
REPORT 4
(1215/11/IM and 1215/10/01)

ELECTED MEMBERS' REMUNERATION: 2010/2011 FINANCIAL YEAR

1. Purpose of Report

To submit for the Committee's consideration:

- (i) a recommended proposal for the initial allocation of the 2010/2011 remuneration pool amongst the elected members of the Wellington City Council and the Tawa and Makara/Ohariu community boards.
- (i) a confirmation of the policies and rules for the reimbursement of expenses and the payment of allowances to elected members, including community board members, for the 2010/2011 financial year.

2. Executive Summary

The Remuneration Authority has advised that, because of the subdued movements in public sector remuneration since its last review in December 2008, there will be no increase to the Council's indicative elected members' remuneration pool for the 2010/2011 financial year (i.e. it will remain at the 2009/2010 level of \$1,383,479).

The Authority has also fixed the Mayor's salary at its existing level (i.e. \$153,660) for the 2010/2011 financial year. The Mayor's full salary must be met from the pool which leaves \$1,229,819 available for distribution amongst the remaining elected members.

In view of the economic climate that existed this time last year the Remuneration Authority agreed to a request from Council that its elected members (excluding the Mayor) receive a nil salary increase for the 2009/2010 financial year and that, as a consequence, it not be required to allocate the full remuneration pool. As a result of this decision the pool was under spent by \$20,503.

However, the Remuneration Authority has advised that the Council must recommend an allocation of the full pool this year.

Based on the rules and principles set by the Remuneration Authority the Council must now decide how the balance of the 2010/2011 pool (i.e. \$20,503) is to be allocated amongst its elected members (excluding the Mayor). A recommended allocation of the pool is submitted for the Committee's consideration.

The agreed proposal must be referred to the Remuneration Authority for its approval before any new salary rates can be implemented. The new salary rates will take effect on 1 July 2010.

The Council is also required to review the rules and policies it has in place for the reimbursement of expenses and the payment of allowances to its elected members. These rules and policies also require the Remuneration Authority's approval prior to their implementation by the Council.

Those rules and policies have been reviewed and are submitted for the Committee's consideration.

3. Recommendations

Officers recommend that the Committee:

1. *Receive the information.*
2. *Note that the Remuneration Authority requires the Council to fully allocate the 2010/2011 remuneration pool (i.e. the full pool of \$1,383,479 must be allocated).*
3. *Recommend that the Council agree that the salary only model be confirmed as the basis of remuneration for the elected members of the Wellington City Council for the 2010/2011 financial year.*
4. *Note that the remuneration framework requires 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).*
5. *Recommend that the Council agree that the following salaries be paid to the elected members of the Wellington City Council and the Tawa and Makara/Ohariu community boards from 1 July 2010 until the date on which the results of the October 2010 elections are declared and that the Council's proposal be referred to the Remuneration Authority for its approval:*

<i>Mayor</i>	<i>\$153,660 pa</i>
<i>Deputy Mayor</i>	<i>\$107,615 pa</i>
<i>Chair, SPC & Portfolio Leader (Urban Development)</i>	<i>\$88,409 pa</i>
<i>Portfolio Leader (x 4)</i>	<i>\$87,510 pa</i>
<i>Chair, Regulatory Processes Committee</i>	<i>\$84,345 pa</i>
<i>Associate Portfolio Leader (x 2)</i>	<i>\$74,220 pa</i>
<i>Chair, Grants Subcommittee</i>	<i>\$74,220 pa</i>
<i>Councillor (x 4)</i>	<i>\$69,240 pa</i>

<i>Tawa Community Board</i>	
<i>Chair</i>	<i>\$20,405 pa</i>
<i>Elected Member (x 5)</i>	<i>\$8,160 pa</i>

<i>Makara/Ohariu Community Board</i>	
<i>Chair</i>	<i>\$13,060 pa</i>
<i>Elected Member (x 5)</i>	<i>\$5,105 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 100%.*
- (c) The Makara/Ohariu community board has approved the recommended remuneration rates for the elected members of their board, without dissent, and the matter is to be discussed by the Tawa Community Board at its meeting on 11 March 2010.*

