

Chairperson and Community Board Members
WAIKANAE COMMUNITY BOARD

8 NOVEMBER 2016

Meeting Status: **Public**

Purpose of Report: For Information

COMMUNITY BOARD REMUNERATION 2016-2019 TRIENNIUM

PURPOSE OF REPORT

- 1 This report presents to the Waikanae Community Board information on remuneration for Elected Members 2016-17.

BACKGROUND

- 2 Elected member remuneration is determined by an independent statutory body, the Remuneration Authority ('the Authority'). Under the Local Government Act 2002 the Authority sets the base remuneration for all elected members including community boards. It also sets allowances and expenses. In undertaking its duties the Authority has regard to the need to maintain fair relativity with other levels of remuneration elsewhere and be fair to both elected members and ratepayers.
- 3 Remuneration for community boards is based on the population of their community and a job description (see Appendix 1 for a Community Board Member role description). The primary function of community boards is representation, so the Authority has taken the view that having community board remuneration linked to population is fairer to board members. It is reasonable to expect that the time, effort and expertise required to represent a large number of people would be greater than that for a smaller number of people, thus the remuneration of members of a community boards serving a large population will be greater than that of members of a board serving a small population. This does not mean that community board remuneration is an exact fixed multiple of its population; rather it means that there is relativity between a community board's population and the remuneration of its elected members.
- 4 The remuneration for board chairs is set at twice that of members. The deputy chair of a community board is remunerated as a board member. This reflects the Authority's view that the role of deputy chair is not sufficiently different from that of a board member to warrant additional remuneration.
- 5 If a community board has additional levels of responsibility then the Authority may approve additional remuneration for that board after receiving proposals from the relevant council. Each proposal is considered on its own merits and evidence would be required to show how the community board was operating significantly above and beyond the role of boards as outlined in section 52 of the Local Government Act 2002.
- 6 In May 2016, at the Authority's request and following consultation with all the community boards Council made a submission to the Authority arguing that community board members should be paid an additional amount based on extra responsibilities incurred by the unprecedented rate of development in the District

(the Expressway and Transmission Gully projects.) However the Authority was not convinced by the arguments and so there was no additional remuneration granted to boards.

- 7 The Authority has released a Determination for Elected Member Remuneration for 2016/17 and the salaries applying to the Waikanae Community Board are as follows:

| | |
|-------------|----------|
| Chairperson | \$15,504 |
| Member | \$ 7,752 |

- 8 Further information on the Authority's model for calculation of elected member remuneration is at <http://www.remauthority.govt.nz/local-government/>
- 9 Elected members are able to claim reimbursement for using private vehicles on council business. In making its decisions on vehicle allowances the Authority uses Automobile Association calculations of car running costs and the IRD mileage rate. Elected members are able to receive up to 74 cents per km allowance for the first 5,000 kms travelled on council business, and 37 cents per km thereafter. When travelling to and from council offices, the first 30 km (of a round trip) are not reimbursed. This is in recognition of the fact that all workers need to pay for their own commute to work each day. This information is included in the Council's Elected Member Expenses and Allowances Policy (Appendix 2) which was approved by the Authority earlier this year.
- 10 For community board members Council has also approved an annual communications allowance of \$190 per member. This recognises the fact that Board Chairs are provided with a mobile device as a key business tool, but members are not. The communications allowance seeks to support board members using their own computers for role-related work.

CONSIDERATIONS

Policy considerations

- 11 There are no policy considerations.

Legal considerations

- 12 There are no legal considerations.

Financial considerations

- 13 There is sufficient provision in Council budgets for elected member remuneration and reimbursements.

Tāngata whenua considerations

- 14 There are no tāngata whenua considerations.

SIGNIFICANCE AND ENGAGEMENT

Degree of significance

- 15 This matter has a low level of significance under Council policy.

Engagement planning

16 An engagement plan is not needed to implement this decision.

Publicity

17 Elected Member remuneration information is posted on the Council website.

RECOMMENDATIONS

18 That the Waikanae Community Board notes the information on Board remuneration in report Corp-16-2031.

| Report prepared by | Approved for submission | Approved for submission |
|---------------------------|--------------------------------|--------------------------------|
|---------------------------|--------------------------------|--------------------------------|

| | | |
|------------------------|--------------|---------------|
| Vyvien Starbuck-Maffey | Max Pedersen | Wayne Maxwell |
|------------------------|--------------|---------------|

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| Democracy Services Manager | Group Manager Community Services | Group Manager Corporate Services |
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ATTACHMENTS

Appendix 1 Remuneration Authority – Community Board member role description

Appendix 2 Elected Member Expenses and Allowances Policy 2016-2019
(709734)

APPENDIX 1

Remuneration Authority - Community Board Member Base Role Description

These responsibilities are considered part of the basic role for community board members and the board chair:

