



Report 10.648
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File E/05/02/03

Committee Council
Author Cr Fran Wilde, Council Chair

Policy on elected members' allowances and expenses

1. Purpose

To amend the vehicle mileage allowance in the Council's policy on elected members' allowances and expenses.

2. Significance of the decision

The matters for decision in this report do not trigger the significance policy of the Council or otherwise trigger section 76(3)(b) of the Local Government Act 2002.

3. Background

On 6 September 2010 the Remuneration Authority (the Authority) provided the following guidance to local authorities on the rules around elected members' vehicle mileage allowances:

- Vehicle mileage allowances should incorporate a threshold of 30 km or more per event before a mileage allowance becomes payable
- The allowance per km should be less than, or equal to, 70 cents per km
- The maximum payment to an elected member should be no more than 5,000 km a year.

The Authority later advised that it would consider proposals for an increase to the 5,000 km limit on a case-by-case basis.

On 18 November 2010 Council adopted its policy on elected members' allowances and expenses. This included a vehicle mileage allowance that was consistent with the Authority's guidelines except that elected members could claim up to 10,000 km a year (1 July to 1 June) in vehicle mileage allowances. This policy has yet to be approved by the Authority.

4. New advice regarding mileage allowances

Subsequent to the Council's decision on 18 November, the Authority issued new advice which revised the parameters relating to mileage allowances. It advised that the 5000 km limit was changed to the extent that the Authority would automatically approve the payment of mileage at 35 cents per km for travel in excess of 5000 km. The Authority's letter is attached as **Attachment 1**.

5. Proposed amendment to the policy

I propose that Council's policy on elected members' allowances and expenses be amended to align with the updated advice from the Authority regarding mileage allowances.

6. Communication

No communications are necessary as a result of this report.

7. Recommendations

That the Council:

- 1. Amends the Elected Members' Allowances and Expenses Policy that was adopted on 18 November 2010 by replacing the vehicle mileage allowance provision of 70 cents per km for up to 10,000 km a year with an allowance of 70 cents per km for up to 5,000 km and 35 cents per km for travel in excess of 5,000 km.*
- 2. Notes that the 30 km threshold per event before mileage may be claimed is unchanged.*
- 3. Notes that the amended policy is subject to approval by the Remuneration Authority.*

Report prepared by:

Fran Wilde
Chair

Attachment 1: 23 November 2010 letter from the Remuneration Authority