

POLICY	STATUS	AT	DATE	DOC ID
<i>Sensitive Expenditure Policy</i>	<i>Adopted</i>	<i>Ordinary Council Meeting</i>	<i>15/09/2026</i>	<i>A440953</i>



ŌPŌTIKI DISTRICT COUNCIL

**SENSITIVE
EXPENDITURE
POLICY**

AMENDMENTS/REVIEW

No:	Amendment(s)/Review	Date	Carried out by / Authority
0.1	Policy briefly reviewed.	01/02/2026	Joel H
0.2	Draft policy refined	04/05/2026	Scott J

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Part 1 - Introduction

- 1.1. The Sensitive Expenditure Policy sets expectations for how employees and elected members spend public money. From time to time, they may incur costs that are considered sensitive expenditure. These costs will only be reimbursed when incurred in the course of official Council business.
- 1.2. The purpose of this policy is to:
 - Set out the principles and decision guidelines for sensitive Council expenditure.
 - Set clear parameters for sensitive expenditure.
 - Ensure that sensitive expenditure is undertaken in ways that are transparent, appropriate, conservative and has a justifiable purpose.

Part 2 – Definitions

- 2.1. **Council** - Ōpōtiki District Council.
- 2.2. **Sensitive expenditure** - any expenditure which could be seen to give an unjustifiable private benefit to an individual, beyond the Council benefit for which the expenditure is incurred. Examples of sensitive expenditure (including, but not limited to) travel to desirable locations, business class travel, expensive hotel stays, entertainment, employee recognition and gifts.
- 2.3. **Employee** - a person employed by Council on a temporary, part-time or full-time basis.
- 2.4. **Credit card** - includes petrol cards, purchase cards and equivalent cards used to obtain goods and services before payment is made.
- 2.5. **Elected member** - the mayor, any councillor or Council Community Board member.
- 2.6. **Supplier** - a current or potential provider of goods or services to Council.
- 2.7. **One-up approval** - 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.
- 2.8. **Koha** - a gift, present, offering, donation, or a contribution. A Koha is often given as a sign of appreciation to maintain social relationships.

Part 3 - Application

- 3.1. This policy applies to both employees and elected members.
- 3.2. For employees this policy should be read in line with the Procurement Policy and the Safe Driving and Vehicle Usage Policy. For elected members this policy should be read alongside the Expenses and Allowances Policy, and code of conduct.

Part 4 - Principles and controls

- 4.1. Sensitive expenditure will usually have one or more of the following attributes:
 - Results in a perceived or real private benefit to the individual;
 - May be an unusual expenditure item for Council;

- Does not directly align with the core business of Council or has an unclear link to normal business purposes of Council;
- Usually a discretionary expenditure item;
- Is likely to be difficult to justify to the public;
- May involve a conflict of interest (legal or ethical);
- May be considered an extravagant or immoderate expenditure.

4.2. 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.

4.3. Reimbursement claims for sensitive expenditure will only be accepted in English or Te Reo Māori.

Principles

4.4. Employees and elected members must exercise proper and prudent behaviour in relation to all expenditure. This will always be about balance in the context. The principles must also be applied as a set as all are equally important. This includes being honest, accountable and complying with expenditure controls. The lowest overall cost to the Council should generally be preferred.

4.5. Principles that underpin decision-making about sensitive expenditure decisions must:

- Have a justifiable business purpose;
- Preserve impartiality;
- Be made with integrity;
- Be moderate and conservative, having regard to the circumstances;
- Be made transparently;
- Be made with proper authority.

4.6. In the case of expenditure incurred by elected members (not explicitly approved by Council), this is subject to review by the chief executive for compliance with this policy.

Deciding when sensitive expenditure is appropriate

4.7. Improper expenditure could harm the reputation of, and trust in, Council. In deciding what appropriate sensitive expenditure is, elected members and employees need to take account of both individual transactions and the total amount of sensitive expenditure.

4.8. Even when sensitive expenditure decisions can be justified at the item level, the combined amount spent on a category of expenditure may be such that, when viewed in total, Council could be perceived as extravagant or wasteful.

