

From: Lauren McDonald
To: [REDACTED]
Subject: Local Government Official Information request - remuneration pool for Councillors
Date: Tuesday, 19 November 2019 11:39:00 a.m.
Attachments: [Elected Member Remuneration for 2019-20 report to 25 October 2019 Council.pdf](#)

Good afternoon [REDACTED]

I am responding to your information request received on 14 November 2019, seeking:

1. Amount of pool
2. How the pool has been allocated
3. The base rate for Councillors
4. Is there is a differential between a. Deputy major and Councillors; b. Chairpersons and Councillors; and c. Deputy Chairpersons and Councillors.
5. If yes to any of 4 above, then for each one, the amounts payable and, a. if done by dollar value, the applicable dollar value; or b. if done by ratio percentage above the standard base rates for Councillors, then the ratio percentage.

Please find attached the report tabled at the Council meeting, held on 25 October 2019 - *Elected Member Remuneration for 2019/20*. This report contains the information you have requested for the amount of the pool, its allocation, base rates for councillors etc. The proposal for the allocation of remuneration has been forwarded to the Remuneration Authority for approval.

I trust that this answers your information request.

Yours sincerely

Lauren McDonald

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ELECTED MEMBER REMUNERATION FOR 2019/20

Department: Office of the Mayor

EXECUTIVE SUMMARY

- 1 The Local Government Act 2002 (LGA) gives the Remuneration Authority (the Authority) the responsibility for setting remuneration for local government elected members.
- 2 The Authority has changed the current system of allocating a base pay for each councillor, along with a pool for remunerating additional responsibilities, to a system of allocating a governance pool (the pool) to each council. The pool provides the total amount that can be paid in remuneration to councillors, excluding the Mayor, whose remuneration has been determined directly by the Authority. This change takes effect following the election.
- 3 The purpose of this paper is to give consideration to the allocation of the pool to remunerate councillors, and to update the current Rules for Recovery of Expenses (the Rules).

RECOMMENDATIONS

That the Council:

- a) **Approves** annual remuneration of \$90,970 for the Deputy Mayor.
- b) **Approves** annual remuneration of \$85,786 for Chairs of Standing Committees and the Chair of the Bylaws Subcommittee.
- c) **Approves** annual remuneration of \$71,488 for Councillors.
- d) **Notes** the updated Rules for Recovery of Expenses.
- e) **Notes** the proposed remuneration levels and updated Rules for the Recovery of Expenses will be forwarded to the Remuneration Authority for approval.

BACKGROUND

- 4 Over the past two years, the Authority has undertaken a review of how it sets remuneration for elected members. Following consultation, the Authority decided to change the current system of allocating a base pay for each councillor, along with a pool for remunerating additional responsibilities, to a system of allocating a governance pool to each council.
- 5 The Authority advised of a two-step process as follows:

- For the period 1 July 2019 until the new council assumes office following the election, an interim determination applies, and is based on the current system of allocating a base pay for each councillor, along with a pool for remunerating additional responsibilities.
- Following the election, the pool would come into effect. Councillors would be paid a minimum allowable remuneration of \$59,555, until a determination is made on how the pool is to be allocated.

DISCUSSION

- 6 The Authority advised that the pool for the DCC councillors, excluding the Mayor, would be \$1,105,920. The minimum remuneration payable to a Councillor as per the determination is \$59,555. This leave a balance of \$272,150 which the determination requires, must be fully allocated.
- 7 The Council's recommendations to the Authority must include a remuneration rate for the base councillor position and rates for all positions that hold additional responsibility.
- 8 The proposed remuneration is detailed in the table below but can be summarised as follows.
- 9 The role of Deputy Mayor has significant additional responsibilities and it is recommended that this role is remunerated at a ratio of 1.27 when compared to the base Councillor remuneration.
- 10 The new committee structure has five standing committees which all have a Chair, and a Bylaws Subcommittee with a Chair. The proposal is that these six roles all be remunerated at a ratio of 1.20 when compared to base Councillor remuneration.
- 11 While the minimum base Councillor remuneration is \$59,555, the proposal is that this base is increased to \$71,488 to recognise the additional duties that all Councillors will have including roles as Deputy Chairs, Councillor representatives on Community Boards and Councillor representatives on a considerable number of external organisations.
- 12 These additional responsibilities will be fully detailed in the report to the Authority as they require justification for the level of remuneration that Council intends paying.
- 13 It also reflects my expectation that all Councillors will do more than the minimum expected.

Position	Number	Ratio to base rem	Base Rem	Additional Rem	Annual Rem
Deputy Mayor	1	1.27	\$71,488	\$19,302	\$90,790
Chair	6	1.20	\$71,488	\$14,298	\$85,786
Councillor	7	1.00	\$71,488		\$71,488
TOTAL					\$1,105,920

- 14 This proposal fully allocates the pool as required by the determination. I believe it is a fair representation of the responsibilities of each of the outlined positions.

OPTIONS

- 15 The Council has no option but to allocate the full pool of \$1,105,920 and the proposal in the report does that. Council is free to consider alternative options for allocating the pool, but any alternative must ensure full allocation and be able to be justified to the Authority.
- 16 The Council is also required to have the Rules. These have been updated to reflect current practice and modern communications, and are attached. These will be forwarded to the Authority, who is required to confirm them.

NEXT STEPS

- 17 Both the remuneration rates and the Rules will be forwarded to the Authority by Wednesday 20 November, to ensure that the proposal put forward by the Council can be considered and a determination can be made pre-Christmas.
- 18 Regardless of the determination date, all remuneration rates decided by Council will be back-dated to take effect from the day following the day that the Council makes a formal decision on remuneration.

Signatories

Authoriser:	Aaron Hawkins - Mayor
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Attachments

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