

Report 13.676
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File E/05/02/03

Committee Council
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Elected member remuneration 2013

1. Purpose

For the Council to resolve its proposal for the allocation of the remuneration pool for positions of additional responsibility to apply to the Council elected at the 2013 triennial elections.

2. The decision-making process and significance

The matter requiring decision in this report has been considered against the requirements of Part 6 of the Local Government Act 2002.

2.1 Significance of the decision

The significance of the matter has been considered, taking into account the Council's significance policy and decision-making guidelines. Due to the procedural nature of this decision it is recommended that the matter be considered to have low significance.

A formal record outlining consideration of the decision-making process is not required in this instance.

3. Background

The Remuneration Authority (the Authority) has recently completed a review of its remuneration setting approach for local authorities. A report outlining the outcomes of the review and the Authority's new approach to local authority elected member remuneration setting is attached as **Attachment 1**. The Authority's answers to commonly asked questions regarding the new approach are contained in **Attachment 2**.

Under the new approach, which takes effect from the date that elected members assume office following the 2013 triennial elections, the Authority continues to determine the Chair's salary; in addition, the Authority now determines the base salary to apply to Councillors. The salaries are detailed below:

Position	Salary
Chair	\$157,300
Councillor (12)	\$57,600

The Authority has also advised that each council will have a pool of funds available to provide additional payment to Councillors appointed to positions of additional responsibility (including the Deputy Chair, committee chairs and portfolio leaders) and to those Councillors assigned significant additional responsibilities in the district or regional plan process.

The pool for positions of additional responsibility (including the regional plan process) is the equivalent of 1.5 times of one base Councillor salary; for Greater Wellington Regional Council this equates to \$86,400. There is no requirement for a council to develop a proposal which would provide for the full allocation of the pool.

The Authority has advised that it expects:

- additional remuneration for a deputy mayor or chair to not exceed 40% of the base councillor salary
- additional remuneration for committee chairpersons or portfolio leaders or other councillor positions of additional responsibility to be between 5% and 25% of the base councillor salary.

The Authority has asked councils to advise it by 19 July 2013 of their proposals for the allocation of the pool available for positions of additional responsibility. In the event that a council elected at the 2013 triennial elections changes its governance structure in a way that impacts on the positions of additional responsibility it will have the opportunity to submit a fresh proposal to the Authority for the allocation of the pool.

4. Comment

As the governance structure of the Council to be elected at the 2013 triennial elections is currently unknown, it is proposed that the Council's proposal to the Authority for the allocation of the pool for positions of additional responsibility should be based on the current governance structure. The proposal outlined below sets the Deputy Chair and Committee Chair remuneration at the maximum levels available:

Position	Number in position	Additional remuneration	Total salary	Multiple of base Councillor salary
Deputy Chair, with committee chair responsibility	1	\$23,040	\$80,640	1.40

Committee Chair	3	\$14,400	\$72,000	1.25
Chair, Audit, Risk and Assurance Committee	1	\$5,760	\$63,360	1.10
Chair, Hutt Valley Flood Management Subcommittee	1	\$5,760	\$63,360	1.10
Councillor	6	-	\$57,600	1

This proposal allocates \$77,760 of the available pool. Under this proposal the position of Chair of the Hutt Valley Flood Management Subcommittee would be eligible to receive remuneration for this position of responsibility.

5. Communication

The Council's decision will be communicated to the Authority.

6. Recommendations

That the Council:

1. ***Receives the report.***
2. ***Notes the content of the report.***
3. ***Resolves that the pool available for positions of additional responsibility should be allocated as set out in section 4 of this report.***

Report prepared by:

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Chair

Attachment 1: Remuneration Authority - Local authority remuneration setting 2013
Attachment 2: Remuneration Authority - Answers to frequently asked questions