Responsibilities

4.9. Overall responsibility for this policy rests with those at the top of Council, the mayor, elected members and Executive Leadership. To maintain public trust and confidence, this group must make it clear to staff what is and is not acceptable sensitive expenditure and model those behaviours to the highest standard.

4.10. The necessary behaviours of public servants to maintain the integrity of the public sector includes:

- Impartiality – to treat everyone fairly, without bias or favouritism;
- Accountability – to take responsibility for actions and decisions;
- Respect – to treat people with dignity, compassion, and humility; and

- Responsiveness – to understand and meet the needs and expectations of the public.
- 4.11. To be truly effective, this sensitive expenditure policy, procedures and other controls must be embedded in the Council values, philosophy, practices and business processes. When this occurs everyone at Council becomes involved in the proper and prudent management of sensitive expenditure.

Controls and judgement

- 4.12. In the absence of a specific rule, good judgement must be exercised by considering the principles of this policy and the context of a given situation.
- 4.13. Senior Leadership, the mayor and elected members are required to ensure transparency in both sensitive expenditure and remuneration systems, to avoid any trade-off between the two. Items of expenditure that may not be justified under the principles of this policy should not be included as part of an employee's remuneration for the purposes of avoiding scrutiny against sensitive expenditure principles.

General controls

- 4.14. A digital scan of the original GST compliant invoices/ receipts and other supporting documentation must be maintained and submitted for all sensitive expenditure. Credit card statements do not constitute adequate documentation for reimbursement.
- 4.15. When an itemised receipt for minor expenditure (<\$50) is unavailable (for example, a parking ticket from a vending machine) documentation must include the date, amount, description, and purpose.
- 4.16. The financial controller will exercise discretion when evidence cannot be produced to verify expenditure, and reimbursement may not be approved. Documentation must include the date, amount, description, and purpose. The Financial Controller will consider the purpose and measure it against similar expenditure.

Approval and reimbursement of sensitive expenditure

- 4.17. Authorisation must be given:
- before the expenditure is incurred, wherever practicable;
 - by applying the one-up principle; and
 - where a justified business purpose is evident, in the opinion of the person giving approval.
- 4.18. Approval for sensitive expenditure must be granted on the one-up approval:

Position seeking approval	Approval granted by
All employees	Line Manager
3 rd Tier Manager	Group Manager
Group Manager	Chief Executive
Chief Executive	Mayor
Mayor	Group Manager Business Support
Elected members	Mayor with oversight from the Group Manager Business Support

- 4.19. To determine the appropriateness/reasonableness of sensitive expenditure the principles in section 4.5. of this policy must be applied. In addition, the following questions should be considered:
- Does the expenditure support the Council's vision, mission and values?
 - Could the expenditure be justified to a stakeholder, e.g. the public?
 - Could publicity about the expenditure or occasion adversely affect the Council?
 - Can the business purpose be achieved at a lower cost?
- 4.20. If the relevant approver is not available, then approval must be sought from someone within the department who holds a similar delegation of authority or higher in the organisational hierarchy.
- 4.21. Must be made strictly within their delegated authority in accordance with the delegation's manual and the financial delegations register.
- 4.22. All claims must be submitted promptly after the expenditure is incurred. Except in exceptional circumstances, this means within one month of the expenditure being incurred.
- 4.23. Sensitive expenditure will only be reimbursed if it is deemed to be reasonable, actual and has been incurred directly in relation to the Council business.
- 4.24. Finance will provide oversight to ensure that authorisation and documentation meet Council's policies and procedures prior to reimbursement being made.

