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**REPORT 1**  
(1215/11/IM and 1215/10/01)

## **ELECTED MEMBERS' REMUNERATION**

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### **1. Purpose of Report**

To submit for the Council's consideration and approval, a proposal for the payment of salaries, expenses and allowances to elected members of the Wellington City Council and the Tawa and Makara/Ohariu Community Boards for the balance of the 2007/2008 financial year.

### **2. Executive Summary**

The Remuneration Authority has set the remuneration pool for the Council's elected members, including its community board members, at \$1,303,396 for the 2007/2008 financial year. The Mayor's salary for that period has been fixed at \$146,178 p.a. which leaves \$1,157,218 available for distribution amongst the remaining elected members.

Based on the rules and principles set by the Remuneration Authority and the governance structure adopted by the Council at its meeting on 6 November 2007, the Council is now required to determine how it proposes to allocate the pool amongst its elected members for the balance of the 2007/2008 financial year.

Once agreed, the Council is required to submit its recommended proposal to the Remuneration Authority for approval. That approval must be given before the Council can implement its proposed remuneration structure.

The Council is also required to review its rules and policies for the reimbursement of expenses and the payment of allowances to its elected members and to submit those rules and policies to the Remuneration Authority for approval.

The Council's proposal must be received by the Remuneration Authority no later than Tuesday 20 November 2007, and preferably earlier, if it is to be included in the "first batch" of determinations issued by the Remuneration Authority on 20 December. If that deadline is not met the determination for Wellington City Council will not be issued until at least mid-February 2008.

### **3. Recommendations**

It is recommended that the Council:

- 1. Receive the information.*

2. *Agree that the salary only model be confirmed as the basis of remuneration for the elected members of the Wellington City Council for the balance of the 2007/2008 financial year.*
3. *Note that the remuneration framework requires all community board members be paid an annual salary (i.e. there is no provision for the payment of meeting fees to community board members).*
4. *Agree that the following salaries be paid to the elected members of the Wellington City Council and the Tawa and Makara/Ohariu community boards for the balance of the 2007/2008 financial year and that the Council's proposal be referred to the Remuneration Authority for its approval:*

|  |                     |
|--|---------------------|
| <i>Mayor</i>                                 | <i>\$146,178 pa</i> |
| <i>Deputy Mayor</i>                          | <i>\$100,400 pa</i> |
| <i>Portfolio Leader (x 6)</i>                | <i>\$85,400 pa</i>  |
| <i>Chair, Regulatory Processes Committee</i> | <i>\$82,400 pa</i>  |
| <i>Chair, Grants Subcommittee</i>            | <i>\$72,400 pa</i>  |
| <i>Councillor (x 5)</i>                      | <i>\$65,400 pa</i>  |
| <br>   |                     |
| <i>Chair, Tawa Community Board</i>           | <i>\$20,704 pa</i>  |
| <i>Elected Member (x 5)</i>                  | <i>\$7,918 pa</i>   |
| <br>   |                     |
| <i>Chair, Makara/Ohariu Community Board</i>  | <i>\$12,802 pa</i>  |
| <i>Elected Member (x 5)</i>                  | <i>\$4,998 pa</i>   |

*Note:*

- (a) *The Mayor's salary is set by the Remuneration Authority.*
  - (b) *The level of community board members' remuneration met from the pool has been retained at 63.84%.*
5. *Note that only one salary is payable to an elected member and therefore a Councillor who serves as an appointed member of a Community Board receives no additional payment for serving on the community board.*
  6. *Note that the Remuneration Authority must be advised of any dissent expressed by members of the Council or its community boards in relation to the Council's final remuneration proposal.*
  7. *Note that once a final determination has been made for the balance of the 2007/2008 financial year, the Remuneration Authority will approve any back dating of salaries it considers appropriate.*
  8. *Agree to submit to the Remuneration Authority for its approval the proposed rules and policies for reimbursement of elected members' expenses and the payment of allowances for the balance of the 2007/2008 financial year, as contained in Appendix 2 of this report.*

9. *Agree that the car currently supplied to the Mayor is for mayoral use only and that the Remuneration Authority be advised of this.*

Note:

*The Remuneration Authority has determined that “mayoral use only” means that the car can be used by other officers, can be driven home and garaged by the Mayor but does not permit any private use.*

10. *Note that once the size of the “remuneration pool” for the 2008/2009 financial year has been set by the Remuneration Authority the Council will be required to submit to the Authority for its approval a remuneration proposal for the 2008/2009 financial year. This will occur early next year.*

#### **4. Background**

The Remuneration Authority is responsible for setting the salaries of elected members and, as a result, has determined that the remuneration pool for the elected members of the Wellington City Council and its two community boards be set at \$1,303,396 for the 2007/2008 financial year.

