

## 10. ELECTED MEMBERS' REMUNERATION 2007/08

<b>General Manager responsible:</b>	General Manager Regulation and Democracy Services, DDI 941-8549
<b>Officer responsible:</b>	Democracy Services Manager
<b>Author:</b>	Max Robertson

### PURPOSE OF REPORT

1. The purpose of this report is to:
  - (a) Enable the Council to formulate a proposal to be submitted to the Remuneration Authority for the payment of salaries, expenses and allowances to elected members for the balance of the current triennium, up until the October 2007 elections; and
  - (b) Enable the Council to reach a decision on the preferred remuneration structure to be recommended to the incoming Council, to take effect after the October 2007 elections; and
  - (c) Seek approval for the associated schedule of expenses and allowances to be submitted to the Remuneration Authority with the Council's proposal.
  - (d) Seek confirmation of the elected member role responsibility templates developed by the HayGroup and/or Local Government New Zealand.

### EXECUTIVE SUMMARY

2. The Remuneration Authority has advised that the remuneration pool for the elected members of the Christchurch City Council and its eight community boards has been fixed at \$1,581,844 for the 2007/08 financial year and that the Mayor's gross salary has been fixed at \$156,590. This means the amount available to be paid as remuneration for Councillors (including the Deputy Mayor) and community board members is \$1,425,254.
3. The following salaries currently apply until 30 June 2007:

Position	Annual Salary	Total 2006/07 Remuneration Sum	Nett 2006/07 Remuneration Sum within Remuneration Pool
Mayor	\$146,110 gross	\$146,110	\$146,110
Deputy Mayor	\$89,137	\$89,137	\$89,137
Councillors (12 positions)	\$77,977	\$935,724	\$935,724
Community Board Chairs (6 City Boards) (6 positions)	\$35,850	\$215,100	\$107,550
Community Board Members (6 City Boards) (24 positions)	\$22,450	\$538,800	\$269,400
Community Board Chairs (Lyttelton/Mt Herbert and Akaroa/Wairewa) (2 positions)	\$11,412	\$22,824	\$11,412
Community Board Members (Lyttelton/Mt Herbert and Akaroa/Wairewa) (8 positions)	\$6,273	\$50,184	\$25,092
<b>Totals:</b>		<b>\$1,997,879</b>	<b>\$1,584,425</b>

4. The following is a comparison between the 2007/08 Christchurch City remuneration pool, and the pools applicable in preceding years:

Year	Pool
2005/06	\$1,469,944
2006/07	Base pool \$1,529,250 plus temporary adjustment of \$60,395 to allow continuation of existing salaries.
2007/08	\$1,581,844

5. Therefore, the difference between the 2006/07 remuneration pool (including the temporary adjustment of \$60,395) and the 2007/08 pool is a reduction of \$7,801.

6. The Remuneration Authority has confirmed that it is prepared to approve a further temporary adjustment to the pool for 2007/08, to permit all elected member salaries to be continued at their present levels until the existing members go out of office following the October 2007 elections.
7. The Council is now required (taking into account the recommendations made by Community Boards) to decide whether to recommend a continuation of elected member salaries at their present levels until the October 2007 elections, and whether to recommend a revised remuneration structure for consideration by the incoming Council following the elections.
8. Because of the reduction of the pool, the existing salaries cannot continue to be paid after the October 2007 elections. The Remuneration Authority expects the pool to be fully allocated. The Council's proposal must be approved by the Remuneration Authority before any amended salaries proposed can be implemented.
9. The incoming Council will be required to revisit the allocation of the pool following the October 2007 elections, and submit a new proposal to the Remuneration Authority, covering the period between the date on which the new Council assumes office and 30 June 2008. For this reason it is preferable that the Council reach a view on the preferred remuneration structure to be recommended to the new Council for the balance of 2007/08.
10. Any adjustment approved by the Authority for the remainder of the current triennium will cease when the present members go out of office, and the new proposal submitted by the Council following the elections must provide for the allocation of the pool in such a way as to ensure that the pool of \$1,581,844 is not exceeded.
11. Following discussions with elected members, the HayGroup developed the attached generic role responsibility templates for the positions of Mayor, Councillor, Community Board chair and Community Board member (Appendix C). These were discussed at the elected member seminar held on Thursday 15 February 2007, and have since been formally considered by each Community Board. Since then, some Community Boards have recommended that, rather than adopting the template for community board members developed by the HayGroup, the Council instead adopt an alternative community board template developed by Local Government New Zealand, which is also included in Appendix C.
12. Now is the appropriate time for this Council to consider and provisionally adopt a revised remuneration structure that is within the 2007/08 pool figure. This revised remuneration structure can then be communicated to all candidates for the October 2007 elections, on the express understanding that it will be subject to the approval of the incoming Council and the Remuneration Authority after the elections. In response to a recent enquiry, the Remuneration Authority has advised that the Authority's preference is to leave the distribution of the remaining post-election proportion of the governance pool for consideration by the incoming Council and the Remuneration Authority after the elections, rather than entering into discussions on preliminary proposals. Assuming that the Council decides to continue all salaries at their present levels until the October elections, it will not therefore be possible for any submissions to be made to the Remuneration Authority on other options until a new governance structure and remuneration proposal has been agreed by the incoming Council, and submitted to the Remuneration Authority for its approval.