Part 5 – Using credit cards and purchasing cards

Council credit cards

- 5.1. A total of four Council credit cards are issued, included one dedicated to online purchasing. All cards should generally be used where issuing a purchase order is impractical.
- 5.2. The Group Manager Business Support is not permitted to have a credit card issued in their name to maintain the impartiality of credit card use and monitoring.
- 5.3. If an employee requires use of a Council credit card, they must have first completed the relevant training and induction. If their training is up to date, then they will need to complete a credit card purchase form. Following the request being raised it will be reviewed by the relevant one-up approver. Approval must be in line with Council's normal procurement and purchase order process.
- 5.4. The card holder is responsible for the day-to-day management of the card, including its security. If the card is lost the holder is responsible for notifying the Group Manager Business Support soon as possible.
- 5.5. Before purchasing any item of expenditure online the card holder must check that they are purchasing through a reputable company known to the Council.
- 5.6. The Group Manager Business Support is responsible for the management of Council credit cards. If a new card needs to be issued, then a business case will be required for its issue. The business case will outline the need for the card, and the limit to be applied to the card.
- 5.7. The Group Manager Business Support is also responsible for the closing and destruction of cards. This will need to happen if there are changes to staff as each card is named for the holder.

- 5.8. There are two limits set on the card, the first is the individual transaction limit based on the financial delegation of the card holder. The second is the total transaction limit for the card. This is based on the business case and the use of the card. Any amendments to limits will need to be authorised by the Group Manager Business Support.
- 5.9. Copies of credit card transactions need to be kept by the card holder, these are to be uploaded into the Credit Card Purchase Form, within 3 working days of purchase. Finance will reconcile the total credit card payments each month. Any unauthorised transactions discovered by Finance must be reported to business and support group manager.
- 5.10. Unauthorised credit card use will not be tolerated and may be treated as serious misconduct as per the Employee Code of Conduct.
- 5.11. Cash advances from credit cards are not permitted.
- 5.12. Personal purchases on credit cards are not permitted.
- 5.13. Where the use of a personal credit card is necessary (e.g. in the event of travel) Council will reimburse employees and elected members at zero cost to the card holder/owner, provided that the costs claimed comply with this policy, and where practicable are pre-approved.

Part 6 – Expenses when travelling

General

- 6.1. Elected members and employees may need to incur costs while conducting Council business elsewhere in New Zealand or overseas. The principles of a justified business purpose, moderate and conservative expenditure, are particularly relevant for travel and accommodation expenditure.
- 6.2. All travel and accommodation arrangements must be made well ahead of the travel date, so the expenditure is cost effective.
- 6.3. Travel and accommodation expenditure should be economical and efficient, having regard to purpose, distance, time, urgency, personal health, and security and safety considerations.
- 6.4. Prior to travel being approved, consideration should be balanced against the benefit to the individual, group and/or organisation by attending in person against technology enabled alternatives.
- 6.5. When expenditure is incurred in a group, each individual must submit a claim for their respective expenditure. If claims are unable to be separated, then the most senior person must file the claim and list the other individuals to whom the expenditure relates.

Air Travel

- 6.6. Discounted economy or economy class and/or a discount airline is to be the first choice for journeys where the uninterrupted flight time is 5 hours or less, except where the distance or hours travelled, work schedule on arrival, or personal health, safety or security reasons make business class preferable, in which case prior approval of the chief executive is required.
- 6.7. Travel for the mayor or chief executive will often be more flexible fares to provide for the frequency that priorities change and flights need re-booking.

- 6.8. Air travel must be booked using the Air New Zealand Travel Card and raising a Purchase Order or the Council credit card using the credit card approval process. Approval for such bookings may only be granted by the Group Manager Business Support or their delegated authority.
- 6.9. Council does not provide for membership of airline clubs (e.g. Koru membership).
- 6.10. Airline loyalty rewards accruing to elected members or employees carrying out their official duties may remain with the relevant elected member, or employee provided the use of airlines supplying rewards does not result in Council incurring additional costs. Council is comfortable for elected members and employees to accrue air points given the amount gained is generally of low value.
- 6.11. Employees making the bookings will record the amount of air points accrued against the employee or elected member at the time of booking. Elected members or staff may be required to reimburse Council if the accrual is considered excessive by the chief executive or business support group manager.
- 6.12. Elected members and employees who claim rewards after the booking has been made must disclose and record the amount accrued.