It also determined that the Mayor’s salary for that period be fixed at \$146,178 p.a. which leaves \$1,157,218 available for allocation amongst the remaining elected members.

In June 2007, the Remuneration Authority agreed that the salaries payable to the Council’s elected members for the period 1 July 2007 up to “the day on which the result of the 2007 election for the local authority or community board in question is declared” would be as follows:

|   |              |
|---|--------------|
| Mayor                                       | \$146,178 pa |
| Deputy Mayor                                | \$100,305 pa |
| Chair, Strategy and Policy Committee        | \$97,069 pa  |
| Portfolio Leader (x 5)                      | \$84,126 pa  |
| Chair, Regulatory Processes Committee       | \$77,655 pa  |
| Chair, Subcommittee (x2)                    | \$71,184 pa  |
| Councillor (x 4)                            | \$64,713 pa  |
| <br>  |              |
| Chair, Tawa Community Board                 | \$19,950 pa  |
| Member, Tawa Community Board (x 5)          | \$7,630 pa   |
| <br>  |              |
| Chair, Makara/Ohariu Community Board        | \$12,336 pa  |
| Member, Makara/Ohariu Community Board (x 5) | \$4,816 pa   |

Because of the need for Councils to determine their new governance structures, the Authority also proposed (as they had done in 2004) that there would be a period immediately following the election during which time all elected members would be paid a lower basic salary only. It was agreed that the salary levels would be set at a conservative level to allow new councils to review committee structures, allocation of responsibilities and adjust to any increased

or reduced level of membership. This interim period was to apply from the “day on which successful candidates came into office” and remain in force until a final determination for 2007/2008 is issued by the Remuneration Authority.

The Remuneration Authority confirmed in August 2007 that the salaries payable to the elected members of the Wellington City Council and the Tawa and Makara/Ohariu Community Boards during the “interim period” would be as follows:

|                                       |              |
|---------------------------------------|--------------|
| Mayor                                 | \$146,178 pa |
| All Councillors                       | \$52,000 pa  |
| Member, Tawa Community Board          | \$6,900 pa   |
| Member, Makara/Ohariu Community Board | \$4,300 pa   |

The Council, at its meeting on 6 November 2007, has agreed its governance structure for the new triennium and is now required to determine how the pool is to be allocated amongst its elected members for the balance of the 2007/2008 financial year (except for the Mayoral salary of \$146,178, which has been set by the Remuneration Authority). Once the allocation of the pool money has been decided the Council is required to forward its proposal to the Remuneration Authority for its consideration and approval.

The approval of the Remuneration Authority is required before the Council can implement its proposed remuneration structure.

A brief summary of the remuneration framework and the rules and principles which the Remuneration Authority works under is attached (**Appendix 1**).

## **5. Discussion**

### **5.1 Decisions to be made**

In preparing its proposal the Council is required to make the following decisions:

- To decide whether the remuneration pool should be allocated on a salary only basis or whether it should be a mix of salary and meeting fees.
- To agree appropriate levels/rates for the different positions/roles on the Council and its community boards and, using that information, develop a proposal for the allocation of the money within the remuneration pool.
- To confirm or reconfirm the basis on which the car is supplied for the Mayor’s use
- To review and agree the rules and policies for the reimbursement of elected members’ expenses and allowances.

## **5.2 Basis of remuneration for elected members**

In deciding the method of remunerating its Councillors, the Council has the option of paying its members on a salary only basis or a combination of salary and meeting fees. It has chosen the salary only option in the past, with the agreement of the Remuneration Authority.

The salary only model has worked satisfactorily both insofar as elected members and Council officers are concerned. The advantage of this option is that elected members receive a regular income and know what their annual salary is going to be. No requests have been received from elected members to change back to the salary/meeting fee option. Insofar as Council officers are concerned the salary only option is also better for administrative reasons.