#### **FINANCIAL AND LEGAL CONSIDERATIONS**

13. The principal statutory provisions which apply in this instance are the Seventh Schedule of the Local Government Act 2002, and the Remuneration Authority Act 1977. Once this Council's 2007/08 remuneration proposal (or any variation thereof) has been approved by the Remuneration Authority, it will be gazetted via the Local Government Elected Members' Determination 2007.
14. Sufficient provision has been included in the draft 2007/08 Annual Plan for all elected member salaries to be continued at or about their present levels, until the October election.
15. Some community boards have recommended that all community board members receive the standard communications allowance of \$120 per month, and a Jetstream reimbursement of \$40 per month, as well as being provided with laptops, printers and associated support. The additional cost of this proposal is estimated at \$189,000 per annum. No provision for this additional expenditure has been made in the relevant budgets included in the draft 2007/08 Annual Plan. It would result in a rates increase of 0.2%.

## **STAFF RECOMMENDATIONS**

It is recommended that the Council:

- (a) Adopt the salary only model as its basis of remuneration for elected members of the Christchurch City Council for the 2007/08 financial year.

Note: The remuneration framework requires all community board members to be paid an annual salary (ie there is no provision for the payment of meeting fees to community board members).
- (b) Agree to submit a proposal to the Remuneration Authority which provides for all elected member salaries (with the exception of the Mayor) to be continued at their present levels until the serving members go out of office following the October 2007 elections.
- (c) Resolve to submit to the Remuneration Authority for its approval the proposed rules and policies for the reimbursement of elected member expenses and allowances described in Appendix D of this report, subject to the inclusion therein of any adjustments to reflect the recommendations made by community boards regarding such expenses and allowances.
- (d) Decide on a preferred remuneration structure to be recommended to the incoming Council for possible adoption following the October 2007 elections, to take effect for the balance of 2007/08.
- (e) Decide whether or not to adopt the role responsibility templates for elected members developed by the HayGroup, or whether in respect of community board members it wishes instead to adopt the template developed by Local Government New Zealand (see Appendix C for all templates).
- (f) Note that the Remuneration Authority must be advised of any dissent expressed by members of the Council or its community boards in relation to the Council's final proposal.

## **BACKGROUND ON ELECTED MEMBERS' REMUNERATION 2007/08**

16. The Remuneration Authority is responsible for setting the salaries of elected local government representatives (clause 6 of Schedule 7 of the Local Government Act 2002 refers).
17. A brief summary of the remuneration framework and the rules and principles which the Remuneration Authority works under is attached as Appendix A.
18. The Remuneration Authority revises remuneration pools annually, and each council is thus required to review its levels of remuneration prior to the start of each financial year, based on the new pool. Therefore, this report has been submitted to allow the Council to consider the allocation of the 2007/08 pool for the balance of the current triennium, with any adjustments to the present salaries being applicable from 1 July 2007.
19. The Authority has now released the Christchurch City indicative pool for 2007/08, which amounts to:

Total pool	\$1,581,844
less Mayor's gross salary	\$156,590
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Nett pool available for Deputy Mayor, 12 Councillors, eight community board chairs and 32 community board members	\$1,425,254