Accommodation

- 6.13. The maximum amount to be spent on accommodation is \$350.00 (including GST) per night, however those booking accommodation must also look for the most cost-effective option and consider the total cost of the stay, such as travel time to and from the chosen accommodation. One-up approval may be granted to exceed that limit if there is a clear reason, such as desire to stay at that location or within close proximity of the event.
- 6.14. Wherever possible accommodation should be booked using Councils preferred suppliers and negotiated corporate rates.
- 6.15. Where an employee chooses to stay in private accommodation (e.g. with family), an allowance of up to \$60 per night can be claimed, at the discretion of the chief executive.
- 6.16. Discretionary entertainment expenses such as movies will not be reimbursed. However, Wi-Fi, and telephone call costs will be reimbursed if required for work purposes. Reasonable Wi-Fi and telephone associated costs for contacting family will be covered.
- 6.17. 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.
- 6.18. 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.

Short-Term Accommodation Platforms

- 6.19. Short-term accommodation platforms, including Airbnb and similar services, may be used for Council business where they are demonstrably more cost-effective, safe, and appropriate than comparable hotel or motel accommodation, or where suitable commercial accommodation is not reasonably available.

6.20. As bookings through short-term accommodation platforms are typically made through individual user accounts, Council booking arrangements may not be available for all short-term accommodation providers. Where this occurs, employees may use their personal accounts to make bookings and seek reimbursement through the normal expense claim process.

6.21. Reimbursement will only be made where appropriate booking confirmations, receipts, and supporting records are provided and retained for audit purposes. All expenditure on short-term accommodation must comply with the other requirements of this policy.

Beverages

6.22. Council will reimburse beverage costs provided that the reimbursement is limited to one moderately priced non-alcoholic drink (breakfast and lunch), and two moderately priced non-alcoholic drinks per dinner meal, provided they are consumed with the meal.

6.23. Alcoholic-beverages will not be reimbursed. Minibar purchases will not be reimbursed, except for water where reasonably required.

6.24. In exceptional circumstances (for example, where no other food options are reasonably available due to late arrival, emergencies or similar situations), reasonable minibar food purchases may be incurred. These must be reasonable and clearly justified and are subject to review and approval.

Meals

6.25. Meal expenses may not be claimed if a meal is provided as part of another package paid by Council.

6.26. Actual and reasonable meal costs incurred during business travel will be met. As a guide, total costs (including beverages) should not exceed:

Breakfast - \$50.00

Lunch - \$ 50.00

Dinner - \$90.00

Motor vehicles

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

6.28. Council will pay for appropriate travel by taxi on Council business.

Corporate vehicles

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

6.30. Council fleet vehicles should always be the first choice for any business travel.

Rental cars

6.31. Rental cars are only available for business conducted outside the district and require pre-approval from the chief executive.

- 6.32. The most economical type and size of rental, consistent with the requirements of the trip must be used.
- 6.33. Private use of the rental vehicle is only permitted in exceptional circumstances and requires approval from the group manager or chief executive. All additional costs of private use are the responsibility of the individual.

Fines incurred in relation to vehicles

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

Tipping

- 6.35. Tipping within New Zealand will not be reimbursed.
- 6.36. Appropriate tipping during international travel will be reimbursed only in places where tipping is a local practice. Council can provide staff members a daily allowance before travel to allow for this, and any unused funds are to be accounted for.

Private arrangements and stopovers

- 6.37. Employees and elected members with approval from group manager or mayor, or chief executive 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.
- 6.38. As a general principle, travel cost for accompanying spouses, partners or other family members are a personal expense and will not be reimbursed by Council. In those rare instances where the involvement of a spouse directly contributes to a clear business purpose and pre-approval has been obtained, then Council may contribute to all or part of the additional costs.
- 6.39. The cost of stopovers will only be reimbursed when they are pre-approved by the group manager or chief executive and have a clear business purpose.