The rules set by the Remuneration Authority require all community board members to be paid an annual salary (i.e. there is no provision for the payment of meeting fees to community board members). The Remuneration Authority also determined that only one salary is payable to an elected member and that a Councillor who serves as an appointed member of a Community Board receives no additional payment for serving on the community board.

It is recommended that the Council adopt the salary only model as its basis of remuneration for the balance of the 2007/2008 financial year.

## **5.3 Distribution proposal**

Following the adoption of the new committee structure, an elected members' workshop was held on Tuesday 6 November 2007 to brief members on the remuneration process and the framework, rules and principles operated by the Remuneration Authority and to seek feedback from elected members on a couple of remuneration options that had been developed by Council officers.

Based on those discussions the following remuneration proposal for the balance of the 2007/2008 financial year is recommended for approval:

|                                       |              |
|---------------------------------------|--------------|
| Mayor                                 | \$146,178 pa |
| Deputy Mayor                          | \$100,400 pa |
| Portfolio Leader (x 6)                | \$85,400 pa  |
| Chair, Regulatory Processes Committee | \$82,400 pa  |
| Chair, Grants Subcommittee            | \$72,400 pa  |
| Councillor (x 5)                      | \$65,400 pa  |
| Chair, Tawa Community Board           | \$20,704 pa* |
| Elected Member (x 5)                  | \$7,918 pa*  |
| Chair, Makara/Ohariu Community Board  | \$12,802 pa* |
| Elected Member (x 5)                  | \$4,998 pa*  |

\* 63.84% of the salaries for community board members to be met from the remuneration pool.

This option has been developed on:

- a salary only basis
- the assumption that all Councillors work 40 hours a week on Council related business
- the new committee structure with the following levels of responsibility

Level 1 Mayor (salary determined by the Remuneration Authority)

Level 2 Deputy Mayor/Governance Portfolio Leader/Chair, Audit and Risk Management Subcommittee

Level 3 Portfolio Leader (x 6)

Level 4 Chair, Regulatory Processes Committee

Level 5 Chair, Grants Subcommittee

Level 6 Councillor (x 5)

- the retention of the existing relativities and weightings that were established some years ago as a result of some job sizing work undertaken by Hay Group Consultants
- the position taken by Council earlier this year to meet 63.84% of the total salaries paid to community board members from the remuneration pool.

From our discussions with the Remuneration Authority, it is clear that the Authority expects to see different pay rates for different positions, reflecting the size and complexity of these positions.

#### **5.4 *Payment of back pay***

There will inevitably be a delay between the Council agreeing its remuneration proposal and the receipt of final approval from the Remuneration Authority.

We have been advised that the adjustments finally approved by the Authority for specified positions (such as committee chairs and portfolio leaders) will be backdated to the date at which those committees were established and councillors were appointed to such positions. Any increase in the base remuneration for councillors or community board members will also be backdated to the date of their taking up office.

#### **5.5 *Community Board decisions***

In normal circumstances the proposed allocation of the remuneration pool is referred to both the Tawa and Makara/Ohariu Community Boards for their information and approval prior to the matter being considered by Council.

Unfortunately, due to the election and the time frames set by the Remuneration Authority, it has not been possible to follow that practice this year. Members of both Boards were invited to attend the remuneration workshop held on 6 November but unfortunately only one member was able to attend. Officers will ensure that the previous procedure is adhered to in the New Year, when Council considers its remuneration proposal for the 2008/2009 financial year.

## **5.6 *Mayoral car***

The Mayor is currently provided with a council vehicle on the basis that the vehicle will be used for mayoral use only.

The Remuneration Authority has determined that “mayoral use only” means that the car can be used by other officers, can be driven home and garaged by the Mayor but does not permit any private use.

If the car is used for part or full private use an amount, calculated by the Remuneration Authority, is deducted from the Mayor’s annual salary.

The Council is required, as part of the remuneration process, to confirm or reconfirm the basis on which the car is supplied for the Mayor’s use.

The Mayor has indicated that the car continues to be used for mayoral use only and that she wishes to continue with that arrangement.

## **5.7 *Reimbursement of expenses***

In addition to determining the remuneration of elected members, the Remuneration Authority is also required to approve the expenses, allowances and reimbursement rules for elected members of local authorities.