- 6. Note that the Remuneration Authority will issue an interim determination (in August 2010) to fix salaries to cover the period immediately after the new Council comes into office and until a new governance structure has been agreed by the Council.*
- 7. Note that a new and final determination will be issued by the Remuneration Authority once the Council's new governance structure is in place and that that determination will carry through to 30 June 2011.*
- 8. Note that once a final determination has been made for the balance of the 2010/2011 financial year, the Remuneration Authority will approve any back dating of salaries it considers appropriate.*
- 9. Recommend that the Council 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 the Council is required to notify the Remuneration Authority of any dissent expressed by members of the Council or its community boards in relation to the Council's final remuneration proposal.*
- 11. Recommend that the Council agree that the rules and policies for the reimbursement of expenses and the payment of allowances to community board members for the 2010/2011 financial year, as contained in Appendix 2 of this report, are confirmed.*

4. Background

The Remuneration Authority has advised that the level of the Councils elected members' remuneration pool for the 2010/2011 financial year will remain at \$1,383,479 and that the full pool must be allocated.

The Council sought and obtained the approval of the Remuneration Authority not to fully allocate the 2009/2010 pool. As a result the pool will be under spent by \$20,503 this current financial year. Because there is no increase to the pool this is the "extra" amount that is available for distribution in the 2010/2011 financial year.

The allocation of the 2009/2010 pool, as determined by the Remuneration Authority, was as follows:

Mayor	\$153,660 pa
Deputy Mayor	\$106,720 pa
Portfolio Leaders (x 5)	\$86,456 pa
Chair, Regulatory Processes Committee	\$83,325 pa
Associate Portfolio Leaders (x 2)	\$73,325 pa
Chair, Grants Subcommittee	\$73,325 pa
Councillor (x 4)	\$67,114 pa
Chair, Tawa Community Board	\$20,160 pa
Member, Tawa Community Board (x 5)	\$8,060 pa
Chair, Makara/Ohariu Community Board	\$12,900 pa
Member, Makara/Ohariu Community Board (x 5)	\$5,040 pa
Amount unallocated	\$20,503

The Council is now required to decide how the 2010/2011 pool is to be allocated and to forward its agreed proposal to the Remuneration Authority for consideration and approval. The approval of the Remuneration Authority is required before the Council can implement its proposed remuneration rates.

In view of the fact that it is election year the Remuneration Authority will be issuing three determinations during the 2010/11 year, similar to the process it followed in 2004 and 2007. The process it will follow is set out in section 5.5 of this report.

A summary of the remuneration framework and the Remuneration Authority's rules and principles that the Council is required to comply with is attached as Appendix 1.

The ongoing payment of allowances and the reimbursement of expenses to elected members also require the approval of the Remuneration Authority on an annual basis.

The Council is therefore required to submit for the Remuneration Authority's approval a copy of its proposed rules for the recovery of expenses by elected members. A copy of the proposed rules is attached as Appendix 2.

5. Discussion

5.1 Decisions to be made

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

- To decide whether the pool should be allocated on a salary only basis or whether it should be a mix of salary and meeting fees. (Note: This option does not apply to community board members who must be paid an annual salary).
- 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 Mayoral car is supplied for the incumbent's use
- To review and agree the rules and policies for the reimbursement of elected members' expenses and the payment of 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 which applied prior to 1 July 2003.

However, 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).

It is therefore recommended that the Council adopt the salary only model as its basis of remuneration for the 2010/2011 financial year.

The Council is required to meet at least 50% of the total salary costs for elected community board members from the remuneration pool. The rules do allow a greater percentage of those costs to be met from within the pool and the Council has currently, with the approval of the Remuneration Authority, agreed to meet 100% of the salary costs for community board members from the pool.

The decision to meet a higher percentage of these salary costs (above the required 50%) from within the pool results in a "saving" to the city's ratepayers.

5.3 Distribution of the pool

The Remuneration Authority is required to set the size of the governance pool for all local authorities and for each Council to recommend to the Authority how they would like the pool allocated among its elected members. The Council's recommended allocation requires the approval of the Remuneration Authority before any new pay rates can be implemented.

