



## 2. HIGHER SALARIES COMMISSION ELECTED MEMBER REMUNERATION PROPOSAL

The Legislation Subcommittee reports:

Attached is a draft response to the Higher Salaries Commission (HSC) Discussion Paper which was considered by the Legislation Subcommittee at its meeting on Monday 13 May 2002.

The Subcommittee decided to recommend to the Council that the principle of a fixed remuneration pool be opposed and section 4 of the response has been drafted from the viewpoint of opposing that principle. The core of such an argument is that the quantum of elected member remuneration is a matter on which the Council should be accountable to its local community and not Central Government.

The Subcommittee also agreed that it would be appropriate for the Commission to use an approach of job-sizing to establish appropriate salary levels for various positions within council structures.

Also attached is a legal opinion from John Fogarty QC which states that the HSC has erred in law by adopting a remuneration pool approach. The Subcommittee recommends that Mr Fogarty's opinion be used as a cornerstone argument in the Council's response to the HSC on the discussion paper.

Even if the principle of a remuneration pool were lawful then section 5 of the attached response argues that the mechanics used in the HSC formula in the discussion paper are flawed.

This is included in the event that the Local Government Act is amended so as to empower the HSC to set a total remuneration pool.

### **Legislation Subcommittee's**

**Recommendation:** That the draft response paper be approved by the Council.