

Report 11.340
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Committee Council
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Grow Wellington Chair Remuneration

1. Purpose

To seek approval to amend the fee paid to the position of Chair of Grow Wellington.

2. The decision-making process and significance

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

2.1 Significance of the decision

Officers have considered the significance of the matter, taking into account the Council's significance policy and decision-making guidelines. Due to the procedural nature of this decision officers recommend that the matter be considered to have low significance.

Officers do not consider that a formal record outlining consideration of the decision-making process is required in this instance.

3. Background

The current remuneration level of the directors and chair of Grow Wellington were set in May 2007. At that time the Wellington Regional Strategy Committee (the Committee) set the rates at:

- \$15,000 per annum for directors (\$1,250 per month)
- \$20,000 per annum for the chair.

These rates reflect the rates paid to the non-local government members of the Committee. The Committee considered that the additional \$5,000 paid to the chair reflected the additional duties expected of the position. At the time the

Committee also signalled its interest in reviewing the fee when new appointments were made.

4. Comment

The Council has appointed a new chair of Grow Wellington, replacing Murray McCaw who stood down from the Board at the end of June 2011. Murray had been Chair of the Board since its establishment in 2007. He also led the forum that developed the Wellington Regional Strategy (the Strategy) prior to 2007. As such he came to the position with a significant amount of knowledge about the Strategy.

It is expected the new Chair, Paul Mersi, will need to spend some time coming up to speed with the Strategy and Grow Wellington's programme to implement the Strategy. In addition to this, the recently published Strategy review carried out by Martin Jenkins identified a need for an improved relationship between the Committee and the Grow Wellington Board. It is expected that this will mean additional time will be invested by Paul in the relationship and in communications with the Committee, Greater Wellington and other Wellington regional leaders.

Given the new demands to be placed on the chair the \$5,000 additional remuneration does not appear to be adequate. An additional \$15,000 would seem to be more appropriate. This would mean the chair would be paid twice the rate of the other directors at \$30,000. This would appear reasonable when considering the relative workloads and responsibilities.

5. Process for adjusting fee

At its meeting on Thursday 30 June 2011 the Committee agreed to recommend to Greater Wellington that it increases the Chair's remuneration to \$30,000 per annum.

Greater Wellington, as the shareholder of the company, must make the formal decision to change the fee.

Greater Wellington cannot make a decision that is contrary to the recommendation of the Committee. If, for any reason, it does not wish to accept the recommendation it must refer the matter back to the Committee.

6. Communication

Any changes to the remuneration rate of the Chair will be communicated to the Chief Executive of Grow Wellington for his action, and to the Chair for his information. No further communications are necessary.

7. Recommendations

That the Council:

- 1. Receives the report.*

2. *Notes the content of the report.*
3. *Resolves to increase the annual fee paid to the Chair of the Board of Grow Wellington to \$30,000, with effect from 1 August 2011.*

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