Part 7 - Entertainment and hospitality expenditure

- 7.1. Entertainment and hospitality can cover a range of items from tea, coffee, biscuits, or catering such as meals and alcohol. It also includes non-catering related items, such as entry to sporting or cultural events.
- 7.2. All entertainment and hospitality expenditure must be pre-approved where practical and always be supported by clear documentation. This documentation must identify the date, venue, costs, recipients and demonstrate at least one of the business purposes.
- 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 of this policy;
- recognising significant business achievement;
- building revenue.

7.4. Any entertainment or hospitality that will cost over \$200 must be pre-approved by the chief executive.

7.5. In circumstances where pre-approval is not practicable, the most senior person present should approve and confirm the expenditure as being appropriate.

Staff functions and events

7.6. At the discretion of the chief executive, Council-wide functions may be provided during work time.

7.7. In relation to an end of year function, the amount of monetary contribution will be confirmed by the Executive Leadership Team on an annual basis. The budget allocation per staff member must not be exceeded.

7.8. Expenditure on alcohol will only be approved when consumed along with food and must not exceed \$30 per head.

Team building and activities

7.9. From time to time, team building events may occur offsite, typically these should be limited and approved by the group manager. Any other events are expected to be held onsite. All events must be supported by an appropriate business reason or purpose.

7.10. Costs of these events are to be met from the activity managers or participating members' cost centre. Costs must be made within approved budgets and consider any expenditure which may be considered sensitive.

Internal events

7.11. Catering is generally only provided for meetings with external participants who are official representatives of their organisations. However, there may be times when it is appropriate and more cost effective and timesaving to provide food for meetings, events, forums or training days where only employees are present. This is typically, when the meeting is longer than three hours or spans a mealtime. On this occasion approval must be gained from the respective budget holder.

Part 8 – Gifts, donations, and Koha

8.1. For guidance on use of the gift register please refer to Appendix 1.

Employees giving gifts

8.2. A gift is usually given as a token of recognition of something provided by the recipient.

8.3. The giving of gifts up to \$60 requires approval from the group manager. Any gift over this amount requires the approval of the chief executive and/or Council.

8.4. The giving of gifts must be modest, appropriate, and conservative, having a justified business purpose and must be perceived as an inducement or reward.

8.5. Any gifts given must be recorded in the gifts register.

Elected members giving gifts

8.6. Gifts may be given to promote international relations when gift-giving is customary, or when the mayor has assessed the specific purpose or occasion warrants gift-giving.

8.7. The value of the proposed gift must not be inappropriate or excessive to the occasion or reason for it being given.

8.8. Gifts with a monetary value over \$100 must be pre-approved by the mayor and recorded in the gifts register.

Employee receiving gifts

8.9. The receiving of a gift is not strictly sensitive expenditure however it nevertheless is a sensitive issue. The guidance below should be followed to ensure employee's impartiality and integrity cannot be called into question as a result of receiving:

- Employees are permitted to accept gifts if they are infrequent and inexpensive and are openly distributed by suppliers and clients. (e.g. pens, badges, calendars etc)
- Infrequent is defined as no more than three times, from the same person, client or supplier, in any 12-month period. Inexpensive is defined as having a monetary value of less than \$50.
- In all instances staff must inform their manager that they have received a gift.
- The acceptance of any gift with a monetary value exceeding \$50 must have the express approval of the group manager for staff to retain it.

8.10. Acceptance of gifts which are culturally significant or have an intrinsic value (which makes it difficult to determine an appropriate monetary value) must be approved by chief executive and recorded in the gifts register. The chief executive will determine how it will be distributed.

8.11. Money, cash vouchers, shares, personal discounts or similar items and payments must not be accepted.

8.12. Gifts that have an estimated value over \$50 must be recorded in the gifts register.

Receiving hospitality

8.13. From time-to-time elected members/employees may be invited to social events so that they can build appropriate business relationships. The decision as to whether to accept the invitation requires consideration of whether attendance would:

- Benefit a business relationship, and
- Be consistent with the guiding principles of this policy set out in section 4.5., and
- Could be perceived as a means of influencing a Council-decision making process.

8.14. Elected members/employees must be aware of the line between appropriate relationship building and compromise and should consult with the mayor or chief executive in cases of doubt as to whether to accept an invitation to an event.