20. This represents a reduction of \$7,801 in the amended pool approved by the Authority for the current year.
21. 50% of the total remuneration paid to community board members and elected community board members (excluding members appointed by the Council) is paid outside the pool.
22. The pool is fixed by the Remuneration Authority relative to other councils. The factors used by the Remuneration Authority to determine the size of the remuneration pool for a territorial local authority are:
  - Population (50% weighting)
  - Expenditure (33% weighting)
  - Gross assets (17% weighting)
23. Only one salary is payable to elected members. Thus, a Councillor who serves as an appointed member of a Community Board is paid a Councillor's salary only, and receives no additional payment for serving on the Community Board.
24. Directors' fees paid to Councillors who serve as directors of Council-controlled organisations cannot be taken into account when considering Councillors' remuneration. The directors' fees paid to such Councillors reflect their service as directors of the companies concerned, rather than their role as Councillors.
25. Although the Mayor's salary is set independently by the Remuneration Authority, it is included within the pool. Where a Mayor has partial or full private use of a car provided by the Council (as is the case in Christchurch), the Mayor's gross salary is reduced by an amount which reflects both the extent of private use and the value of the car supplied.
26. In September 2006, the HayGroup were engaged to size the roles of Councillors, Community Board chairs and Community Board members, taking into account their respective roles and responsibilities, and to recommend appropriate salaries for each position, within the available remuneration pool. Attached to this report as Appendix B is a copy of the findings of the HayGroup, and a schedule listing:
  - Existing salaries.
  - Option 1, which proposes salaries benchmarked to all organisations' median fixed remuneration, less a 25% public good factor.
  - Option 2, which uses only public sector comparisons, rather than all organisations.

- Option 3, which reflects the fact that councils represent ownership and provide governance and leadership functions on behalf of their communities, and that elected members are also expected to provide effective representation for their constituents.
- Option 4, which assumes a reduction in councillor hours to 40 hours per week, with all other elected member hours remaining unchanged.
- Option 5, which leaves the Banks Peninsula Community Board salaries at their present levels, but reduces all the remaining salaries (with the exception of the Mayor) on a pro-rata basis, so that the total can be accommodated within the pool of \$1,581,844.
- Option 6, which reduces all salaries (with the exception of the Mayor) on a pro-rata basis, to bring the total expenditure within the available pool.
- Option 7, which provides for the salaries for the Chairs and members of the two Banks Peninsula Boards to be paid at rates equivalent to 70% of those paid to the Chairs and members of the six metropolitan Community Boards.
- Option 8, which provides for the payment of salaries to the Mayor, Deputy Mayor and Councillors in accordance with option 4, with common salaries then applying for the Chairs and members (respectively) of all eight Community Boards, including the two Banks Peninsula Boards.

## **DISCUSSION**

### **Decisions to be Made**

27. In preparing its proposal the Council is required to agree appropriate levels/rates for the different positions/roles on the Council and its community boards and, using that information, develop an option for the allocation of the money within the remuneration pool.

### **Basis of Remuneration**

28. Although it is possible for the Council to recommend the payment of a mixture of salary and meeting fees to Councillors, community board members must be paid on a salary only basis, without meeting fees.

### **Distribution Options**

29. The allocation of the pool was discussed with Councillors and Community Board members at seminars held on Saturday 11 November 2006 and Thursday 15 February 2007. At the latter seminar, members were requested to consider the possible continuation of all salaries at their present levels until the elections, and to indicate a preference for one of the four options developed by the HayGroup.
30. Most members present at the 15 February seminar seemed to agree that the present salaries should be continued at their existing levels until the elections. However, there appeared to be no general consensus as to which of the four options developed by the HayGroup were favoured for possible adoption by the new Council after the elections.
31. The Remuneration Authority has confirmed that it is prepared to approve a further temporary (upwards) adjustment to the 2007/08 pool to allow all salaries to be continued at their present level until the elections.
32. The distribution options have now been formally considered by each Community Board, whose recommendations are set out in clause 53.

### **Principles Applicable to the Remuneration Review**

33. Given that the Council is required to make a recommendation to the Remuneration Authority as to how the pool is to be divided it is considered appropriate that before considering options elected members consider the principles which should guide them in their deliberations on this topic.
34. At its 11 May 2006 meeting the Council adopted the following principles in considering the elected member remuneration issue:

- Principle:** Remuneration for any elected position should be such as to attract people to hold office within the Council's governance structure so that remuneration should not limit the diversity of representation for councillor and community board positions.
- Principle:** Members with similar responsibilities should receive similar remuneration.
- Principle:** A differential rate of remuneration between the same class of elected member within the Council (eg councillor, community board chair or community board member) should exist only where it can be justified by reference to relevant differences.
- Principle:** Remuneration should be set at a level that acknowledges the impact that performing the role of an elected member has on personal lives and careers.
- Principle:** Remuneration should not be reduced part way through a three year electoral term, when that risk was not known to a candidate at the preceding election unless there are circumstances outside the Council's control.

