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Report to Policy & Finance Committee
From: Ted Maguire, Council Secretary

Elected Members' Remuneration - New Ministerial Determination

1. Purpose

To seek consider an adjustment to the remuneration payable to elected members in light of the recent ministerial announcement.

2. Background and Comment

2.1 Introduction

Councillors are remunerated by way of annual salaries and daily meeting attendances within parameters defined by Ministerial Determination.

The Minister of Local Government has recently published in the *New Zealand Gazette* a new Ministerial Determination approving a 2.5% rise for salaries and meeting allowances for elected members of local authorities backdated to 16 February 2001. The new Determination prescribes maximum and minimum annual salaries for meetings and also daily meeting allowance rates.

A copy of the new Determination is enclosed at **Attachment 1**.

In summary, the new Determination groups Regional Councils on a population basis as follows:

300,001+
150,001-300,000
75,001-150,000
up to 75,000

The WRC comes into the first group - Wellington Region having a population of some 429,000.

2.2 Job Evaluation

Actual rates payable to WRC members have traditionally been based on a job evaluation and linked to market rates. This Council's use of those processes has produced a satisfactory and objective result. A copy of the letter from Deloitte Touche Tohmatsu advising of the result of the job evaluation process carried out in 2000 is at **Attachment 2**.

The table below sets out councillors' salaries based on the current Ministerial Determination and the Deloitte's Job Evaluation formula.

	New Determination Maximum \$	Job Evaluation Maximum Salary \$	Current Salary Rate \$
Council Chairman	99,100 *(95,100)	104,700	96,680 *(92,680)
Deputy Council Chairman	33,440	36,500	32,620
Committee Chairpersons			
- Regional Transport	33,440	40,700	32,620
- Environment	33,440	42,800	32,620
- Utility Services	33,440	36,200	32,620
- Rural Services and Wairarapa	33,440	35,600	32,620
- Landcare	33,440	34,000	32,620
Other Members	16,720	20,400	16,310
Attendance Allowance	195		190

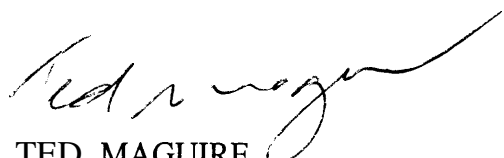
* Adjusted for the use of a car, valued at \$4,000 per annum.

As the job evaluation maximum is above the current salary rate paid to all Councillors, a salary adjustment up to the statutory maximum could be considered.

The Council has traditionally paid the maximum rate for daily meeting attendance allowance and all councillors (other than the Council Chairperson) would receive a new higher rate. Daily allowances are also paid to many committee appointees.

3. Recommendation

That Council considers applying the amended rates of remuneration to elected members.


TED MAGUIRE
 Council Secretary

4. Chairman's Recommendation

- (1) *That Council adopt the new maximum salaries and meeting attendance allowance levels for the Deputy Chairperson, Chairpersons of committees and Councillors from 16 February 2001.*
- (2) *That I vacate the chair for the discussion of the Chairman's salary.*



STUARTMACASKILL
Chairman

**Attachment 1 – Local Government (Local Authorities Salaries and Allowances)
Determination 2001**

Attachment 2 - Letter from Deloitte Touche Tohmatsu