

Central Hawke's Bay District Council – Report

TO: Council
FROM: Corporate Services Manager
DATE: 18 February 2010
FILE REF: ADM1-2100
SUBJECT: INDICATIVE POOL 2010/2011 – ELECTED MEMBER REMUNERATION

1.0 SUMMARY

The Remuneration Authority is responsible under statute for the setting of local authorities elected member remuneration. Council adopted the existing Elected Member Remuneration and Expenses policy in April 2009.

The Remuneration Authority has determined that indicative data does not support an increase in the 2009/10 remuneration Pool for 2010/11.

However - Councillors, at their meeting in March 2009, agreed to retain the remuneration pool at 2008/09 levels. There is therefore a 3% (or \$8,000) variance between the recommended 2009/10 Pool and that approved by Council.

The Authority has expressed its concern that there could be catch up increases required in subsequent years.

Council therefore now needs to consider the Authority's recommendation that the full Pool, pro rated for the period 1 July 2010 to Election day – should now be accepted.

Council's response is required by 31 March.

2.0 RECOMMENDATION

THAT

Council approve the Elected Member Remuneration for 2010/2011 – pro rated for the period 1 July 2010 to Election day - as set out in the amended "Elected Member Remuneration and Expenses Policy 1.8".

3.0 BACKGROUND

The Remuneration Authority earlier released the Indicative Pool for the 2010/2011 financial year.

The recommended pool is made up of the following:

Mayor's salary	\$63,844
Net Pool	\$188,327

This is unchanged from their recommendations in 2009/10.

However, earlier Councillors wished to retain the 2009/10 remuneration pool at the 2008/2009 level in recognition of the economic circumstances at the time. This was to establish a point of principle – as the difference in dollar terms was \$8,000.

To avoid a future catch up between Council's Remuneration Policy and the Authority's recommendations – it is recommended that the full recommended 2010/11 Pool now be allocated – pro rated from 1 July 2010 to election day.

Council Policy 1.8 – has been updated accordingly for approval.

The recommended Remuneration contained in the Policy is as follows -

Position	No of Positions	Annual Salaries (\$pa)
Deputy Mayor	1	\$29,911
Chair – Waste Committee and Council representative on the LTCCP Steering Group	2	\$49,648
Councillors	5	\$108,760
TOTALS	8	\$188,327

TOTAL Remuneration Pool (<i>Total pool</i>)	\$252,171
Net Remuneration Pool (<i>Total remuneration pool less Mayor's salary of \$63,844*</i>)	\$188,327

4.0 OPTIONS

Option 1

Council approve the Elected Member Remuneration for 2010/2011 – pro rated for the period 1 July 2010 to Election day - as set out in the amended “Elected Member Remuneration and Expenses Policy 1.8”.

Option 2

Council amend the Elected Member Remuneration and Expenses Policy.

5.0 STATUTORY IMPLICATIONS

Council is required under the Local Government Act 2002 to adopt a remuneration and expenses policy in line with rulings made by the Remuneration Authority.

6.0 CONSULTATION

6.1 Internal

All Elected Members.

7.0 FINANCIAL

The 2009/2019 Long Term Council Community Plan
Draft Annual Plan 2010/11

8.0 STRATEGIC LINKS

- Long Term Council Community Plan 2009/2019.

9.0 POLICY/DELEGATION REFERENCE

Policy Manual, Document 1.8 'Elected Member Remuneration and Expenses Policy'.

Kevin Brown
Corporate Services Manager

Central Hawke's Bay District Council ELECTED MEMBER REMUNERATION AND EXPENSES POLICY	POLICY MANUAL	
	Document #	1.8
	Approved by:	Council
	Adoption Date:	18.2.10
	Date of Confirmation:	18.2.10
	Review Date:	Nov 2010
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1. REMUNERATION

The salary pool is determined by the Remuneration Authority, on an annual basis. Council is able to choose which of two options it will use - 'salary only' or 'salary and meeting allowance'. In 2003, Council decided to use the salary only basis.

The Mayor is paid an annual salary set by the Authority. The net remuneration pool for 2010/11 is \$188,327.

Salaries will be paid by direct credit to the elected member's nominated bank account in line with the payroll fortnightly pay system.

A meeting allowance is set by the Remuneration Authority for Resource Management Hearings. This is provided for outside of the salary pool set by the Authority.

This Policy will require updating following the triennial Elections in October 2010. Amounts below will be pro rated for the period 1 July 2010 to election day.

SALARY ONLY BASIS

The formula below is based on the assumption that the Deputy Mayor, Chair of the Waste Committee and Councillor representative on the LTCCP Steering Group have a differing workload/responsibility but other Councillors have the same.

