.g. overnight expenses due to a cancelled plane flight.

Air travel

5.1.6. Discounted economy or economy class and/or a discount airline must be the first choice.

5.1.7. Air points - provided the use of carriers supplying air points does not result in Council incurring additional costs, air points rewards accruing may be kept by the employee.

Accommodation

5.1.8. The maximum amount to be spent on accommodation is \$200.00 (including GST) per night, however those booking accommodation must look for the most cost-effective option. One-up approval may be granted to exceed this limit if there is a clear reason, such as a desire to stay at the location or within close proximity of the event.

5.1.9. Discretionary entertainment expenses such as movies will not be reimbursed. However, WIFI costs will be reimbursed if required for work purposes.

5.1.10. Accommodation check-out times are to be observed. Any additional costs of failing to check out in time are the responsibility of the individual, unless unexpected events have occurred.

5.1.11. Where travel arrangements are extended to accommodate personal arrangements, all costs in addition to the business component of the trip are the responsibility of the individual.

Beverages

5.1.12. Council will pay for a maximum of two beverages (alcoholic or non-alcoholic) with an evening meal. These must be identifiable on receipts supporting the expenditure.

5.1.13. Minibar costs will not be reimbursed.

Meals

5.1.14. Reasonable meal costs will be met. In general, the total cost (including beverages) is not expected to exceed:

- Breakfast - \$30.00
- Lunch - \$30.00
- Dinner - \$60.00

5.1.15. One-up approval is required for reimbursement of meals where the limits are exceeded.

5.1.16. Separate meal expenses will not be met where a meal has been provided as part of the meeting, conference, training, or included in the room price.

5.2 Vehicles and taxis

Council pool cars

5.2.1 Where possible, Council pool cars are to be used for reasonable distances of travel within the South Island.

5.2.2 Council vehicles (except those provided under a remuneration arrangement) are not available for private use.

5.2.3 Employees and elected members should endeavour to return Council vehicles as soon as possible following the completion of use.

5.2.4 The Finance Team must be advised if a vehicle is taken home for the night, as Fringe Benefit Tax will apply.

Rental cars

5.2.5 The most economical type and size of rental, consistent with the requirements of the trip, must be used.

5.2.6 Rental cars are only available for business conducted outside the district.

5.2.7 Private use of a rental car is only permitted in exceptional circumstances and requires One-up approval. All additional costs of private use are the responsibility of the individual.

Taxis

5.2.8 Taxis, in relation to this policy, include any other alternative form of 'taxi' or rideshare available, such as Uber or Ola.

5.2.9 Council will pay for appropriate travel by taxi on Council business. The use of taxis must be cost effective relative to other transport options.

5.2.10 Where possible, shuttles should be utilised for transport to and from airports for reasonable distances where time permits (i.e. for shuttling from a hotel or event to the airport).

5.3 Fines incurred in relation to vehicles

5.3.1 Any fines (parking or traffic offences) incurred while using a Council vehicle or a rental are the responsibility of the driver (unless the fine relates to an aspect of the condition of the vehicle outside the driver's control).

5.4 Parking

5.4.1 The most cost effective parking option must be utilised. The cost of parking will be reimbursed provided the purpose of the trip is for Council business.

5.5 Tipping

5.5.1 Tipping within New Zealand will not be reimbursed.

5.5.2 Appropriate tipping during international travel will be reimbursed only in places where tipping is local practice, such as the United States.

5.6 Private arrangements and stopovers

5.6.1 Employees and elected members with the approval of the Group Manager, Chief Executive or Mayor (as applicable) may undertake private travel before, during or at the end of Council travel, provided there is no additional cost and the private travel is only incidental to the business purpose of the travel. If there are additional costs (such as a difference in the cost of flights) these costs must be covered by the individual.

5.6.2 Travel costs for accompanying spouses, partners or other family members are a personal expense and will not be reimbursed.

5.6.3 The cost of stopovers will only be reimbursed when they are pre-approved and have a clear business purpose.

5.7 Entertainment and hospitality expenditure

5.7.1 Entertainment and hospitality can cover a range of items from tea, coffee and biscuits to catering, such as meals and alcohol. It also includes non-catering related items, such as entry to sporting or cultural events.

5.7.2 All entertainment and hospitality expenditure must be pre-approved where possible and supported by clear documentation.

5.7.3 The business purposes of entertainment and hospitality are:

- building relationships,
- representing the organisation,
- reciprocity of hospitality where this has a clear business purpose and is within normal bounds – acceptance of hospitality is expected to be consistent with the principles and guidance for provision of hospitality, and
- building revenue.

5.8 Koha and donations

5.8.1 Koha payments and/or donations must be approved by the Chief Executive and must not exceed \$1,000.

6. Sensitive expenditure applicable to employees only

6.1 Use of private vehicles

6.1.1 Council will not normally pay for travel by private vehicle when travel by other means is more practical and cost effective. Individuals must use a Council vehicle for Council business, if there is one available.

6.1.2 Prior one-up approval is required for reimbursement for the use of a private vehicle.

6.1.3 Circumstances where the use of private vehicles may be considered appropriate include where:

- an absence for a period of longer than two days, or
- no pool cars are available (it is the responsibility of the employee to ensure pool cars are booked as soon as possible to avoid this circumstance).

6.1.4 Reimbursement will be based on the distance travelled in the most direct route and will be made in accordance with the mileage rate set by the Executive team or as specified in the employee's Employment Agreement.

6.1.5 The vehicle owner must ensure that they have appropriate insurance cover for the vehicle while it is being used on Council business.

