



Report 06.36
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File E/05/02/03

Committee Policy, Finance and Strategy Committee
Author Amy Norrish Section Leader - Secretariat

Remuneration of Elected Members for 2006/07

1. Purpose

To adopt a remuneration proposal for submission to the Remuneration Authority.

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

The Remuneration Authority (the “Authority”) sets the remuneration of elected members of local authorities. Remuneration includes a salary, payment for resource consent hearings, and allowances and expenses.

The Authority uses a model that provides a remuneration pool for each council. From this pool elected members are paid a salary, or salary and meeting fees. The pool is reviewed annually and for regional councils is based on population (30%), expenses (25%), assets (15%), and capital value (30%).

This year the Authority has set an indicative pool of \$793,587 for Greater Wellington (**Attachment 1**). This is 1.75% larger than the pool for 2005/06. Before finalising the Council’s remuneration pool, the Authority is seeking the Council’s recommendations on the distribution of the indicative pool amongst its elected members. The Council’s recommendations must be received by the Authority by 1 April 2006.

4. Comment

The Council must recommend the way in which the indicative pool of \$793,587, minus the chairperson’s salary of \$130,684, should be split up between the remaining elected members. It is proposed that the same remuneration regime that has been agreed by the Council for the last three

years be applied to the new net pool of \$662,903. This regime determines that salaries, rather than salaries and meeting fees, be paid to elected members. The regime also determines the formula that is used to distribute the salaries between elected members, which is based on time and job weightings for each position.

Position	Salary per person
Deputy Council Chairperson with Committee	\$67,610
Committee Chairpersons	\$64,791 each
Chairperson Planning and Monitoring Subcommittee	\$54,228
Councillors	\$43,422 each

The Authority has also sought advice on the Council's policy on allowances and expenses. It is recommended that the Council reconfirms Greater Wellington's Policy on Elected Members' Allowances and Expenses, which has been working effectively for the last three years (**Attachment 2**).

5. Communication

The Council's decision will be reported to the Remuneration Authority before 1 April 2006.

6. Recommendations

That the Committee recommends that the Council

(1) **adopts** the following annual salaries:

- *Deputy Council Chairperson with Committee - \$67,610*
- *Committee Chairpersons - \$64,791 each*
- *Chairperson Planning and Monitoring Subcommittee - \$54,228*
- *Councillors - \$43,422 each.*

(2) **confirms** *Greater Wellington's Policy on Elected Members' Allowances and Expenses.*

Report prepared by:

Report approved by:

Amy Norrish

Section Leader - Secretariat

Jane Bradbury

Divisional Manager - Corporate and
Strategy

Attachment 1: Letter from Remuneration Authority

Attachment 2: Greater Wellington's Policy on Elected Members' Allowances and Expenses