

DATE OF MEETING DECEMBER 16, 2019

AUTHORED BY SHEILA GURRIE, DIRECTOR, LEGISLATIVE SERVICES

SUBJECT Council Remuneration and Spending and Amenities Policy

OVERVIEW

Purpose of Report

To provide an update to Council on the Council motion of 2018-DEC-17 regarding Council remuneration and to seek direction from Council regarding the Council Remuneration Review.

Recommendation

1. That Council:
 1. approve the draft terms of reference to establish an independent task force commencing in 2020 to undertake the review of the Council Spending and Amenities Policy with a focus on Council Remuneration; and,
 2. approve a Selection Committee comprising of the CAO, Director of Human Resources and Director of Legislative Services to review applicants and to select members of the Task Force, in accordance with the selection criteria contained in the Terms of reference.

BACKGROUND

Council received the report titled “Council Remuneration” on 2018-DEC-17 (ATTACHMENT A), and made the following motion:

It was moved and seconded that Council:

1. adjust Council base salaries to compensate net pay for the 1/3 tax exemption effective 2019-JAN-01;
2. amend the “Council Spending and Amenities Policy” to include a provision to annually revise the base compensation for Mayor and Council by applying the BC Annual Percent Consumer Price Index to the prior year’s base compensation amount to a maximum of 2% per year; and,
3. appoint an independent Council Remuneration task force to undertake a comprehensive review of Council compensation, Council Spending and Amenities Policy and any other related matters deemed appropriate by Council. The Council remuneration task force should be appointed no later than 2019 and submit its recommendations for implementation January 2021.

The motion carried.

Opposed: Councillor Turley

The Council Spending and Amenities Policy (ATTACHMENT B), has been in effect since 2016-MAR-26, with amendments on 2016-APR-04, 2016-MAY-02 and 2018-DEC-17. In the policy statement, the following is recommended:

“This policy shall be reviewed in three years from its effective date to determine its effectiveness and appropriateness. This policy may be assessed before time as necessary to reflect organizational change.”

Council conducted an interim assessment of the policy in late 2018 with the understanding that a more comprehensive review would be initiated in 2019. As noted in the enclosed motion, Council amended the timing of the staff report recommendation, such that recommendations would be effective January 2021.

DISCUSSION

This report is to advise Council of progress on the Council motion, and to confirm the process options going forward. To date, staff have updated the Council Spending and Amenities Policy effective 2018-DEC-17. Based on Council’s motion of last year, and as the Council Spending and Amenities Policy is set to be reviewed every three years, options for the process going forward could include:

1. Establishing an independent task force (draft terms of reference attached)
2. Retaining a qualified consultant to conduct a review of the policy
3. Directing Staff to conduct the review

Council may also consider interim updates to the policy regarding attendance at conferences or other non-compensation matters that could be referred to Staff (as was done in 2018-DEC-17). Establishment of the task force is recommended to occur in mid to late 2020, or 2021, as previously recommended.

OPTIONS

2. That Council:
 3. approve the draft terms of reference to establish an independent task force commencing in 2020 to undertake the review of the Council Spending and Amenities Policy with a focus on Council Remuneration; and,
 4. approve a Selection Committee comprising of the CAO, Director of Human Resources and Director of Legislative Services to review applicants and to select members of the Task Force, in accordance with the selection criteria contained in the Terms of reference.
- The advantages of this option: an independent task force is a common practice in other municipalities and provides an impartial and objective review of the policy in order to help provide recommendations. Staff could still undertake reviews or make changes upon direction from Council, to non-compensation related matters related to the policy.

- The disadvantages of this option: The Task Force may make recommendations that could be challenging to some members of the public.
 - Financial Implications: Staff resources spent preparing for and attending the task force meetings would have minor financial implications.
2. That Council retain a qualified consultant to conduct a review of the Council Spending and Amenities Policy, with a focus on Council Remuneration.
- The advantages of this option: A consultant would provide an impartial and independent review of the Council Spending and Amenities Policy and provide a report with recommendations on changes set out in the mandate provided to them. Staff could still undertake reviews or make changes upon direction from Council, to non-compensation related matters related to the policy.
 - The disadvantages of this option: A consultant review may lack the engagement or inclusion of the public perspective that a task force would capture.
 - Financial Implications: There would be a cost associated with a consultant undertaking the review of the Council Spending and Amenities Policy. Staff would come back to Council with the costs after an RFP, or a review for direct award for services was conducted and costs were known.
3. That Council direct Staff to undertake the review of the Council Spending and Amenities Policy with a focus on Council Remuneration.
- The advantages of this option: Staff are familiar with the Council Spending and Amenities policy and the amendment process. The time to undertake the review could be expedited using this method, with other work diverted.
 - The disadvantages of this option: Staff dealing with matters of Council remuneration is difficult, and not considered a best practice. Engagement and inclusion of the public would be difficult using this model. Staff time spent undertaking this review is time away from other files and work must be redistributed to others.
 - Financial Implications: Costs would be minimal; however extra work on other staff may have financial implications.

SUMMARY POINTS

- Council made a motion on 2018-DEC-17 with respect to Council Remuneration.
- Staff have brought forward an update on the progress made regarding this direction from Council.
- Staff are seeking clarification and direction regarding the process going forward and recommending council approve the draft terms of reference to undertake an independent task force.

ATTACHMENTS:

ATTACHMENT A – Council Remuneration Report dated 2018-DEC-17

ATTACHMENT B – Council Spending and Amenities Policy

ATTACHMENT C – DRAFT City of Nanaimo Term of Reference for Council Remuneration Task Force

Submitted by:

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Concurrence by:

Jake Rudolph
Chief Administrative Officer