

Wellington Regional Council
20 DEC 2002

HIGHER SALARIES COMMISSION



18 December 2002

Mr Howard Stone
Chief Executive
Wellington Regional Council

FILE REF-	
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Doc. No.	
Referred to	Date/tnt
H Stone	AS
WJH	WJH
QTS	QTS

Dear Mr Stone

Enclosed is a full set of papers relative to the proposed remuneration framework for regional and local government. Included are:

1. A letter outlining changes to indicative pools, rationale and approaches to be taken to various elements of the package.
2. Four sets of charts for Territorial Local Authorities, Regional Councils, Unitary Councils and Special Cases.
3. A form covering Councils' choices relative to management of the pool which is to be returned to the Higher Salaries Commission when completed and signed off.

Please copy these for all elected members of your Councils and Community Boards.

The entire package will also be available via a link to the LGNZ website – www.lgnz.co.nz.

Yours sincerely

H D Peacock
Chairman

HIGHER SALARIES COMMISSION



18 December 2002

To: All Mayors/Regional Council Chairs
All Elected Members (including Community Boards)
All Chief Executives

REMUNERATION OF ELECTED MEMBERS

Background

The Commission has previously advised that in order to determine the remuneration of elected members it wishes to apply a consistent and transparent basis amongst elected members so far as reasonably possible. You are also aware that as a preliminary step in the process of the Commission ultimately making its determination for elected members, the Commission is allocating an indicative pool of money amongst each authority.

One of the primary purposes of the allocation of the indicative pool is to introduce a reasonable degree of consistency of approach amongst the remuneration ultimately determined as being payable to members.

The Commission has now derived the amount of the indicative pool for each council for the year 1 July 2003 to 30 June 2004. The indicative pools have been derived in four different groups, namely:

- Territorial Authorities
- Unitary Authorities
- Regional Authorities
- Others

The basis for each of these groups is detailed below and the results and formula are shown in the appendices. These can all be viewed on the Local Government New Zealand website www.lgnz.co.nz.

Territorials

There were three criteria used in deriving each council's number of points, namely population, expenditure and assets. The model used gives a weighting in total of 50% of the points in respect of population, 33% in respect of expenditure and 17% for assets. A point is given for each person and the other criteria were scaled down so that in total the correct weightings were achieved over all the Territorials.

P.O. Box 10084. Wellington. New Zealand. Morrison Kent House.
105 The Terrace. Telephone (04) 499-3068. Fax (04) 499-3065.

For councils whose rate of population increase over the five years 1997 to 2002 was greater than average or where the population had declined, the number of points was increased by this difference, i.e., if the average increase in population over all councils had been say 4% and a council's actual experience was 7% or -3%, that council had their points increased by 3%.

The tables shown in the variables page were then used to calculate the indicative pool and the Mayor's salary for each council.

The calculations for each council have been shown in full. It must be stressed that if the data supplied to the Commission is incorrect in respect of expenses or assets then the indicative pool and Mayor's salary will need to be recalculated by the Commission in respect of that council. The figures for other councils will not be changed.

The data will need to be checked against each council's Annual Report. **Please send a copy of your 2001/2002 Report to the Commission by 31 January 2003.**

Unitaries

The basis applicable to elected members of Unitaries is exactly the same as for Territorials except that we have added a margin of 12.5% to the results to reflect an adjustment that we consider fairly recognises the added responsibilities arising from the Unitaries being both a Territorial and a Regional Council.

The application of the loading for rate of change is slightly different in that the average increase in Unitaries was slightly less than for the Territorials.

Regionals

The model used four criteria with no loading for rate of change. These criteria were:

<u>Criteria</u>	<u>Weighting</u>
Population	30%
Expenditure	25%
Assets	15%
Capital value	30%

The data used, the results and the basis are shown in the attachments.