### **Councillor Remuneration**

35. On 5 May 2005 the Council resolved to have a differential for the Deputy Mayor in recognition of her high workload and additional responsibilities.
36. On 8 December 2005 the Council resolved that the Banks Peninsula Ward Councillor be remunerated at the same rate as the other Councillors, on the basis that all Councillors have city wide responsibilities.
37. The four options developed by the HayGroup assume that the Council will not be changing its May and December 2005 resolutions in respect of these two positions.

### **Community Board Remuneration**

38. At present, city board members are paid \$22,450 per annum while Peninsula board members receive \$6,273 per annum. The figures for community board chairs are \$35,850 and \$11,412, respectively. These are relativities of 28% and 32% respectively.
39. Community boards have their respective roles set by the Local Government Act 2002 and the other legislation administered by the Council.
40. S. 52 of the Act provides that the role of a community board is to:
  - (a) *represent, and act as an advocate for, the interests of its community; and*
  - (b) *consider and report on all matters referred to it by the territorial authority, or any matter of interest or concern to the community board; and*
  - (c) *Maintain an overview of services provided by the territorial authority within the community; and*
  - (d) *prepare an annual submission to the territorial authority for expenditure within the community; and*
  - (e) *communicate with community organisations and special interest groups within the community; and*
  - (f) *undertake any other responsibilities that are delegated to it by the territorial authority.*
41. The provisions of S.52 apply equally to all eight community boards. In addition the Council has given the same level of delegations to all eight boards. The Council's expectation of the workload of community boards is the same, as far as their delegated authority is concerned.

### **Land Area and Representation Ratios within each Community**

42. The following table sets out the land area of each community, and the number of residents represented by each community board member:

Community	Land Area in Hectares	No of Members (including both elected and appointed members)	Population 2006 Census	No of Residents per member
Akaroa/Wairewa	94,320	6	2,724	454
Burwood/Pegasus	4,540	7	57,018	8,145
Fendalton/Waimairi	10,610	7	52,959	7,565
Hagley/Ferrymead	5,800	7	55,272	7,896
Lyttelton/Mount Herbert	21,480	6	5,442	907
Riccarton/Wigram	9,800	7	60,825	8,689
Shirley/Papanui	9,660	7	60,144	8,592
Spreydon/Heathcote	4,490	7	54,051	7,721

43. While there are population differences between the boards the question needs to be asked whether the democratic responsibilities and the Local Government Act responsibilities of a Peninsula Board member are any less because they represent fewer people. Apart from having a greater number of people to represent, a City board member does not have any additional governance responsibilities to a Peninsula board member.
44. The question also needs to be asked whether the responsibilities associated with the role of democratic representation is dependent on the number of constituents represented? If Christchurch is one city, the starting point would be equality of remuneration, except where a differential can be rationally justified. All Board members, regardless of the size of the population served by the Board need to have members fully engaged in their role and able to commit time to that role. Complex and contentious issues for a community board can arise from an area with a small population just as easily as an area with a large population. That can be more so where the small population area is developing and geographically is more challenging to administer.
45. The average weekly hours which community board chairs and members spend on community board work (as advised by the incumbents) is set out in the schedule supplied by the HayGroup, ie:
- Councillors 53 hours
  - Community Board Chairs – City 21 hours
  - Community Board Chairs – Peninsula 13 hours
  - Community Board members – City 16 hours
  - Community Board members – Peninsula
    - Insufficient information – assumed 10 hours on proportional basis
46. Until now, there has been no empirical data available as to the workloads of elected members, to enable the “workload factor” to be taken into account by the Council when considering remuneration. However, now that the incumbents have advised their average weekly hours (set out above) these can be taken into account by Community Boards and the Council in considering the salaries payable. The figures supplied suggest that the present margins between metropolitan community boards and their Banks Peninsula counterparts are too large, and should be reduced. The average weekly hours advised by the incumbents suggest that the average weekly hours devoted to Community Board business by the Chairs and members of the Banks Peninsula Community Board equate to about 62% and 70% respectively of the hours advised by their metropolitan counterparts.
47. Another factor to be borne in mind in setting remuneration is the geographical area of the community board areas. As can be seen from the table in clause 42 the Lyttelton/Mt Herbert community is twice as large as the biggest city community while Akaroa/Wairewa is nine times larger. The travelling time for a board member on the Peninsula in serving their constituents is greater than in a built up urban area. The ability to claim mileage is available equally to all Board members but recognition should be given to the time physically spent travelling in addition to being present at meetings and engaging in Board business. The Remuneration Authority has previously expressed the view that the mileage allowance is intended to include both the cost of the vehicle and the time spent travelling.