8.15. Any hospitality accepted or declined must be recorded in the gift register.

Elected members receiving gifts

- 8.16. Gifts must not be accepted by elected members if acceptance could be perceived as a means of influencing a Council decision-making process.
- 8.17. All gifts are the property of Council, as an organisation, the mayor and chief executive must be advised of the gift, except where an individual elected member is given an infrequent and inexpensive gift (e.g. pens, badges or flowers). Infrequent is defined as no more than three times, from the same person, client, or supplier, in any 12-month period. Inexpensive is defined as having a monetary value of less than \$50.
- 8.18. Gifts with an estimated value of over \$50 must be recorded in the gift register and the mayor in consultation with the chief executive will determine how it will be distributed.
- 8.19. Acceptance of gifts which are culturally significant or have an intrinsic value (which makes it difficult to determine an appropriate monetary value) must be approved by the mayor in consultation with the chief executive and recorded in the gifts register. The mayor in consultation with the chief executive will determine how it will be distributed.
- 8.20. Where it is necessary to decline a gift, the following steps should be taken in order to preserve the relevant working relationship of Council and the person or organisation involved:
- Thank the person or organisation for the gesture of the gift and acknowledge Council's appreciation; and
 - Explain that due to the Council policy, the gift cannot be accepted.
- 8.21. Elected members must not accept money, cash vouchers, shares, personal discounts or solicit a gift by virtue of their position.

Donations and Koha

- 8.22. A donation/Koha is a payment (in money or by way of goods or services) made voluntarily and without the expectation of receiving goods or services in return.
- 8.23. Council requires donations to be:
- Lawful in all respects;
 - Disclosed in aggregate in the Council's annual report;
 - Appropriately documented;
 - Made to a recognised organisation by normal commercial means (not to an individual);
 - Not in cash (except as a Koha and with express approval from the chief executive); and
 - Non-political.
- 8.24. The amount and type of Koha given on behalf of the Council should reflect the occasion and be pre-approved by the chief executive. An occasion that a Koha may be suitable for Council could include:
- Tangihanga;
 - Attendance at an event/meeting;
 - For use on or for a marae; and
 - kaumātua support for pōwhiri, mihi whakatau meetings, or other events.

- 8.25. All instances of Koha will be reported to the Risk and Assurance Committee Meeting in a report prepared by the financial controller every 6 months. The report will outline the event, and the justification for the amount provided.

Part 9 – Goods and services expenditure

Goods and services

- 9.1. This section covers obtaining, disposing, or using goods and services that are not covered by individual employment agreements.

Disposal of surplus assets

- 9.1. As part of normal business Council will from time to time dispose of assets. Typically, this is when the asset has become obsolete, worn out or surplus to requirements. Council's disposals are intended to be both transparent and fair.
- 9.2. Council should consider the sustainability and cost of time to dispose of the asset. If the former is greater than the value of the item, then the asset may be offered to employees and elected members.
- 9.3. Without express prior approval from the chief executive, no asset with a market value of more than \$500 per item will be sold directly to elected members, employees, or friends or acquaintances of elected members or employees. In any event the sale of a surplus asset must:
- Maximise the return for Council;
 - Be valued and subject to a tender or other process that is appropriate to the value of the asset and not sold for less than that value.

Loyalty reward scheme benefits / Prizes

- 9.4. This section does not apply to airline loyalty rewards. Guidance on these kinds of rewards can be found under paragraph 6.6.
- 9.5. Loyalty rewards associated with transactions required to carry out Council duties are the property of Council. Individual employees are not permitted to accrue loyalty rewards to their personal accounts.
- 9.6. Where a reward/prize is obtained by chance and without inducement, it may be retained by the individual otherwise it will be the property of Council.
- 9.7. Generally, prizes from free competition entries obtained while undertaking Council business are generally treated as loyalty rewards. Exceptions are prizes received at training or conference events or through membership of professional bodies, which may be retained by the individual.
- 9.8. Staff involved in procurement decisions must not personally receive loyalty rewards from those decisions. Any rewards received must be recorded in the gifts register. Where a staff member has received a reward and is involved in decisions relating to a provider, a Conflict of Interest must be declared in line with the Procurement Policy.
- 9.9. In situations where receiving a prize or loyalty reward could be perceived as inappropriate then it must be declined.