Others

The Commission reached the view that the criteria that were adopted for establishing an indicative pool for assisting in the determination of the remuneration of elected members for most authorities outlined above, were not appropriate as a procedural step to assist in determining the remuneration for elected members of some authorities. With these authorities an indicative pool has been derived by the Commission on a different basis.

Indicative Pool

Councils will have the right to resolve that all elected members will remain on their current basis until the next local body elections or move to the new basis from 1 July 2003. The Commission would like to stress that for those councils who resolve that members should remain on their present terms and conditions this will apply in respect of all remuneration and expenses of each member and Community Board member in a council or authority, e.g., a council could not elect to retain their current remuneration basis and adopt the new mileage rate or meeting fees for what we have called statutory hearings.

For those councils who move to the new basis the amount paid to elected members (including Community Board members) must not exceed that indicative pool after making allowance for the adjustments detailed below:

- Meeting fees paid to elected members in respect of what is defined as Statutory Hearings will not be included in the indicative pool
- Half the salaries paid to elected members of Community Boards will be excluded from the indicative pool. Note this does not apply in respect of any remuneration paid to appointed members of Community Boards.
- The Mayor's or Regional Chair's gross salary prior to any reduction on account of private use of a car will be deducted from the indicative pool.

The Commission is prepared to consider a unanimous request for a reduction in the amount of the indicative pool available to a council (and consequently a reduction in the remuneration available to elected members) if the circumstances giving rise to the request are explained to the Commission, and the Commission accepts that a reduction is appropriate.

Statutory Meeting Fees

The meeting fee payable to elected members for Statutory Hearings will be determined by the Commission and is likely to be of the order of \$60 per hour of the Hearing. This rate includes preparation time. The Commission is of the view that paying separately for preparation is not appropriate as different members can take greatly different times to, say, read the same material.

Community Boards

There will be no provision for the payment of meeting fees to Community Board members. The Commission reached this decision because in the vast majority of instances there was very little variation paid to different members within a Community Board and also because of the great difficulty in administering an indicative pool when a council and a number of its Community Boards all had meeting fee arrangements. This does not mean that members of a Community Board could not be paid different salaries if they had different workloads which justified such a difference.

Meeting Fees

A council which wishes to retain meeting fees for its members needs to recommend the rate and basis upon which they should be paid. This basis does not need to be the same as the current basis, indeed the Commission believes that the current basis can create some real anomalies. The number of meetings in each year is by definition difficult to predict. At the end of a year a council which has not expended all that part of the pool put aside for meeting fees can request the Commission to carry forward in what will then be the current year up to 30% of the previous year's meeting fee budget.

Mayoral cars

A Mayor or Regional Chair can have a car supplied by the council. If the car is used solely for Mayoral (and council) use, including being garaged at home by the Mayor, there will be no deduction from the Mayoral salary. Please note, however, that there must be no exceptions as use of cars is an area where it is so easy to slip over the line. *Where there is private use this will be full private use, including use by family and during holidays.*

The reduction in the Mayor's salary for full private use of a car will be a percentage of the cost of the car. This will range from 12% in respect of the Mayor of a large city or the Chair of a Region to 24% for a Mayor of a small district, i.e., if the car cost \$40,000 the reduction in the Mayor's salary would range from \$4,800 to \$9,600 depending upon the size of the council. The actual percentage will be determined by the Commission.

Mileage allowance

Where an elected member needs to use their own vehicle on council business, they will be able to be paid an allowance of 70 cents a kilometre. This rate reflects both cost recovery and an element of remuneration in respect of travelling time.

Flexibility

For those councils who adopt the new basis, the Commission recognises that you are all unique and are likely to want different bases for remunerating elected members. The Commission is requesting that you recommend to us the basis that best suits your elected members, including your Community Boards. The Commission will make the final decision but anticipates that if your recommendations are unanimous and reasonable it is unlikely that our determination will not be identical.

Expenses

In addition to determining the remuneration of elected members, the Commission is also required to determine the allowances and expenses of all elected members, including members of community boards.