In March 2007 the Remuneration Authority notified a new procedure that it would be following when considering and approving the payment of allowances and the reimbursement of expenses for elected members. The Council received formal approval of its expenses, allowances and reimbursement rules based on these new procedures on 28 June 2007 on the understanding that the incoming Council (following the 2007 local authority elections) would be required to either confirm or seek approval to amend the rules for the balance of the 2007/2008 financial year.

The Authority has since completed a review of the rules of all local authorities and has drawn attention to a number of matters that have “come to light” as part of that review. They have indicated that they expect these matters to be addressed, if necessary, as part of the review of the expense rules required by the incoming Council.

The Remuneration Authority’s main interest in the expenses and reimbursement rules of local authorities is to ensure that their provisions do not provide elected members with private financial benefits, more in the nature of income, than the reimbursement of actual costs incurred for legitimate business reasons.

A number of items fall into this category and the Remuneration Authority has drawn the following items, some of which are of relevance to Wellington City, to the attention of all local authorities:

- car parking
- medical insurance and staff discounts

- life, accident and income replacement insurance
- reimbursement or allowances

The Council's current rules and policies for the reimbursement of expenses and the payment of allowances have been reviewed against the concerns expressed by the Remuneration Authority.

As a result of that review the following amendments to the Council's current rules and policies are recommended:

- that covered car parks be provided for the use of elected members, as and when required, to enable them to undertake their governance and representation responsibilities
- that the allowance currently payable to elected members towards the monthly rental and usage charges for broadband be reduced from \$60 per month to \$50 per month
- that the monthly technology allowance of \$45 per month currently payable to the Chairs of the Tawa and Makara/Ohariu Community Boards be changed to a reimbursement of up to \$45 per month, payable on the production of appropriate receipts.

It is therefore recommended that, subject to the recommended changes outlined above, Council confirms its current rules and policies for the reimbursement of expenses to its elected members as outlined in the attached application form (Appendix 2) and that the application be referred to the Remuneration Authority for its approval.

#### **5.8 Unanimity of the Council's decision**

In submitting its proposal the Council is required to notify the Remuneration Authority of:

- (i) details of any dissent at Council, and
- (ii) details of any dissent from either of its community boards.

A community board also has the ability to express any opposing views it might have on the Council's final proposal direct to the Remuneration Authority.

If the Council's recommendations are unanimous and reasonable it is unlikely that the Commission will withhold its approval. It does however have the power to amend any proposal if the level of dissatisfaction is high or if the proposal is considered unreasonable.

#### **5.9 Allocation of the 2008/2009 Remuneration Pool**

The Remuneration Authority has asked for, and has been supplied with, the figures which will enable it to assess the Council's indicative remuneration pool for the 2008/2009 financial year.

It is their intention, provided all Councils respond in time, to indicate what the size of the pool will be by 30 November 2007. Once that figure is known the

Council will be required to decide on its allocation for 2008/2009. This decision must be made by mid March next year.

## **6. Conclusion**

Now that the Council has agreed its governance structure for the 2007/2010 triennium it is required to submit to the Remuneration Authority for approval, its recommended remuneration proposal for the balance of the 2007/2008 financial year and its rules and policies for the reimbursement of expenses and the payment of allowances to its elected members.

The Remuneration Authority has indicated that the Council's proposal must be lodged with the Authority no later than Tuesday 20 November 2007, and preferably earlier, in order for its determination to be issued prior to Christmas.

The new remuneration rates cannot be implemented until that approval is received.

Contact Officer: *Ross Bly, Special Projects and Electoral Officer.*

## Supporting information

### **1) Strategic Fit/Strategic Outcome**

*This project supports Long-term outcome 7.2.2 “Wellington will operate an open and honest decision making process that generates confidence and trust in the democratic system”.*

### **2) LTCCP/Annual Plan reference and long term financial impact**

*The project relates to C534: Elections, Governance and Democratic Process.*

### **3) Treaty of Waitangi implications**

*There are no Treaty of Waitangi implications.*

### **4) Decision-making**

*This is not a significant decision.*

### **5) Consultation**

*Consultation between the Remuneration Authority and the Tawa and Makara/Ohariu Community Boards is ongoing. No public consultation or consultation with Maori is required.*

