

WAITAKI POWER TRUST

POLICY - Reimbursement of out of pocket expenses on Trust business

Background

The electricity industry is a very complex set of organizations that operate in a complicated environment which is determined and controlled by many Acts of Parliament along with various Government bodies that are established by such Acts. Consequently Waitaki Power Trust is a publicly elected body, governed by many various legal requirements and guidelines emanating from the above and the officer of the Controller and Auditor General.

Apart from a desire to serve the consumers as best they can, there is no obligation on prospective Trustees to be familiar with or to understand the above at the time they stand for election.

Accordingly, both the Trust body and the elected Trustees have a duty to see that Trustees are appropriately informed about:

- the duties and responsibilities of Trustees;
- the governance responsibilities of Trustees;
- the industry that they are involved in, as Trustees;
- the industry that they are responsible for overseeing, as shareholders of Network Waitaki Limited; and
- the continuous legislative and regulatory changes and updates that occur in both industries.

Objects

The Objects of the Policy relating to Reimbursement of out of pocket expenses on Trust business are:

- to ensure that the various elements of the rationale (below) are reflected in the decisions of the Trustees to incur travel and additional out of pocket expenses;
- to ensure that sufficient of the content of any conference, meeting or seminar is pertinent to the skill base required for the operation of Waitaki Power Trust;
- to ensure that decisions to attend any such conference, meeting or seminar are made as early as possible to enable travel and associated costs to be kept to a minimum;
- to ensure that adequate written reports are presented to the Trust to enable non-attending members the opportunity to benefit from the business of the conference, meeting or seminar; and
- to utilise the professional development and networking opportunities provided by such conferences, meetings or seminars.

Rationale

The rationale for the policy is to ensure that the Trust:

- benefits to the maximum possible from any travel and out of pocket expenses incurred by Trustees;
- members are able to benefit for the purpose of betterment of Trustee knowledge resulting from such expenditure;
- costs are realistic in relation to both the benefits to the Trust and the content of the reason or need to incur costs;
- has a public duty to ensure that out of pocket expenditure are kept to a minimum; and

- recognises that professional development for its members is a necessary and valid reason for incurring out of pocket expenses and is an ongoing benefit to the operation of the Trust.

Guidelines

1. All travel and accommodation to be booked as early as possible.
2. Cancellation of airline bookings and accommodation is the responsibility of the Trustee concerned.
3. That the cost of air travel compared to mileage costs be factored into the overall appraisal of costs, this without being unreasonable in relation to the extra time travelling this may cause.
4. That, within reason, private vehicle use for access to and from airports be shared.
5. That the rate for the use of a private vehicle be decided by the Trust from time to time and recorded accordingly.
6. That Trust members are permitted to undertake private travel or stopovers before, during or at the end of travel paid for by the Trust, provided that there is no additional cost to be Trust and that the private travel or stopover is only incidental to the purpose of the Trust.
7. That the travel and accommodation costs of accompanying spouses, partners or other family members are to be paid for by the Trust member.
8. Food and beverage costs for pre-conference functions to be paid for by the Trust member.
9. Other meals and beverage costs are to be paid for by Trust members however a Trust meeting may approve the reimbursement of those costs if a Trust member wishes to put them forward for payment.
10. That the number of Trustees attending any one conference, meeting or seminar be governed by the Objects and Rationale on a case by case basis and be recorded in the minutes at the time the decision to attend is made.
11. That no extra fees be paid to Trust members for attendance at the events involving out of pocket expenses.

Signed by: Chairperson 24 April 2019

Replaces 2010 Travel Policy