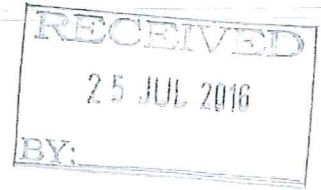
Representation and Advocacy

- Representing and acting as an advocate for the interests of their community
- Considering and reporting on all matters referred to them by the council, or any matters of interest or concern to the community board
- Communication with community organisations and special-interest groups in the community
- Bringing the views of their community to the attention of council
- Listening to the concerns of their community on issues pertaining to the community board
- Maintaining an overview of services provided by the council in the community, and commenting on any services delivered by the parent council
- Maintaining contact with various community representatives and other local stakeholders
- Championing causes which best relate to the interests of their community and campaigning for the improvement of the quality of life in their community

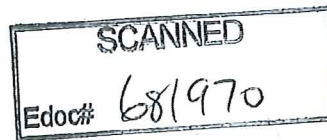
Governance

- Participating constructively and effectively in the good governance of the community board as a whole
- Understanding and ensuring that basic principles of good governance are a part of the approach of the community board
- Understanding and respecting the differing roles of community board chair and community board members; the roles of the parent council's Mayor, Deputy Mayor, committee chairs / portfolio holders and Councillors; and the very different roles of the managers and staff of the parent council with whom the community board might work
- Recognising that the governance role does not extend to operational matters or to the management of any implementation
- Having a good understanding of the community board processes set out in the Standing Orders that determine how community board meetings are run and how decisions are made
- Development and maintaining a working knowledge of council services, management processes, powers, duties and constraints
- Ensuring familiarity with agendas and other community board reports before meetings of the community board
- Being familiar with and complying with the statutory requirements of a community board member
- Identifying, being aware of and declaring any potential personal conflicts of interest, whether these are pecuniary or non-pecuniary

20 July 2016



Mr Patrick Dougherty
Chief Executive
Kapiti Coast District Council
Private Bag 601
PARAPARAUMU 5254



Dear Mr Dougherty

Elected Members Allowance and Reimbursement Policy 1 July 2016 – 30 June 2019

Please find enclosed your Council's approved Elected Members Allowance and Reimbursement policy.

Information about allowances and withholding tax

Whilst the Remuneration Authority does not give tax advice, we understand that communications and mileage allowances are no longer subject to withholding tax. We further understand that Local Government New Zealand will shortly circulate a communication to that effect. To avoid the need to re-submit your policy we have deleted references to taxation as part of our approval.

Making information available to the public

Some councils have chosen not to specify current allowance rates in their policy. We recommend that those councils provide a link on their website to the Remuneration Authority's determination to help members of the public to find the current rates if they wish to do so.

Yours sincerely



Angela Foulkes
Deputy Chair

cc Vyvien Starbuck-Maffey, Democracy Services Manager

REMUNERATION AUTHORITY

Signed: 

Date: 19/7/2016

May 2016

Remuneration Authority
P O Box 10084
WELLINGTON 6143

APPLICATION FOR APPROVAL OF EXPENSE RULES (INCLUDING REIMBURSING ALLOWANCES) APPLICABLE TO ELECTED MEMBERS OF LOCAL AUTHORITIES THE PERIOD 1 JULY 2016 TO 30 JUNE 2017

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

SECTION 1 – NAME OF LOCAL AUTHORITY

Kāpiti Coast District Council

Contact person for enquiries:

Name: Vyvien Starbuck-Maffey: Democracy Services Manager
Email: vyvien.starbuck-maffey@kapiticoast.govt.nz
Telephone: 04 296 4700
Extension: X728

SECTION 2 – DOCUMENTATION OF POLICIES

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

| Document name | Reference no. (if any) | Date |
|---------------|------------------------|------|
|---------------|------------------------|------|

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

SECTION 3 – AUTHENTICATION OF EXPENSE REIMBURSEMENTS AND ALLOWANCES

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

- are in line with Council policies
- have a justified business purpose
- are payable under clear rules communicated to all claimants
- have senior management oversight
- are approved by a person able to exercise independent judgement
- are adequately documented
- are reasonable and conservative in line with public sector norms
- are, in respect of allowances, a reasonable approximation of expenses incurred on behalf of the local authority by the Elected Member
- are subject to internal audit oversight.

SECTION 4 – VEHICLE PROVIDED

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

YES/NO

(If Yes – provide full details here.)

SECTION 5 – MILEAGE ALLOWANCES

1. Rate(s) of allowances paid per kilometre (as approved and updated by the Remuneration Authority from time to time):

74 cents for the first 5,000kms per annum

37 cents for any distance over 5,000kms per annum

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

3. Restrictions on mileage claims
(Summarise any restrictions on mileage claims)

Must relate to attendance at Council/Committee, Community Board Meetings, conferences/seminars relating to local government or attendance at Community Organisation meetings as an Elected Member representative.

The travel claimed must be by the most direct route that is reasonable in the circumstances.

30 kilometres threshold for mileage claims for any one trip to the Council office (ie Civic Administration building in Paraparaumu).