### **6) Legal implications**

*There are no legal implications.*

### **7) Consistency with existing policy**

*This report is consistent with existing Wellington City Council policy*

## SUMMARY OF THE REMUNERATION FRAMEWORK - ITS RULES AND PRINCIPLES

### *Basis of the remuneration system*

- The Remuneration Authority approves a “remuneration pool” for each local authority, the size of which is determined on a number of consistent and transparent criteria (set by the Authority).
- The factors used by the Remuneration Authority to determine the size of the remuneration pool (for a territorial authority) are:
  - Population (50% weighting)
  - Expenditure (33% weighting)
  - Assets Gross (17% weighting)
- The Mayor’s salary is set by the Remuneration Authority and must be fully met from the pool.
- The balance of the pool is available for distribution to the Council’s remaining elected members, including community board members.
- There are two options available to Council for distributing the pool
  - A salary only model, or
  - A salary: meeting fee split (e.g. 75% salary and 25% meeting fee).
- The Remuneration Authority must issue at least one determination every three years. In normal circumstances an annual determination will be made.

### *General principles which apply*

- The size of the remuneration pool is both the maximum and minimum amount payable to elected members.
- All proposals must be approved by the Remuneration Authority prior to implementation.
- The maximum number of hours any individual member may be paid for is 40 hours per week (i.e. 2080 hours per annum).
- Different salary and meeting fee weightings, to those originally provided by the Remuneration Authority, may be proposed.
- Any divergent views of Councillors and community board members, in respect of the Council’s proposed allocation of the pool, must accompany the proposal submitted for the Remuneration Authority’s approval.

## APPENDIX 1

- The Remuneration Authority is under no obligation to approve any scheme and will look at each proposal on its merits. Any proposal that is likely to result in distortions in behaviour or lack of fairness in relativity will not be approved by the Authority.
- The Remuneration Authority will not determine how the remuneration for elected members should be funded.
- Any amendment to a determination requires the prior approval of the Remuneration Authority.
- All Councils are required to publish in their Annual Report:
  - the remuneration scheme adopted (i.e. salary or salary/meeting fee split)
  - the actual payments received by each elected member, and
  - the total amount of expenses reimbursed to each elected member.

### *What remuneration is included in the pool*

- The Mayor's salary, as determined by the Remuneration Authority, and the remuneration for the remaining elected members of Council.
- The total salary for any appointed community board members.
- At least half the salary for elected community board members. Up to 100% of these remuneration costs can be met from the pool.

### *What remuneration is excluded from the pool*

- Meeting fees paid to elected members in respect of resource consent hearings.

**Note:** A member who acts as the chairperson of a resource consent hearing is entitled to a fee of \$85 per hour of hearing time. A member who is not the chairperson of the resource consent hearing is entitled to a fee of \$68 per hour of hearing time. For any period of hearing time that is less than one hour, the fee must be apportioned accordingly. These fees have been set by the Remuneration Authority.

- No more than half the salary for elected community board members.
- The costs incurred in the reimbursement of expenses (i.e. mileage allowances, cell phones etc).
- The payment of Trustees/Directors fees to those elected members appointed to the Council's Council Controlled Organisations.

## APPENDIX 1

### ***Remuneration for community board members***

- All community board members must be paid a salary (i.e. the payment of meeting fees is not an option).
- No more than half the salary costs for elected community board members can be met from outside the remuneration pool.
- Total salary costs for appointed community board members must be met from the remuneration pool.

### ***Mileage allowances***

Where an elected member needs to use their own vehicle on council business, they are entitled to be paid a mileage allowance of up to 70 cents per kilometre. This rate has been set by the Remuneration Authority to reflect both cost recovery and an element of remuneration in respect of travelling time.