Private use of Council assets

- 9.10. Any physical item owned, leased or borrowed by Council is considered an asset for the purpose of this policy. This includes photocopiers, telephones, laptops, tablets, cell phones, cameras, means of accessing the internet, vehicles, equipment and stationery.
- 9.11. The cost to Council of private use will be recovered unless it is impractical or uneconomic to separately identify these costs.
- 9.12. The use of Council assets in any private business that an employee or elected member may operate is strictly prohibited.

Council use of private assets

- 9.13. Council may decide that reimbursing staff 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 motor vehicles and mobile devices.
- 9.14. The main issue associated with Councils use of private assets is the risk of the Council paying or reimbursing amounts that inappropriately benefit the employee or elected member. Therefore, pre-approval by the chief executive is required. In assessing the request, the chief executive must consider the principles of this policy.
- 9.15. Employees must not approve or administer payments to themselves for the Councils use of their private assets.

Use of private vehicles

- 9.16. 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.
- 9.17. Pre-approval by the chief executive is required for reimbursement for the use of a private vehicle.
- 9.18. Circumstances where the use of private vehicles may be considered appropriate include:
- An absence for a period of longer than 2 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).
- 9.19. Reimbursement will be based on the distance travelled in the most direct route and will be made in accordance with the mileage rates set by Inland Revenue.
- 9.20. The vehicle owner must ensure that they have appropriate insurance cover as per the requirements of the Safe Driving and Motor Vehicle Usage Policy.

Private use of suppliers

- 9.21. Some Council suppliers may offer discounts to elected members and employees.

- 9.22. As employees may have access to some Council suppliers on the same basis as Council, they may receive preferential access to goods or services, and potentially at a preferential price, which is not available to the public. The risk is that the availability of the discount to staff will influence the choice of Council suppliers. The selection of suppliers must be in Council's interest and is not to be affected by the availability or possibility of purchasing privileges for employees.
- 9.23. Employees may not use Council purchasing privileges on behalf of any third party. This includes family members and friends.
- 9.24. Employees may make use of any preferential access to goods or services through Council's suppliers if the discount is offered to all Council employees and is in line with discounts offered to a similar group of people. Purchases must not be made during staff time.

Communication technology

- 9.25. IT equipment and services (including software) must be purchased for business purposes through the ICT Manager, who will coordinate arrangements with Council's approved service provider.
- 9.26. Communications technology – such as cell phones, telephones, email and internet access are widely used in the Council workplace. While some personal use of this technology may be unavoidable, excessive use incurs costs, including lost productivity to Council.
- 9.27. Council's guidance on general and personal use of communications equipment is contained within the Employee Handbook.
- 9.28. Where it is administratively possible and cost-effective Council will require reimbursement of excessive personal use.

Part 10 – Staff support and well-being expenditure

Clothing

- 10.1. Other than official uniforms and health and safety related clothing, employees will not be clothed at the Council's expense when they are engaged in a normal business activity.

Care of dependents

- 10.2. In exceptional circumstances, the chief executive may authorise the reimbursement of actual and reasonable costs. Examples of this might include when a staff member is unexpectedly required to perform additional duties at very short notice, or when a dependant unexpectedly requires additional care that the staff members cannot provide at that time due to the nature of their duties.

Financing social club activities

- 10.3. Council may make a prudent and reasonable monetary contribution to a social club(s). The contribution may be in the form of an all-purpose grant towards the club's annual budget, or it may be a grant or subsidy for a specific event.
- 10.4. Before approving a grant to be made the chief executive must be satisfied that there is a justified business purpose for the contribution. This purpose would typically be connected with organisational development and staff welfare.