6.2 Catering for meetings held internally

6.2.1 Where meetings are hosted internally by employees, external catering should only be provided where either:

- external parties will be in attendance,
- the meeting extends over the lunch time period,
- one-up approval has been obtained, or
- elected members are present, such as for a workshop, working group, or Council meeting.

6.3 Credit card usage

6.3.1 Credit card use is monitored. The card holder is responsible for all purchases made using their card.

6.3.2 The use of Council credit cards for private expenditure or credit is prohibited except in exceptional circumstances, when prior approval is required by the Group Manager or Chief Executive. In these rare cases the expenditure is to be fully reimbursed to Council prior to the credit card payment being due.

6.3.3 On the card holder's termination of employment, the Finance Manager will arrange with the bank to cancel the card. The credit card must be returned to the Finance Manager, who will ensure it is physically destroyed.

6.3.4 Credit cards may not be used for cash advances unless:

- cash is required in an emergency (usually related to travel on Council business), or
- cash is required for official purposes (in rare circumstances) and has prior approval.
- Credit card payments made online need to reflect good security practice as per below:
- purchases are made only from established and reputable companies, and
- the card holder must retain a copy of the online order form and invoice to support the payment.

6.4 Goods and services expenditure (loyalty rewards)

6.4.1 Loyalty rewards associated with transactions required to carry out Council duties are the property of Council. However, individual employees can accrue loyalty rewards to their personal accounts where the accrual is for small and/or infrequent purchases. It is up to the employee to ensure this privilege is not abused. The best price and value should always be considered. The potential accrual of awards should not dictate a purchasing decision.

6.5 Private use of Council assets

6.5.1 Any physical item owned, leased or borrowed by Council is considered an asset for the purpose of this policy. This includes photocopiers, telephones, cell phones, cameras, means of accessing the Internet, and stationery.

6.5.2 The costs to Council of private use will be recovered, unless it is impractical or uneconomic to separately identify those costs.

6.5.3 The use of Council assets in any private business that any employee may operate is not permitted.

6.6 Council use of private assets

6.6.1 The main issue associated with Council's use of private assets is the risk of Council paying or reimbursing amounts that inappropriately benefit employees. Therefore, prior one-up approval is required.

6.6.2 Council may decide that reimbursing employees for use of private assets is appropriate for reasons such as cost, convenience or availability. Council may also decide to do this in circumstances where it would not fully use an asset of the same type if it acquired it directly. Examples include private vehicles, private cell phones and private computers.

6.6.3 Employees must not approve or administer payments to themselves for the Council's use of their private assets.

6.7 Private use of Council suppliers

6.7.1 Employees may have access to some Council suppliers on the same basis as Council, and they may receive preferential access to goods or services, potentially at a preferential price.

6.7.2 The selection of suppliers must be in the interest of Council. The availability or possibility of employees purchasing privileges must not factor into this selection.

6.7.3 Employees may make use of any preferential access to goods or services through Council's suppliers provided the discount offered must be the same discount offered to all Council employees. Payment for any purchases must be made by the employee at the time of purchase.

6.7.4 In rare circumstances a Council order may include expenditure with a personal component, such as a travel or accommodation booking. In this case, payment to Council for the personal component must be made on confirmation of the cost or the receipt of the invoice from the supplier, whichever occurs first.

7. Failure to comply

7.1 Compliance with this policy is expected. Failure to do so may result in disciplinary action.

7.2 Examples of non-compliance include, but are not limited to:

- Unauthorised use or misuse of a Council credit card
- Failure to obtain appropriate one-up approval
- Private use of a Council pool car
- Failure to declare a gift.

Bylaw & Policy Committee

Terms of Reference

Purpose

The purpose of the Bylaw and Policy Committee is to develop and review Council bylaws and policies in a manner that promotes the current and future interests of the community (Local Government Act 2002).

Membership

Membership of the Committee comprises:

- Cr John Falloon (Chair)
- Cr Angus McKay (Deputy Chair)
- Cr Rodger Letham
- Cr Liz McMillan
- Cr Stuart Wilson
- The Mayor, Neil Brown (ex-officio)

The quorum is four members.

Meeting Frequency

The Bylaw and Policy Committee will meet on a six (6) weekly cycle, or more frequently on an as-required basis as determined by the Chair and Group Manager Strategy and Compliance.

Committee members shall be given not less than 5 working days' notice of meetings.

Delegations

The Bylaw and Policy Committee has no delegated authority to make decisions. Its role is to consider all bylaws and review matters of strategy, policy or significance not covered by other standing committee's sphere of business, and (if appropriate) to make recommendations to full Council. For clarity, climate change policies will be considered by this committee.

Sphere of business

The Bylaw and Policy Committee has responsibility for the following functions where not covered by the other standing committees:

- Develop, monitor and review Council bylaws and policies
- Approve the bylaw and policy review schedules and monitor review progress
- Receive and consider information to inform bylaw or policy review
- Evaluate relevant information in an objective manner, based on the needs of the community and agree on policy provisions
- Determine and recommend the form and extent of public consultation methods as appropriate in accordance with s82 of the Local Government Act 2002, and approve consultation plans
- Recommend bylaws to Council for special consultative procedure
- Recommend draft policies, as appropriate, to Council for special consultative procedure

- Hear, consider and deliberate on submissions received under the special consultative procedure, or submissions received as part of any consultative process undertaken by Council in relation to any decision or power or recommendation within the committees terms of reference
- Recommend new or reviewed bylaws and policies to Council for adoption.

Reporting

The Bylaw and Policy Committee will report to the Council.

Adopted 27/02/20