SECTION 6 – TRAVEL AND ACCOMMODATION

(Mileage Claims – refer Section 5)

Taxis and other transport

Are the costs of taxis or other transport reimbursed or an allowance paid? YES/NO

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

Only the actual costs of taxis or other transport are reimbursed.

Carparks

Are carparks provided? YES/NO

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

Only for the Mayor.

Use of rental cars

Are rental cars ever provided? YES/NO

Air Travel Domestic

Summarise the rules for domestic air travel.

The actual cost of domestic air travel relating to Council business is reimbursed.

Generally only economy class is fully reimbursed.

Air Travel International

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

The actual cost of international air travel relating to Council business is reimbursed.

Generally only economy class is fully reimbursed.

Airline Clubs/Airpoints/Airdollars

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

(If Yes, summarise policy)

Are airpoints or airdollars earned on travel, accommodation etc., paid for by the local authority available for the private use of members? YES/NO

(Due to the low level of Air Travel this is insignificant).

SECTION 6 (CONTINUED)

Accommodation costs whilst away at conferences, seminars, etc.

Summarise the rules on accommodation costs.

Actual and reasonable costs for accommodation costs while away on Council business are reimbursed where applicable.

Meals and sustenance, incidental expenses

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

Actual and reasonable costs for meals and sustenance when travelling on Council business are reimbursed.

Private accommodation paid for by local authority

Is private accommodation (for example an apartment) provided to any member by the local authority?

YES/NO

(If Yes, give details)

Private accommodation provided by friends/relatives

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

YES/NO

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

SECTION 7 – ENTERTAINMENT AND HOSPITALITY

Are any hospitality or entertainment allowances payable or any expenses reimbursed?

YES/NO

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

Only actual and reasonable expenses are reimbursed. Approval by the Mayor, Chief Executive and Group Manager Finance.

SECTION 8 – COMMUNICATIONS AND TECHNOLOGY

Equipment and technology provided to elected member

Is equipment and technology provided to Elected Members for use at home on Council business? Only the Councillors and Chairs of Community Boards.

Mobile device (e.g. tablet or iPad) YES/NO

Fax YES/NO

Printer YES/NO

Broadband YES/NO

Second landline to house YES/NO

Consumables and stationery YES/NO

Mobile Phone (Mayor only) YES/NO

Other equipment or technology* YES/NO

*(*If Yes, specify)*

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

YES/NO

(If Yes, describe rules)

Reasonable private use is acceptable.

SECTION 8 (CONTINUED)

Home telephone rental costs and telephone calls (including mobiles)

Are telephone rental costs reimbursed in whole or part? YES/NO

Mayor only for telephone rental (whole)

(If Yes, state percentage) %

Are telephone call expenses reimbursed in whole or part? YES/NO
(If Yes, describe process)

*Only mobile phone and toll calls relating to Council business are reimbursed.
Approval by Chief Executive and Financial Controller*

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

Are any allowances paid in relation to communications and/or technology provided by the member relating to council business? YES/NO
(If Yes, in each case describe rules and explain how allowance calculated)

For Community Board Members (excluding Community Board Chairs) a communications allowance of \$190 shall be paid to each member per annum to cover the use of a personal computer and printer.

SECTION 9 – PROFESSIONAL DEVELOPMENT, CLUBS AND ASSOCIATIONS

Are any expenses reimbursed or allowances paid in respect of members' attendance at professional development courses, conferences and seminars? YES/NO
(If Yes, describe – including how any allowances are calculated)

Actual and reasonable expenses are reimbursed.

Are any expenses reimbursed or allowances paid in respect of subscriptions to clubs or associations? YES/NO
(If Yes, describe – including how any allowances are calculated)

Mayor – Justice of Peace subscription.

SECTION 10 – OTHER EXPENSE REIMBURSEMENTS AND ALLOWANCES

Are any other expense reimbursements made or allowances paid? YES/NO
(If Yes, describe – including how any allowances are calculated)

Where an elected member chooses to use their own vehicle for travel to conferences then the Council may reimburse the equivalent airfare rather than pay the mileage allowance for the distance travelled (whichever is the lowest in cost).

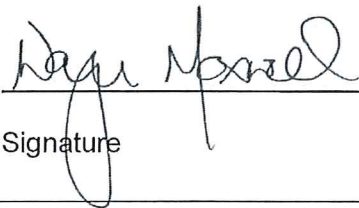
SECTION 11 – TAXATION OF ALLOWANCES

Are any allowances (as distinct from reimbursements of actual business expenses) paid without deduction of withholding tax? YES/NO
(If Yes, specify amount and nature of allowance)

SECTION 12 – SIGNATURE

I seek approval from the Remuneration Authority, in relation to the **period 1 July 2016 to 30 June 2017**, of the expense reimbursement rules and payments of allowances applicable to Elected Members as set out in this document.

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



Group Manager Corporate Services

Signature

Designation

Date _____