Farewells and long service awards

- 10.5. Expenditure on farewells and long service includes spending on functions, gifts and other items and should not be extravagant or inappropriate to the occasion and be pre-approved by the chief executive.
- 10.6. The chief executive has the discretion to vary a function or award on a case-by-case basis.
- 10.7. There will be a maximum of one Long Service Presentation celebration held per year. The chief executive and human resources manager will arrange gifts and the presentation celebration. Each recipient will be entitled to an award and a combined presentation celebration.
- 10.8. Long service awards will be as follows:

Year of Service	Award
10 years	<u>One</u> of the following: Locally sourced Taonga (to the value of \$50) or \$50 Voucher or 1 Day Special Leave
15 years	<u>One</u> of the following: Locally sourced Taonga (to the value of \$100), or \$100 Voucher, or Native Tree (up to the value of \$100) 1 Day Special Leave
20 years	<u>One</u> of the following: Locally sourced Taonga (to the value of \$150), or \$150 Voucher, or Native Tree (to the value of \$150), or 2 Days Special Leave
25 years	<u>One</u> of the following: Locally sourced Taonga (to the value of \$200), or \$200 Voucher, or Native Tree (to the values of \$200), or 2 Days Special Leave.
30+ years (subsequent years of service will be awarded at 5-year increments)	<u>All</u> of the following: Locally sourced Taonga (to the value \$250), and \$250 Voucher, and Native Tree (to the value of \$250) <u>or</u> 2 Days Special Leave

- The cost of the presentation will come from the chief executive's budget.
- The cost of the gift will come from the relevant Group's budget.
- Special leave must be used within 6 months of it being awarded and cannot be cashed out.
- When a staff member who has more than 10 years of service leaves the Council's employment, the following may be contributed:

Years of service	Award
10-14 years	Council morning tea

	\$50 towards a leaving gift
15-19 years	Council morning tea \$100 towards leaving gift
20+	Council morning tea \$200 towards leaving gift

- When a staff member with less than 10 years' service leaves Council's employment, the relevant manager may arrange a staff collection and morning tea at their discretion.
- If a staff member is leaving Council and is entitled to a Long Service Presentation and award this will be combined with and presented to them at their leaving function. A separate long service function will not be held.

Sponsorship of staff or others

- 10.9. Staff taking part in an activity that is not part of their job – such as a sporting event – may be sponsored by Council through the provision of, or payment for, goods or services (for example, a t-shirt or an entry fee).
- 10.10. Sponsorship should have a justified business purpose, which could include both publicity for the Council and its objectives and organisational development. The cost to Council must be moderate and conservative. If the sponsorship does not have a justified business purpose, the cost is a donation.
- 10.11. Sponsorship of people who are not staff must be undertaken in a manner that is transparent. It is also preferable that, if non-staff are sponsored, the sponsorship is of an organisation they belong to, rather than directly of the individual.
- 10.12. In most circumstances such sponsorship is best considered by Council as part of its grants budget allocation.

Part 11 - Relevant legislation

Local Government Act 2002 (section 100 and 101)
Local Authorities Act 2002
Public Audit Act 2001
Public Service Act 2020

Part 12 - Appendix 1

Gifts Register

- 12.1. The register records the following details:
- Date
 - Name of person receiving
 - Title
 - Department
 - External party offering the gift or hospitality
 - Gift or hospitality
 - Reason for gift/ hospitality being offered
 - Estimated value

- Accepted or declined
- Reasons for accepting/ declining and who approved the acceptance
- If the gift has been accepted, how it has been dealt with
- Confirmation that the policy has been read and acceptance is compliant with the policy
- Other comments

12.2. It is the responsibility of the employee who has been offered the gift to record it in the register. This must be done prior to the receipt or within at least one week of receiving or declining the gift or hospitality.

12.3. The register will be available for all employees to be view.

12.4. The chief executive will be provided with a list of the register annually, each July, to review and approve. An approved list will be presented annually to the Risk and Assurance Committee.

Part 13 - Review

13.1. This policy will be reviewed every 3 years. The policy owner can be found in the policy index.