The information we have received in respect of expenses shows that this is a difficult task. There is, quite naturally, a divergence of practices amongst local authorities, depending upon the size of the authority and other factors.

Most local authorities already have comprehensive rules or guidelines for the recovery of expenses by members.

It is clear that one rule will not comfortably fit all situations for every local authority.

We have the ability under the legislation to prescribe rules for the recovery of expenses.

In order to cater for the different situations that exist amongst councils and community boards, it is our current intention to complete our expenses determination on a basis that:

- (a) establishes certain allowances or rules that are common to all or many elected members (e.g., mileage allowance, use of mayoral vehicles, etc.)
- (b) permits local authorities to reimburse members' other expenses on the basis of the council's rules for the recovery of expenses, where those rules have been approved by the Commission and are on an actual and reasonable basis.

To enable this to happen, **please send to the Commission a copy of your proposed rules for the recovery of expenses by elected members and community board members.**

Action

The accompanying form is hopefully self explanatory. There is one form for each council and each Community Board. If the members of a council elect to continue until the next local body election under the present basis then their Community Boards will also remain under the current basis.

Please ensure that all the forms are returned to the Commission by 10 March 2003. Any dissenting opinions must also be sent to us.

Upon receipt of the information requested, the Commission will consider and review the recommendations made and will, in due course, make a determination.

If you have any queries, please contact Patricia Gordon at the Commission.

In the meantime, the Commission takes this opportunity to wish you all a Happy Christmas and Best Wishes for the New Year.

Yours sincerely



H D Peacock
Chairman

COUNCIL: _____

A. The Council has resolved to:

- (i) continue with the present conditions of remuneration and expenses until the date of the next local body elections; or
- (ii) Adopt the new remuneration and expenses basis to be determined by the Higher Salaries Commission to come into effect from 1 July 2003.

[Delete (i) or (ii). If (ii) is elected please complete the remainder of the form.]

The recommended remuneration for councillors for the year 1 July 2003 to 30 June 2004 for consideration by the Higher Salaries Commission is:

<u>Position</u>	<u>Salary</u>	<u>No.</u>	<u>Total salary</u>
Total salaries			\$

Meeting Fees: If recommended please supply recommended rate payable and applicable rules for eligibility.

B. Recommendation re Mayor

In instances where the Council has opted for A(ii) above, I personally elect:

- (i) To continue with my present conditions of remuneration and expenses until the date of the next local body elections; or
- (ii) Adopt the new remuneration and expenses basis to be determined by the Higher Salaries commission to come into effect from 1 July 2003.

[Delete (i) or (ii)]

If B(ii) is elected, please complete the following re any car available to the Mayor:

Car supplied: Model
 Year
 Cost

Use of car: Full private use :
 Mayoral use only :

N.B. Mayoral use only means that the car can be used by other officers, can be driven home and garaged by Mayor but does not permit any private use.

Where applicable the recommendations in section A were resolved by the Council:

Unanimously; or
With dissent

Where there was any dissent, details of that dissent are attached.

Signed: _____ Mayor

Date: _____

COMMUNITY BOARD

In instances where the Council has opted for the new basis of remuneration and expenses to come into effect on 1 July 2003, the recommended salaries for the Chair and members of the Community Board for consideration by the Higher Salaries Commission are:

