

**Chairperson and Committee Members**  
**WAIKANAE COMMUNITY BOARD**

15 MAY 2012

Meeting Status: **Public**

Purpose of Report: For Decision

**DRAFT REMUNERATION PROPOSAL FOR ELECTED MEMBERS AND EXPENSES AND ALLOWANCES POLICY FOR THE PERIOD 1 JULY 2012 TO 30 JUNE 2013**

**PURPOSE OF REPORT**

1. To consider the Draft Remuneration Proposal for the Waikanae Community Board and draft Expenses and Allowances Policy for the period 1 July 2012 to 30 June 2013 (if the draft proposal is approved by Council on 17 May 2012) and make a recommendation to the Council.

**SIGNIFICANCE OF DECISION**

2. The Council's Significance Policy is not triggered by this report.

**BACKGROUND**

3. At the meeting on 17 May 2012 the Council will consider a report on the draft Remuneration Policy which will include the following draft recommendation in relation to the Waikanae Community Board Elected Members' Remuneration and draft Expenses and Allowances Policy:
  - a. *That the Council refers to the Waikanae Community Board the following draft Remuneration Proposal for the Waikanae Community Board for the period up until 30 June 2013 (the same as the 2011/12 year) for consideration and approval:*

***Waikanae Community Board***

<i>Position</i>	<i>Annual Salary</i>	<i>No.</i>	<i>Total Annual Salaries \$</i>
<i>Chairperson</i>	<i>12,882</i>	<i>1</i>	<i>12,882</i>
<i>Member</i>	<i>6,573</i>	<i>3</i>	<i>19,719</i>
<b><i>Total Annual Salaries</i></b>			<b><i>32,601</i></b>
<b><i>50% charged to indicative pool</i></b>			<b><i>16,300</i></b>

- b. *That the Council refers the Draft Expenses and Allowances Policy to the Waikanae Community Board as set out in Appendix 1 to the report FIN-12-557 for consideration and approval.*

4. The reason the Waikanae Community Board is considering this report ahead of the Council meeting on 17 May 2012 is to avoid Waikanae Community Board having to have an additional Board meeting to consider this issue prior to the Council making its final decision on Elected Members' remuneration on 28 June 2012.
5. There is no increase in remuneration pool for the 2012/13 year for the Kāpiti Coast District Council.
6. The total remuneration pool for the whole country has been increased by 1.5% by the Remuneration Authority.
7. The factors that determine the relative levels of total remuneration pool for each local authority have been applied and these include the following factors from the 2010/11 Annual Reports:

Population	(50% weighting)
Expenditure	(33% weighting)
Assets	(17% weighting)
8. The impact of applying these factors varies for each local authority in terms of determining their new total remuneration pool for the 2012/13 year.
9. The reason our Council is not receiving an increase in total remuneration is that the Council's relativity compared to the rest of New Zealand's local authorities has decreased for one of those key factors which is the level of total expenditure for the 2010/11 year.
10. In the 2009/10 year included in Council's expenditure was an item called "Impairment of Assets" totalling \$8.2 million. This was for the design and investigation costs of the Western Link Road which was previously recorded against capital expenditure but once the Government announced the Expressway and the Council was no longer building the Western Link Road those initial design and investigation costs needed to be written back against operating costs.
11. As a consequence, the 2009/10 year showed an \$8.2 million higher level of operating expenditure than normal and that higher figure was taken into account when the Remuneration Authority calculated the remuneration pools for the 2011/12 year.
12. The total operating expenditure decreased for the 2011/12 year compared to the previous year and as a consequence that has impacted on Council's share of the total remuneration pool for Elected Members.
13. As a consequence, Kāpiti's points for the share of the remuneration pool have decreased from the previous financial year but as for all Councils where the points have decreased, the previous year's remuneration levels are being retained.

14. The proposed 2012/13 remuneration for the Waikanae Community Board is unchanged from 2011/12 and is as follows:

<b>Waikanae Community Board</b>			
<b>Position</b>	<b>Annual Salary</b>	<b>No.</b>	<b>Total Annual Salaries \$</b>
Chairperson	12,882	1	12,882
Member	6,573	3	19,719
<b>Total Annual Salaries</b>			<b>32,601</b>
<b>50% charged to indicative pool</b>			<b>16,300</b>

## **CONSIDERATIONS**

### Elected Members' Remuneration

15. Given that there has been no substantial change to the relevant parts of the Governance Structure since November 2010 it is recommended that the Waikanae Community Board remuneration remain the same as the 2011/12 year.

### Draft Expenses and Allowances Policy

16. There is no change proposed to the Draft Expenses and Allowances Policy
17. The Community Boards need to consider and make a recommendation back to the Council on the draft Remuneration Proposal and the draft Expenses and Allowances Policy at this meeting. Any comments or issues raised will be reported back to the Council for Council's consideration before Council adopts the final Elected Members' Remuneration Proposal for the period up until 30 June 2013 on 28 June 2012.
18. If there are any dissenting views by any of the Community Boards or the Council they will be recorded and forwarded to the Remuneration Authority so that the Remuneration Authority can make a final decision on the Elected Members Remuneration Proposal in July 2012 for the period up until 30 June 2013.

## **Financial Considerations**

19. For each Community Board their Elected Members' remuneration is funded 50% from each respective area and 50% Districtwide.

## **Legal Considerations**

20. The Council must comply with the determinations set by the Remuneration Authority for this Council in relation to Elected Members' remuneration.

## **Consultation**

21. Consultation is being undertaken with each Community Board.

## Policy Implications

22. Once the final Remuneration Proposal is approved by the Remuneration Authority this will be the new Elected Members' Remuneration Policy for this Council up until 30 June 2013.

## Publicity Considerations

23. A press release has been prepared in relation to the draft Remuneration Proposal.

## Other Considerations

24. There are no other considerations.

## Delegations

25. The Waikanae Community Board has Delegated Authority to consider this issue.

*Reference D.10 in the Governance Structure which reads:*

*Other*

*10.29 Authority to undertake any other responsibilities that are delegated to it by the territorial authority (Section 52, Local Government Act 2002 refers).*

## RECOMMENDATIONS

26. That the Waikanae Community Board recommend to the Council that the following Remuneration Proposal for the Waikanae Community Board for the period up until 30 June 2013 (the same as the 2011/12 year) be approved and forwarded to the Remuneration Authority for approval:

<b>Waikanae Community Board</b>			
<b>Position</b>	<b>Annual Salary</b>	<b>No.</b>	<b>Total Annual Salaries \$</b>
Chairperson	12,882	1	12,882
Member	6,573	3	19,719
<b>Total Annual Salaries</b>			<b>32,601</b>
<b>50% charged to indicative pool</b>			<b>16,300</b>

27. That the Waikanae Community Board adopts the Draft Expenses and Allowances Policy as set out in Appendix 1 to the report FIN-12-557.

Report prepared by:

Warwick Read  
**GROUP MANAGER FINANCE**

Appendix 1 – Copy of draft Expenses and Allowances Policy