

COUNCILLOR REMUNERATION AND ADMINISTRATION POLICY

Councillor Remuneration and Administration Policy



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Version	41
Approval/Review date	May 2024
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Review frequency	Three yearly, following triennial election or more frequently as required. Salaries are recommended to the Remuneration Authority on an annual basis.
Responsibility	Executive Manager Business Support
Approval authority	Chief Executive
Consultation required	No
Relevant Legislation	Local Government Act 2002 (and Amendment Act 2010) Local Government Official Information and Meeting Act 1987 Resource Management Act 1991
Associated documents	Tax Guidance for SWDC Elected Members (DocSet ID number – 608970) Sensitive Expenditure Policy (DocSet ID number – 299528) SWDC Standing Orders for Meetings of Local Authorities and Community Boards SWDC Delegations Manual SWDC Governance Manual SWDC Governance Statement SWDC Code of Conduct for Members

Policy Objectives

To assist Council to meet its statutory responsibilities and provide good practice in relation to Councillor Remuneration.

To outline the principles for remuneration of Elected Members and Community Board Members in compliance with legislative requirements including Remuneration Authority and Inland Revenue Department rules for such payments.

Policy Statement

Councillors and Community Board members will only be remunerated in accord with this policy

Councillor Remuneration

Elected Members Salaries

The Remuneration Authority sets each Council's remuneration structure and rules and the salary of the Mayor. The Remuneration Authority makes the final determination.

Committee Structure

Council has appointed committees. The current Committee Structure is outlined in the Governance Manual (DocSet ID number - 605994) and will be form part of the Council's submission to the Remuneration Tribunal.

Elected Members' remuneration is "salary only," paid fortnightly.

The Mayor is provided with a vehicle with full private use.

Councillors appointed to outside organisations do not receive remuneration for this representation. This is covered in their annual remuneration. Other appointees to outside organisations do not receive remuneration for their representation.

Elected Members' Allowances

Council systems and processes will be used to pay Elected Member expenditure, incurred in the ordinary course of Council business, and in accordance with Council's policies and delegations.

The Mayor approves all Elected Member's allowance and expense claims.

The Application for Approval of Expenses Rules (including reimbursing allowance) applicable to elected members of local authorities is submitted to the Remuneration Authority annually for approval.

For more information see the section entitled Allowances for local government members - [Allowances for local government members | Remuneration Authority \(remauthority.govt.nz\)](https://remauthority.govt.nz)

Domestic Travel

Travel allowances will be paid to Elected Members (except the Mayor) only when travelling to and from an approved meeting. Approved meetings are those approved by Council or the Community Board or the Elected Member is a Council or Community Board representative or is travelling on behalf of the Mayor.

Refer to Remuneration Authority Rules for information on travel allowances.

Only the Mayor is provided with use of a Council motor vehicle. The Mayor has full private use for which a deduction from remuneration is made in line with Remuneration Authority determinations.

Taxi transport will be reimbursed when receipts are provided for travel to approved meetings.

Council car parking is provided at the Council offices at no cost. Elected Members can be reimbursed for parking when travelling on business.

International Travel

International travel, for Elected Members, for council related business, must be approved by the Council. Travel is to be booked through the Team Leader Executive Support. Premium Economy class travel shall be allowed where the member has to undertake Council business the same day; otherwise, economy travel shall be used.

Rental Cars

Council recommends the use of a rental car by Elected Members where the cost of a rental car is less than a mileage allowance payable for the same trip. Members should look to carpool where possible.

Elected Members Expenses

In addition to the salary all expenses incurred which are directly associated with an event or meeting that either the Mayor, Council or Community Board has authorised the elected member to attend, excluding those of a personal nature, will be reimbursed.

Elected members will be inducted with these policies and procedures after each election. Policies set by Council reflect public sector norms of reasonableness and conservatism.

Council provides an annual training budget for elected members. Course and conference expenditure is approved by the Mayor.

Wherever practical, Council will arrange and pay for the cost of public transport (air, rail, road and sea ferry), accommodation and meals associated with attendance at an approved meeting/conference/training. Where this is not possible the elected member shall be reimbursed for the cost incurred in purchasing these services. Accommodation is booked through the Executive Support.

All actual or reasonable out-of-pocket expense claims which meet the requirements of the Sensitive Expenditure Policy must be supported wherever possible by a tax invoice or receipt and authorised for reimbursement by the Mayor. Expenses incurred by the Mayor shall be authorised for payment by the Deputy Mayor.

Council will provide members with all communication equipment and consumables and meet other direct costs incurred in performing their duties, provided that the expense claim is supported by a tax invoice.

No private accommodation is paid by Council for elected members, their friends or relatives.

No allowance for entertaining or hospitality is provided to elected members but reasonable business related expenses which meet the requirements of Council's Sensitive Expenditure Policy can be reimbursed after approval by the Mayor, or in case of the Mayor, the Deputy Mayor and Chief Executive

An annual claim may be made by elected members for communications equipment and services (DocSet ID - 447894 for current rates).

Elected Members Employment Status

Council will tax elected members' remuneration as withholding payments, unless individual elected members provide written advice from the Inland Revenue Department that they have individual tax status.

The taxation status of Councillor expense claims and fees is as follows:

Withholding tax applies to:

- Meeting fees of a Councillor; and
- Any travel time allowance paid to a Councillor.

Withholding tax does not apply to:

- Mileage allowances
- Communications allowances
- Any other allowance or reimbursement to the extent that the allowance/reimbursement represents actual or reasonable reimbursement of expenditure incurred by the Councillor on Council related business.

Information Regarding Individual Elected Members

Elected member remuneration is required to be declared in Council's Annual Report.

Definitions

Chief Executive	That person appointed pursuant to Section 42 of the Local Government Act 2002.
Councillors	Members of the public elected by the community by ward to represent the community.
Community Board Members	Members of the Tirau Community Board
Mayor	The person elected by the community as mayor as part of a Triennial Election of Local Government.
Deputy Mayor	The person appointed by the Mayor as Deputy Mayor.
Remuneration Authority	The organisation set up to determine the remuneration of elected members of Council.