The size of the pool is both the maximum and minimum amount that can be spent on elected members' remuneration and, apart from last year, it has been mandatory for councils to allocate the full pool. The Council has no control over the size of the pool and is required to pay its members at the rates finally determined by the Remuneration Authority. If, as a result of the Remuneration Authority's determination, individual members feel that they are being "overpaid" they can donate the appropriate amount to a charity of their choice.

5.4 Recommended distribution proposal

Although there has been a change in the Chairmanship of the Strategy and Policy Committee (Councillor Foster took over the role from Councillor McKinnon in December 2009) and the Mayor has taken over (from Councillor Foster) the portfolio leader responsibilities for transport, the Council's governance structure has not changed since the Remuneration Authority approved the Council's remuneration proposal for the 2009/2010 financial year.

Prior to approving the Council's request for a nil increase for the 2009/2010 financial year, the Remuneration Authority asked the Council to consider closing the remuneration gap between the portfolio leaders and those councillors with no chair or portfolio responsibilities from around 77% to around 80%. In their view, now that more matters are being debated and decided by the Council as a whole rather than by committee, all councillors have responsibilities and accountabilities that were previously more dispersed.

A proposal has been developed which takes into account the change in responsibilities of Councillors McKinnon and Foster, closes the gap between portfolio leaders and councillors with no chair or portfolio responsibilities from 77% to 79% and maintains the position taken last year to meet 100% of the total remuneration payable to the council's community board members from the overall remuneration pool. The decision to meet the total salaries of all elected members from the pool means that no additional funding from rates is required.

It is recommended that the additional \$20,503 available for distribution be allocated on the following basis:

That 100% of the total salaries paid to community board members be met from the remuneration pool plus a -

- .8% salary increase for the Deputy Mayor
- 2.2% salary increase for the Chair of SPC

- 3.2% increase for the four councillors with no chair or portfolio responsibilities; and
- 1.2% “across the board” salary increase for all remaining elected members (excluding the Mayor).

The approval of this proposal will result in the following salaries being paid to the Council’s elected members’ for the 2010/2011 financial year:

Mayor	\$153,660 pa
Deputy Mayor	\$107,615 pa
Chair, SPC & Portfolio Leader (Urban Development)	\$88,409 pa
Portfolio Leader (x 4)	\$87,510 pa
Chair, Regulatory Processes Committee	\$84,345 pa
Associate Portfolio Leader (x 2)	\$74,220 pa
Chair, Grants Subcommittee	\$74,220 pa
Councillor (x4)	\$69,240 pa
Chair, Tawa Community Board	\$20,405 pa
Member, Tawa Community Board (x 5)	\$8,160 pa
Chair, Makara/Ohariu Community Board	\$13,060 pa
Elected member (x5)	\$5,105 pa

The recommended proposal has been approved by The Makara/Ohariu community board, without dissent, and the matter is to be considered by the Tawa community board at its meeting on 11 March 2010.

5.5 Timing of determinations

Because of the issues that arise as a result of it being an election year, the Remuneration Authority has advised that it will be issuing three separate determinations for the 2010/2011 financial year.

Its initial determination, based on the Council’s recommendations for the distribution of the indicative pool, will be issued in June 2010. That determination will cover the period from 1 July 2010 and up to and including the date on which the results of the 2010 local authority elections are officially declared.

The Authority is aware that a number of councils could have changes in the number of elected members or changes affecting community boards as a result of representation reviews that have been undertaken since the 2007 election.

It has therefore advised that it intends to follow the practice it adopted in both 2004 and 2007 which is to issue an interim determination to fix salaries for all elected members (excluding the Mayor) to cover the period immediately after the “new” councils come into office and until their governance structures are determined. The salary levels will be set at a conservative level to allow the incoming council to review committee structures, allocation of responsibilities and adjust to any increased or reduced level of membership. The Authority expects to promulgate this interim determination in August 2010 although the

salary rates will not apply until the day after the results of the election are declared. The interim salary rate set for all the members of the Council (excluding the Mayor) immediately following the 2007 election was \$52,000 pa.

The final determination will be issued once the Authority has had time to consider the recommendations from the incoming council in regard to the allocation of the pool for the balance of the 2010/2011 financial year based on its new or reconfirmed governance structure. This final determination is unlikely to be gazetted until early in 2011.

