

Report 13.862
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Committee Council
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Fees for Stadium Trustees

1. Purpose

To consider increasing the fees paid to the trustees of the Wellington Regional Stadium Trust (WRST).

2. Background

Greater Wellington Regional Council (GWRC) and Wellington City Council (WCC) are the Settlers of the WRST. One of the duties of the Settlers is to approve any increase in the trustee fees. The amount paid to the Trustees was last considered in 2010.

2.1 Current level of remuneration

Trustees currently receive \$18,000 per annum; the Chair receives \$36,000 per annum.

2.2 Review of fees by Institute of Directors

WCC engaged the New Zealand Institute of Directors (IOD) to undertake a review of the level of fees to be paid to the trustees.

2.2.1 Review criteria

The New Zealand Institute of Directors uses a number of criteria in reviewing remuneration, including the number of estimated hours involved in the role. The IOD review considered the size of the Trust as measured by staff levels, turnover, and the value of the assets under management. Where available, it also considered fees paid by comparable organisations. Finally, the IOD considered the complexity, risk and nature of the organisation being governed.

2.2.2 Review recommendations

The IOD concluded that the current level of remuneration for WRST trustees fell within the lower to median quartile of the chosen comparators.

The IOD report recommends increasing the remuneration of trustees on the Wellington Regional Stadium Trust board to reflect the current market environment for such appointments.

3. Officer comment and proposed trustees fees

To reflect the economic environment, WCC and GWRC officers have recommended remuneration increases at a lower level than those suggested by the IOD.

3.1 Proposed fees for non-councillor trustees

Officers recommend that an increase of \$1,000 over the existing trustee fee of \$18,000 per annum is appropriate; this equates to an increase of 1.85% per annum for the last three years. In addition, officers propose an increase of \$2,000 for the Chair of WRST, the same increase in percentage terms as the Trustees.

Organisation	IoD Recc for Director	Proposed		Current	
		Director	Chair*	Director	Chair*
Stadium	\$22,000 - 25,000	\$19,000	\$38,000	\$18,000	\$36,000

This recommended increase is in line with the annual movement in the median director fee over the past three years. This is to keep trustee fees more closely aligned to market rates, particularly during the period when the board will be dealing with significant matters such as membership and corporate box renewals and the implementation of the Stadium Master Plan.

3.2 Proposed fee for councillor trustee

As joint settlors of the WRST both WCC and GWRC are each entitled to appoint an elected member as a trustee; all other appointments to the Trust need to be approved by each of the settlors.

Wellington City Council will be requesting that the Trust resolves not to remunerate the WCC councillor trustees appointed by the council, and that the WRST pay directly to WCC the remuneration that would otherwise have been paid to the trustee. This report proposes that the same approach be taken in respect of the councillor trustee appointed by this Council.

3.3 Approval by WCC

A change in fees for the Wellington Regional Stadium Trust board is also subject to the approval of WCC. On 14 November 2013 WCC approved the increase to the trustee fees subject to GWRC consenting to the increase.

4. Communications

If the Council approves the increase in fees a letter will be sent to WRST and WCC confirming the increase. The WRST will also be advised that the elected member trustee appointed by this Council should receive no payment from the

Trust and that the remuneration otherwise payable be paid directly to the GWRC.

5. The decision-making process and significance

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

5.1 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.

6. Recommendations

That the Council:

1. ***Receives** the report.*
2. ***Notes** the content of the report.*
3. ***Approves** the increase in fees for the trustees and Chair of the Wellington Regional Stadium Trust as detailed in section 3.1.*
4. ***Resolves** that the elected member trustee appointed by the Council receive no payment from the Wellington Regional Stadium Trust.*
5. ***Resolves** that the remuneration that would otherwise be payable to the elected member trustee appointed by the Council be paid directly to the Council.*

Report prepared by:

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