## **Role and Responsibilities of Community Board Members**

48. Following discussions with the incumbents, the HayGroup has developed the role responsibility templates relating to the roles of elected members, attached as Appendix C. These templates were discussed at the seminar held on 15 February 2007, and have since been formally discussed by each Community Board. The recommendations made by each Board regarding the templates are set out in clause 53 of this report.
49. Most Community Boards have recommended that the Council adopt a template developed by Local Government New Zealand describing the role of Community Board members, rather than the template developed by the HayGroup. The template developed by LGNZ is included in Appendix C.

## **Remuneration Options**

50. The spreadsheet included in Appendix B incorporates:
  - Existing salaries.
  - Option 1, which proposes salaries benchmarked to all organisations' median fixed remuneration, less a 25% public good factor.
  - Option 2, which uses only public sector comparisons, rather than all organisations.
  - Option 3, which reflects the fact that councils represent ownership and provide governance and leadership functions on behalf of their communities, and that elected members are also expected to provide effective representation for their constituents.
  - Option 4, which assumes a reduction in councillor hours to 40 hours per week, with all other elected member hours remaining unchanged.
  - Option 5, which leaves the Banks Peninsula Community Board salaries at their present levels, but reduces all the remaining salaries (with the exception of the Mayor) on a pro-rata basis, so that the total can be accommodated within the pool of \$1,581,844.
  - Option 6, which reduces all salaries (with the exception of the Mayor) on a pro-rata basis, to bring the total expenditure within the available pool.
  - Option 7, which provides for the salaries for the Chairs and members of the two Banks Peninsula Boards to be paid at rates equivalent to 70% of those paid to the Chairs and members of the six metropolitan Community Boards.
  - Option 8, which provides for the payment of salaries to the Mayor, Deputy Mayor and Councillors in accordance with option four, with common salaries then applying for the Chairs and members (respectively) of all eight Community Boards, including the two Banks Peninsula Boards.

## **Elected Member Allowances and Expenses**

51. As part of its remuneration proposal, the Council is also required to seek the Remuneration Authority's approval for the allowances and expenses proposed to be paid to elected members. The schedule attached as Appendix D is identical to the schedule previously approved by the Authority for 2006/07. Members may recall that last year the Council proposed an increase in the communications allowance from \$120 to \$150 per month, but that the Authority declined to approve this increase. Some Community Boards have suggested that an amended schedule of proposed allowances and expenses should be submitted to the Remuneration Authority providing for:
  - Payment of the standard communications allowance of \$120 per month to all Community Board members.
  - The provision of laptops, printers and full support for all Community Board members.
  - The provision of a Jetstream Broadband connection for all Community Board members, with members to receive the standard refund of \$40 per month for such connection.
  - The reimbursement of childcare expenses incurred by members in attending to their duties as elected members, provided there is statutory authority for the reimbursement of such expenses.
52. The total additional cost of these proposals is estimated at \$189,000 per annum. No provision for this additional expenditure has been made in the relevant budgets included in the draft 2007/08 Annual Plan. It would result in a rates increase of 0.2%.