Any backdating of salary adjustments that may be required will apply from the date on which the relevant council decisions are made. Further advice on this process will be notified at the time the interim determination is issued in August 2010.

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 *Payment of allowances and reimbursement of expenses*

The Council is required to review, on an annual basis, the rules and policies it applies for the reimbursement of expenses and the payment of allowances to its elected members. These rules and policies must be approved by the Remuneration Authority prior to their implementation by the Council.

The current rules and policies appear to be working satisfactorily and there is no proposal to recommend any changes to them at this time.

5.8 *Unanimity of the Council’s decision*

In submitting its proposal the Council is required to provide the Remuneration Authority with details of:

- (i) any dissent at Council; and
- (ii) any dissent from community boards.

The 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 it so wishes.

If the Council's recommendations are unanimous and reasonable it is unlikely that the Authority will withhold its approval. However, the Authority has the power to amend any proposal if the level of dissatisfaction is high or if it considers the proposal is unreasonable.

6. Conclusion

The Council is required to submit its recommended remuneration proposal and its rules for the reimbursement of expenses to the Remuneration Authority for approval no later than 31 March 2010.

The recommended proposal has been approved by The Makara/Ohariu community board, without dissent, and the matter is to be considered by the Tawa community board at its meeting on 11 March 2010.

The new remuneration rates which will come into force on 1 July 2010 (and remain in place until the date on which the results of the October 2010 elections are declared) cannot be implemented until the Remuneration Authority has given its approval.

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

APPENDIX 1

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)
 - Operational expenditure (33% weighting)
 - Gross assets controlled (17% weighting)
 - Rate of population change
- 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 any 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).
- All community board members must be paid a salary (i.e. the payment of meeting fees is not an option).
- 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.

APPENDIX 1

- 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.
- 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 costs for any appointed community board members.
- At least half the salary costs 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.

- 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

Mileage allowances

Where an elected member needs to use their own vehicle on council business, they can 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.

APPENDIX 1

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

Date: March 2010

**APPLICATION FOR APPROVAL OF EXPENSE RULES (INCLUDING
REIMBURSING ALLOWANCES) APPLICABLE TO ELECTED MEMBERS OF
THE WELLINGTON CITY COUNCIL FOR PERIOD 1 JULY 2010 TO 30 JUNE 2011**

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	July 2008
Schedule of elected member allowances and expenses		March 2010

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 is 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

No mileage allowances are payable. Elected members are required to claim the costs of using their private vehicles on Council related business as part of their individual taxation arrangements.

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/bus/train 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.

APPENDIX 1

- 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).

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.

APPENDIX 1

- 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**
Mobile Phone	Yes**
Other equipment or technology	No

** Not provided to community board members

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

- Equipment not to be used for electioneering purposes.

Home telephone rental costs and telephone calls (including mobiles)

APPENDIX 1

Are telephone rental costs reimbursed in whole or part? Yes

Are telephone call expenses reimbursed in whole or part? Yes

- 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 (does not include community board members).
- This reimbursement includes the monthly rental costs.
- The Mayor has a landline and a mobile phone provided and paid for by the Council.

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

Are any allowances paid in relation to communications and/or technology provided by the member relating to council business? Yes

- 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.
- The policy provides for the payment of \$50 per month less withholding tax (if the original invoice is retained by the elected member) or the reimbursement of the actual costs up to a maximum of \$50 per month (if the original invoice is supplied to the Council).

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 allowances are paid.
- Course registration fees are paid subject to the approval of the City Secretary.

Are any expenses reimbursed or allowances paid in respect of subscriptions to clubs or associations? No

APPENDIX 1

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.
- The policy provides for the payment of \$45 per month less withholding tax (if the original invoice is retained by the elected member) or the reimbursement of the actual costs up to a maximum of \$45 per month (if the original invoice is supplied to the Council).

SECTION 11 - TAXATION OF ALLOWANCES

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

- In those circumstances outlined in Sections 8 and 10.

SECTION 12 - SIGNATURE

I seek approval from the Remuneration Authority, in relation to the period 1 July 2010 to 30 June 2011, 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	-03-2010
Signature	Designation	Date