

**Mayor and Councillors**  
COUNCIL

23 MAY 2019

Meeting Status: **Public**

Purpose of Report: For Decision

## **CHILDCARE ALLOWANCE FOR ELECTED MEMBERS OF LOCAL GOVERNMENT**

### **PURPOSE OF REPORT**

- 1 This report presents to the Council for approval feedback to the Remuneration Authority on its draft policy paper 'Childcare Allowance for Elected Members of Local Government.

### **DELEGATION**

- 2 Only Council may make a decision on this matter.

### **BACKGROUND**

- 3 The Remuneration Authority ('the authority') is the independent body responsible for the setting of elected members' remuneration.
- 4 In its major review of local government remuneration in 2016-2019, the Authority received numerous comments on the difficulties of being in local government, in particular for mothers, due to the lack of financial support for childcare.
- 5 The authority has, over the past few years, received submissions from councils, groups of elected members and individuals requesting that there be an allowance for childcare for elected members in local government while they attend to local authority business.
- 6 A submission from the Young Elected Members Network highlighted that its members struggle with balancing the challenge of local government commitments and raising children. The submission called on the Authority to break down the barrier for younger people wanting to enter into local government by making childcare a claimable expense which would make serving in local government a realistic option for parents.
- 7 The Authority has issued a draft Policy Paper on Childcare Allowance for Elected Members of Local Government, attached as Appendix 1 of this report. The Authority is interested in views on this proposal and have requested feedback from Councils or individuals by 31 May 2019.
- 8 A draft submission which is supportive of the proposed policy has been prepared and is attached as Appendix 2 of this report.

### **ISSUES AND OPTIONS**

#### **Issues**

- 9 The provision of the allowance would be at the discretion of each council and the rate of the provision would also be decided by each council within the framework outlined in the Determination.
- 10 The Authority are still in discussion with IRD regarding the treatment of such an allowance. If their current view prevails it would be taxed at source.
- 11 The allowance would apply to all elected members including community board members.
- 12 An allowance is usually paid as the same amount each week as a contribution to a particular cost. The proposed policy sets a maximum amount per hour, which suggests the intention is in fact to reimburse actual expenses (up to a particular maximum). This point needs to be clarified to avoid councils having to try and interpret the proposed determination.
- 13 The draft policy is unclear as to what should happen when childcare is arranged for a meeting which finishes early. For example, on a Thursday elected members with children may need to make arrangements for childcare for the entire day as meetings days can be long and often run later than expected. If the meeting finishes early, however, the children are not being cared for while members are undertaking council business.

## **CONSIDERATIONS**

### **Policy considerations**

- 14 There are no immediate policy considerations. The Elected Members Remuneration Expenses and Allowances Policy would be updated following a new Determination from the Authority.

### **Legal considerations**

- 15 There are no legal considerations.

### **Financial considerations**

- 16 The draft policy proposes a maximum amount of \$6000 per annum per member. The costs of elected member remuneration, expenses and allowances have been budgeted for. Although the level of uptake of any childcare allowance by Elected Members cannot be accurately anticipated the amount would not material.

### **Tāngata whenua considerations**

- 17 There are no tāngata whenua considerations.

### **Significance policy**

- 18 This matter has a low level of significance under Council's Significance and Engagement Policy.

### **Engagement planning**

- 19 An engagement plan is not needed to implement this decision.

## RECOMMENDATIONS

- 20 That Council approve the feedback to the Remuneration Authority on its draft policy paper 'Childcare Allowance for Elected Members of Local Government as at Appendix 2 of report PP-19-813.

**Report prepared by**    **Approved for submission**    **Approved for submission**

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## ATTACHMENTS

Appendix 1    Remuneration Authority Policy Paper – Childcare Allowance for Elected Members of Local Government.

Appendix 2    Draft feedback to the Remuneration Authority on its draft policy paper 'Childcare Allowance for Elected Members of Local Government.