Position	No of Positions	Annual Salaries (\$pa)
Deputy Mayor	1	\$29,919
Chair – Waste Committee and Council representative on the LTCCP Steering Group	2	\$49,648
Councillors	5	\$108,760
TOTALS	8	\$188,327

TOTAL Remuneration Pool (<i>Total pool</i>)	\$252,171
Net Remuneration Pool	\$188,327
<i>(Total remuneration pool less Mayor's salary of \$63,844*)</i>	

Meeting fees for members of the Hearings Committee will be paid at a rate of \$85/hour (Chairman) and \$68/hour (members) for hearings convened under Council Policy or statutory requirement.

2. REIMBURSEMENT OF MILEAGE

2.1 MILEAGE

The Remuneration Authority has set a maximum per km reimbursement rate at \$0.70 per km. Council has set a reimbursement rate of \$0.70 per km.

2.1.1 All elected members may claim mileage for eligible travel.

2.1.2 Claims for mileage must be made on the 'Mileage Claim' form.

2.1.3 Reimbursement of mileage will be paid through the payroll system upon claim by direct credit to the member's nominated bank account.

2.2 ELIGIBILITY OF MILEAGE CLAIMS

Mileage may be claimed under the following circumstances. Reimbursement of private vehicle travel for attendance at:

2.2.1 Any official Mayoral function.

2.2.2 Any formal meeting attended by the Council nominated elected member representative (or in their absence, approved substitute) at meetings of organisations/committees as detailed in the policy titled 'Council's Representation on External Organisations and Funding Assessment Committees'.

2.2.3 Any formal meeting attended by the Council nominated elected member representative (or in their absence, approved substitute) at meetings of organisations/committees as detailed in the policy titled 'Council Committees and Associated Group Representation'.

2.2.4 Workshops of Council and the Services Committees.

2.2.5 Attendance at 'Agenda Review' meetings by the Mayor, Deputy Mayor, nominated Councillors, and other elected members requested by Her Worship the Mayor to attend.

2.3 NON ELIGIBILITY OF MILEAGE REIMBURSEMENT

Mileage is not eligible in the following circumstances:

2.3.1 When an elected member has attended to an issue of their own volition which was of interest to the elected member but was not considered as essential to Council and/or the community. If an elected member is in doubt with regard to eligibility of mileage in this type of event, he/she should seek guidance from Her Worship the Mayor prior to attending.

2.3.2 Where an elected member has made more than 1 return trip to attend the same meeting. In this situation only 1 return trip may be claimed.

2.3.3 Travel that is not related to the business of Council. For example, non Council business/personal travel interspersed with Council related business must not be claimed.

2.3.4 Meetings that are not covered within those listed under Section 2.2 of this policy.

3. REIMBURSEMENT OF INCIDENTALS

- 3.1 Reasonable expenses relating to Council business may be claimed by elected members for reimbursement. A tax invoice (GST registered) must be provided at the time of the claim.
- 3.2 Claims must be requested using an Expense Claim form which is available from the Creditors Officer.
- 3.3 **TELEPHONE CALLS**
Reimbursement of reasonable Council business related phone calls to Councillor's phones can be made on presentation of a phone account with details showing to whom the calls were made. Calls to cellphones should be prevented where practicable.
- 3.4 **CELLPHONES**
The Mayor only will be supplied with a cellphone for Council business. Council will pay for the rental and business related phone calls. All private calls must be paid by the Mayor.
- 3.5 **TRAFFIC INFRINGEMENTS**
Infringements of this nature are the responsibility of the offender.
- 3.6 **STATIONERY**
Council does not reimburse these costs. However, stationery is available from Council for Council business. Elected members who require items of stationery for Council business should request this through the Mayor's Personal Assistant.

4. REIMBURSEMENT OF CONFERENCE/SEMINAR EXPENSES

Conference and Seminars should be arranged by the Mayor's Personal Assistant. In most cases registration and accommodation will be invoiced directly to Council. However, there may be some instances where elected members pay for related expenses and are entitled to claim all reasonable expenses back.

- 4.1 Expenses will only be reimbursed for attendance at a conference/seminar etc which Council has resolved the elected member attend.
- 4.2 Council will reimburse all reasonable eligible expenses on production of a tax invoice (GST registered). If a GST registered invoice/receipt is not provided, reimbursement cannot be made.
- 4.3 Claims must be requested using an Expense Claim form which is available from the Creditors Officer.
- 4.4 Eligible Expenses:
 - Registration fees.
 - Accommodation and personal meals that are not included in the conference/seminar fees.
 - Toll calls relating to official Council business and one phone call home per day.
 - Taxi expenses for transport from/to airport/arrival point to venue (courtesy vehicles should be used where available).
 - Parking fees.

And any other reasonable expenses incurred whilst attending the Conference/Seminar as approved by Her Worship the Mayor and the Deputy Mayor.