## COMMUNITY BOARDS' RECOMMENDATIONS

53. The following list sets out the recommendations made by each Community Board:

### **Akaroa/Wairewa Community Board and Lyttelton/Mt Herbert Community Board** (Recommendations from combined meeting)

- (a) Support continuation of present salaries until the elections.
- (b) Recommend that there be no differentials in the salaries paid to the chairs and members of Community Boards (ie recommends that the same salaries apply for the chairs and members of all eight boards).
- (c) The Boards also considered a further option developed by the Chairman of the Akaroa/Wairewa Community Board, providing for the salaries for the chairs and members of the two Banks Peninsula boards to be paid at rates equivalent to 70% of those paid to the chairs and members of the six metropolitan community boards. Although the combined meeting made no specific recommendation in respect of this alternative proposal, it is set out as Option 7 in the spreadsheet included in Appendix B.
- (d) Recommend that all community board members receive standard communications allowance of \$120 per month, and be provided with laptops, printers and full support, plus a Jetstream Broadband connection with standard refund of \$40 per month for Broadband. Also recommends reimbursement of childcare expenses incurred by elected members.
- (e) Recommend adoption of the LGNZ template for community board members, rather than the template developed by the HayGroup.
- (f) Boards agree with the elected member remuneration principles adopted by the Council on 11 May 2006, and the job-sizing carried out by the HayGroup, which assessed the work of Banks Peninsula Board members as equivalent to 97% of their urban counterparts.
- (g) Dispute the accuracy of the average hours worked by elected members, quoted in the HayGroup report.
- (h) Disagree with all of the four options developed by the HayGroup.

*(Note: The Remuneration Authority has since advised that it is unlikely to approve the payment of childcare costs as an expense or allowance for elected representatives.)*

### **Burwood/Pegasus Community Board**

Recommends that:

- (a) All elected member salaries (with the exception of the Mayor) be continued at their present levels until the existing members go out of office following the October 2007 elections.
- (b) The reduction in the remuneration pool be shared equally amongst all elected members (with the exception of the Mayor) for the 2007/08 year.
- (c) The allowances and expenses for elected members remain the same.
- (d) The Council adopt the Local Government New Zealand template in relation to the Community Board role description.

## **Fendalton/Waimairi Community Board**

Recommends that:

- (a) All elected member salaries (with the exception of the Mayor) be continued at their present levels until the sitting members go out of office following the October 2007 elections.
- (b) That the Council not adopt the role responsibility templates developed by the HayGroup for community board chairs and community board members.

## **Hagley/Ferrymead Community Board**

Recommends that:

- (a) All elected member salaries (with the exception of the Mayor) be continued at their present levels until the sitting members go out of office following the October 2007 elections.
- (b) It be recommended to the incoming Council that for the balance of the 2007/08 year following the elections:
  - (1) Salaries for the chairs and members of the Akaroa/Wairewa Community Board and Lyttelton/Mt Herbert Community Board be continued at their existing levels.
  - (2) The salaries for the Deputy Mayor, Councillors and chairs and members of the six metropolitan community boards be reduced on a pro-rata basis, so that the total payments can be accommodated within the 2007/08 remuneration pool of \$1,581,844.
- (c) That the schedule of elected member allowances and expenses be amended to provide for the:
  - payment of the standard communication allowance of \$120 per month to all Community Board members.
  - the provision of laptops, printers and full support to all Community Board members.
  - the provision of a Jetstream/Broadband connection for all Community Board members, with members to receive the standard refund of \$40 per month for such connection.
- (d) That the role description developed by the HayGroup for Community Board chairs and Community Board members be reviewed, to take into account the relevant provisions of the Local Government Act 2002.

## **Riccarton/Wigram Community Board**

Recommends that:

- (a) All elected member salaries (with the exception of the Mayor) be continued at their present levels until the sitting members go out of office following the October 2007 elections.
- (b) It be recommended to the incoming Council that for the balance of the 2007/08 year following the elections:
  - (1) Salaries for the chairs and members of the Akaroa/Wairewa Community Board and Lyttelton/Mt Herbert Community Board be continued at their existing levels.
  - (2) The salaries for the Deputy Mayor, Councillors and chairs and members of the six metropolitan community boards be reduced on a pro-rata basis, so that the total payments can be accommodated within the 2007/08 remuneration pool of \$1,581,844.

- (c) That the schedule of elected member allowances and expenses be amended to provide for the:
  - payment of the standard communication allowance of \$120 per month to all Community Board members.
  - the provision of laptops, printers and full support to all Community Board members.
  - the provision of a Jetstream/Broadband connection for all Community Board members, with members to receive the standard refund of \$40 per month for such connection.
- (d) That the role description for Community Board members developed by Local Government New Zealand be adopted by the Council, in preference to the role description developed by the HayGroup.
- (e) That the Council make representations to the Minister of Local Government requesting that all elected member salaries be prescribed on a national basis within set population bands, as was previously the case when elected member salaries were set via Determinations issued from time to time by the Minister of Local Government.