**Remuneration Authority**  
**P O Box 10 084**  
**Wellington 6143**

**Date:** 12 November 2007

**APPLICATION FOR APPROVAL OF EXPENSE RULES ( INCLUDING  
REIMBURSING ALLOWANCES) APPLICABLE TO ELECTED MEMBERS OF  
LOCAL AUTHORITIES FOR PERIOD 1 NOVEMBER 2007 TO 30 JUNE 2008**

**SECTION 1 - NAME OF LOCAL AUTHORITY**

**Wellington City Council**

Contact person for enquiries:

Name: Ross Bly

Designation: Special Projects and  
Electoral Officer

Email: ross.bly@wcc.govt.nz

Telephone: (04) 801-3484 (DDI)

**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          |
|--|------------------------|---------------|
| Policy on Payment of Elected Members' Allowances and Reimbursement of Expenses |                        | November 2007 |
| Elected Members' Mileage Policy  |                        | November 2007 |
| Mobile Phone Policy  |                        | November 2007 |
| Councillor Information Technology Policy                                       |                        | November 2007 |
| Councillor Stationery and Computer Consumables Policy                          |                        | November 2007 |
| Wellington City Council Travel and Accommodation Standard                      | S-014                  | February 2007 |
| Schedule of elected member allowances and expenses                             |                        | May 2007      |

### **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.
  - Comprehensive policy documents, copies of which have been included in our previous applications to the Remuneration Authority for approval of allowances and reimbursement of work related expenses for elected members.
  - The basis of reimbursement is “actual and reasonable” expense only.
  - In the case of one-off expenditure such as travel to conferences, the prior approval of Council must be given.
  - Full documentation of the policies are included in the Elected Members Handbook, copies of which are issued to all members.
  - Periodic reviews of all expense reimbursements are undertaken by the City Secretary on a random basis.
  - All expense claims are approved by the City Secretary. Full receipts are required.
  - Policies set by the Council reflect public sector norms of reasonableness and conservatism.
  - Allowances have been calculated as carefully as possible to approximate expenditure to which allowances relate.
  - Work undertaken by Risk Assurance includes random checks on expense claims and allowances paid to elected members.

### **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? No

### SECTION 5 - MILEAGE ALLOWANCES

1. Rate(s) of allowances paid per kilometre:

70 cents per kilometre

2. Restrictions on mileage claims

- Reimbursement will only be made when travelling to Council-approved meetings and functions.
- Reimbursement can only be claimed for actual travel by private motor vehicle or by public transport.
- Claims for reimbursement must reflect the most direct route between the elected member's normal place of residence and the venue of the Council approved meeting or function.
- Travel expenses funded or claimed in full or in part from or by any other person, body corporate or through the tax system cannot be claimed.
- Travel expenses that would be incurred regardless of whether or not an elected member attends a Council meeting or function are not claimable.
- All mileage claims are subject to audit by Democratic Services and/or Risk Assurance.

### SECTION 6 - TRAVEL AND ACCOMMODATION

#### **Taxis and other transport**

Are the costs of taxis or other transport reimbursed or an allowance paid? Yes

- No allowances are paid.
- Costs of travelling by public transport to and from Council-approved meetings and functions and for attendance at conferences or seminars approved by the Council are reimbursed (on production of receipts).
- Taxi chits are provided when required for official Council purposes. The Council has an approved taxi service provider for local usage.

#### **Car parks**

Are car parks provided? Yes

- Car parks are provided as and when required to enable elected members to carry out their governance and representation responsibilities
- Car licence plates must be registered with Democratic Services and security staff

### **Use of rental cars**

Are rental cars ever provided?

Yes

- If travel to a conference out of Wellington has been approved by Council and the cost of a rental car is cheaper than paying a mileage allowance or air fare.

### **Air Travel Domestic**

Summarise the rules for domestic air travel.

- For travel to conferences/seminars etc approved by Council (in advance) where travel by air is the most cost effective travel option.
- All travel must be booked through the Democratic Services Unit.
- Compliance in all respects with the Council's Travel and Accommodation Standard. (See Section 2).

### **Air Travel International**

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

- All travel must be approved in advance by the Council.
- All travel must be booked through the Democratic Services Unit.
- Economy class for flights up to 8 hours.
- Business class travel approved for flights over 8 hours.
- Compliance in all respects with the Council's Travel and Accommodation Standard. (See Section 2).

### **Airline Clubs/Airpoints/Airdollars**

Are subscriptions to airline clubs (such as the Koru Club) paid or reimbursed?

No

Are airpoints or airdollars earned on travel, accommodation etc., paid for by the local authority available for the private use of members

No

### **Accommodation costs whilst away at conferences, seminars, etc.**

Summarise the rules on accommodation costs.

- Actual and reasonable costs reimbursed.
- Designated hotels to be used where possible.
- All accommodation booked through Democratic Services.
- Compliance in all respects with the Council's Travel and Accommodation Standard. (See Section 2).

## APPENDIX 2

### **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.)

- Reimbursement of meal costs, either payment of the agreed meal allowance or reimbursement based on actual and reasonable costs.
- No reimbursements for purchases from hotel mini-bars and charges for in-room video or cable movies.
- No reimbursement for meals provided by others.
- No incidental allowances are paid for travel within New Zealand.
- Compliance in all respects with the Council's Travel and Accommodation Standard. (See Section 2).

### **Private accommodation paid for by local authority**

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

No

### **Private accommodation provided by friends/relatives**

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

Yes

- Elected members travelling on Council business who choose to stay privately are paid an allowance of \$60 per night, which includes the cost of accommodation breakfast and dinner.

### **SECTION 7 - ENTERTAINMENT AND HOSPITALITY**

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

No

### **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?

|                            |     |
|----------------------------|-----|
| PC or Laptop               | Yes |
| Fax                        | No  |
| Printer                    | Yes |
| Broadband                  | Yes |
| Second landline to house   | No  |
| Consumables and stationery | Yes |

## APPENDIX 2

|   |     |
|---|-----|
| Mobile Phone  | Yes |
| Other equipment or technology*  | No  |
| Are any restrictions placed on private use of any of the above?   | Yes |
| <ul style="list-style-type: none"><li>• Equipment not to be used for electioneering purposes.</li></ul>   |     |
| <b>Home telephone rental costs and telephone calls (including mobiles)</b>  |     |
| Are telephone rental costs reimbursed in whole or part?   | Yes |
| Are telephone call expenses reimbursed in whole or part?  | Yes |
| <ul style="list-style-type: none"><li>• Reimbursement of up to \$85 per month or the actual amount of the account, whichever is the smaller, is made to elected members for mobile phones provided (excluding community board members).</li><li>• This reimbursement includes the monthly rental costs.</li><li>• The Mayor has landline and a mobile phone provided and paid for by the Council.</li></ul>                 |     |
| <b>Allowances paid in relation to communication and/or technology provided by elected member</b>  |     |
| Are any allowances paid in relation to communications and/or technology provided by the member relating to council business?  | Yes |
| <ul style="list-style-type: none"><li>• A reimbursement allowance of \$50 per month is paid to elected members (excluding community board members) towards the monthly rental and usage charges for broadband. (Note: A allowance of \$60 per month is currently being paid to elected members)</li><li>• The calculation of the allowance is based on the average costs charged by a range of service providers.</li></ul> |     |
| <b>SECTION 9 - PROFESSIONAL DEVELOPMENT, CLUBS AND ASSOCIATIONS`</b>  |     |
| Are any expenses reimbursed or allowances paid in respect of members' attendance at professional development courses, conferences and seminars?   | Yes |
| <ul style="list-style-type: none"><li>• No allowances are paid.</li><li>• Course registration fees are paid subject to the approval of the City Secretary.</li></ul>  |     |
| Are any expenses reimbursed or allowances paid in respect of subscriptions to clubs or associations?  | No  |

**APPENDIX 2**

**SECTION 10 - OTHER EXPENSE REIMBURSEMENTS AND ALLOWANCES**

Are any other expense reimbursements made or allowances paid? Yes

- A home-based technology reimbursement of up to \$45 per month is paid to the Chairs of the Tawa and Makara/Ohariu Community Boards to reimburse the incumbents of those positions a portion of the communication costs (i.e. business related telephone calls, internet connection, fax machines etc) incurred by them in carrying out their duties. (receipts to be provided)

**SECTION 11 - TAXATION OF ALLOWANCES**

Are any allowances (as distinct from reimbursements of actual business expenses) paid without deduction of withholding tax? Yes

- Withholding tax is deducted from the mileage allowances paid but is not deducted from any of the other allowances paid (i.e. the broadband allowance).

**SECTION 12 - SIGNATURE**

I seek approval from the Remuneration Authority, in relation to the period 1 November 2007 to 30 June 2008, 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.

|                  |                    |             |
|------------------|--------------------|-------------|
| _____            | City Secretary     | 12-11-07    |
| <b>Signature</b> | <b>Designation</b> | <b>Date</b> |