### **Shirley/Papanui Community Board**

Recommends that:

- (a) All elected member salaries (with the exception of the Mayor) be continued at their present levels until the existing members go out of office following the October 2007 elections.
- (b) For the balance for the 2007/08 year following the October 2007 elections, it be recommended to the incoming Council that:
  - (i) The salaries for all elected members, excluding the Mayor, be reduced on a pro-rata basis, so that the total payments can be accommodated within the total 2007/08 remuneration pool of \$1,581,844.
  - (ii) That the schedule of elected member allowances and expenses be amended to provide for the payment of a standard communications allowance to all elected members.
- (c) The role description for Community Board members developed by Local Government New Zealand be adopted in preference to the role description developed by the HayGroup; and a role description be developed for a councillor and chairperson of a community board.
- (d) The Council advocate to the Minister of Local Government and Minister of State Services:
  - (i) That membership of the Remuneration Authority should include an experienced local government representative.
  - (ii) That a review be undertaken regarding allocation of the pool, taking into account the workload of elected members as per the requirements of the Local Government Act 2002.

### **Spreydon/Heathcote Community Board**

Recommends that:

- (a) All elected member salaries (with the exception of the Mayor) be continued at their present levels until the sitting members go out of office following the October 2007 elections.
- (b) It be recommended to the incoming Council that for the balance of the 2007/08 year following the elections:

- (1) Salaries for the chairs and members of the Akaroa/Wairewa Community Board and Lyttelton/Mt Herbert Community Board be continued at their existing levels.
- (2) The salaries for the Deputy Mayor, Councillors and chairs and members of the six metropolitan community boards be reduced on a pro-rata basis, so that the total payments can be accommodated within the 2007/08 remuneration pool of \$1,581,844.
- (c) The Council also consider Option 8, which provides for the payment to salaries to the Mayor, Deputy Mayor and Councillors in accordance with Option 4, with common salaries then applying for the chairs and members (respectively) of all eight Community Boards, including the two Banks Peninsula boards.
- (d) The schedule of elected member allowances and expenses be amended to provide for the:
- payment of the standard communications allowance of \$120 per month to all Community Board members.
  - the provision of laptops, printers and full support to all Community Board members.
  - the provision of a Jetstream/Broadband connection for all Community Board members, with members to receive the standard refund of \$40 per month for such connection.
- (e) The role description for Community Board members developed by Local Government New Zealand be adopted by the Council, in preference to the role description developed by the HayGroup.
54. All Community Boards support the continuation of the present salaries at their existing levels until the October 2007 elections.
55. Regarding the post-election salaries, and the schedule of expenses and allowances, the Boards' summarised views are:

<b>Board</b>	<b>Post-Election Salaries</b>	<b>Expenses and Allowances</b>
Akaroa/Wairewa and Lyttelton/Mt Herbert	Option 8	That all Board members be paid communications allowance, Jetstream reimbursement and provided with laptops, printers and associated support.
Burwood/Pegasus	Option 6	That the present allowances and expenses be continued without alteration for 2007/08.
Fendalton/Waimairi	No recommendation	No view expressed regarding expenses and allowances.
Hagley/Ferrymead	Option 5	That all Board members be paid communications allowance, Jetstream reimbursement and provided with laptops, printers and associated support.
Riccarton/Wigram	Option 5	That all Board members be paid communications allowance, Jetstream reimbursement and provided with laptops, printers and associated support.
Shirley/Papanui	Option 6	That the communications allowance of \$120 per month per month be paid to all Community Board members.
Spreydon/Heathcote	Option 5 (first preference) Option 8 (second preference)	That all Board members be paid communications allowance, Jetstream reimbursement and provided with laptops, printers and associated support.

## **Unanimity of the Council's Decision**

56. In submitting its proposal the Council is required to notify the Remuneration Authority of:
  - (i) details of any dissent at Council, and
  - (ii) details of any dissent from its community boards.
57. Community Boards and individual Community Board members (or any other person) also have the ability to express any opposing views they might have on the Council's final proposal direct to the Remuneration Authority.
58. If the Council's recommendations are unanimous and reasonable it is unlikely that the Commission will withhold its approval. It does, however, have the power to amend any proposal if the level of dissatisfaction is high or if the proposal is considered unreasonable.

## **CONCLUSION**

59. The new salaries and expenses approved by the Remuneration Authority will apply from 1 July 2007, until the sitting members go out of office following the October 2007 elections. Interim salaries (determined by the Remuneration Authority) will then apply in the interim, until a fresh remuneration proposal has been submitted to and approved by the Remuneration Authority, covering the balance of the 2007/08 year.