<u>Position</u>	<u>Salary</u>	<u>No.</u>	<u>Total salary</u>
Total salaries			\$

COUNCIL

This recommendation was agreed to by the Council

Unanimously; or

With dissent

Details of dissent attached

Mayor: _____

Date: _____

COMMUNITY BOARD

This recommendation was agreed to by the Board

Unanimously; or

With dissent

Details of dissent attached

Chair: _____

Date: _____

HIGHER SALARIES COMMISSION - FUNDING FORMULAE AND FACTORS

District / City Council	---Population Calc---		----Expenses Calc----		--Gross Assets Calc--		---Rate of Change Calcs---		Change Factor
	Population	Funding Weighting	Expenses (000)'s	Funding Weighting	Assets (000)'s	Funding Weighting	Population 1997	% of Change	
Auckland City	401,500	10.68%	467,812	14.23%	4,145,628	10.36%	373,400	7.53%	103.4%
Christchurch City	332,100	8.83%	249,890	7.60%	3,529,956	8.82%	321,000	3.46%	100.0%
Manukau City	307,100	8.17%	218,694	6.65%	2,711,486	6.78%	275,000	11.67%	107.5%
Wellington City	174,600	4.64%	228,481	6.95%	2,100,203	5.25%	166,300	4.99%	100.8%
North Shore City	198,900	5.29%	142,680	4.34%	1,684,508	4.21%	183,800	8.22%	104.1%
Waitakere City	180,700	4.81%	136,572	4.15%	1,132,237	2.83%	165,800	8.99%	104.8%
Dunedin City	120,300	3.20%	112,794	3.43%	1,359,777	3.40%	120,200	0.08%	100.0%
Hamilton City	122,000	3.24%	129,173	3.93%	1,047,990	2.62%	114,400	6.64%	102.5%
Hutt City	99,500	2.65%	74,073	2.25%	787,115	1.97%	99,400	0.10%	100.0%
Tauranga District	95,600	2.54%	68,540	2.09%	934,497	2.34%	83,200	14.90%	110.7%
New Plymouth District	68,700	1.83%	60,153	1.83%	935,425	2.34%	69,500	-1.15%	101.2%
Palmerston North City	75,900	2.02%	54,798	1.67%	652,887	1.63%	75,200	0.93%	100.0%
Rodney District	81,100	2.16%	71,068	2.16%	673,849	2.18%	71,000	14.23%	110.1%
Hastings District	70,100	1.86%	60,339	1.83%	787,628	1.97%	68,600	2.19%	100.0%
Whangarei District	70,600	1.88%	55,224	1.68%	702,056	1.76%	69,100	2.17%	100.0%
Rotorua District	67,200	1.79%	55,780	1.70%	514,269	1.29%	66,900	0.45%	100.0%
Far North District	56,800	1.51%	46,890	1.43%	617,720	1.54%	55,300	2.71%	100.0%
Napier City	55,500	1.48%	40,244	1.22%	464,348	1.16%	55,200	0.54%	100.0%
Southland District	29,300	0.78%	34,387	1.05%	812,188	2.03%	30,800	-4.87%	104.9%
Franklin District	54,300	1.44%	38,136	1.16%	520,939	1.30%	50,300	7.96%	103.8%
Invercargill City	51,400	1.37%	41,037	1.25%	437,714	1.09%	53,000	-3.02%	103.0%
Ponua City	49,800	1.32%	33,910	1.03%	307,653	0.77%	48,500	2.69%	100.0%
Kapiti Coast District	44,400	1.18%	26,804	0.82%	337,699	0.84%	40,400	9.90%	105.7%
Wanganui District	44,100	1.17%	42,819	1.30%	463,042	1.16%	46,000	-4.13%	104.1%
Timaru District	42,900	1.14%	35,021	1.07%	514,805	1.29%	43,400	-1.15%	101.2%
Waipa District	41,800	1.11%	29,507	0.90%	504,336	1.26%	40,200	3.98%	100.0%
Waikato District	41,700	1.11%	41,503	1.28%	375,015	0.94%	40,500	2.96%	100.0%
Taupo District	32,800	0.87%	34,651	1.05%	453,862	1.13%	32,000	2.50%	100.0%
Thames-Coromandel District	26,000	0.69%	36,217	1.10%	352,875	0.88%	25,900	0.39%	100.0%
Western Bay of Plenty	39,900	1.06%	30,652	0.93%	435,571	1.09%	36,700	8.72%	104.6%
Queenstown-Lakes District	19,300	0.51%	28,935	0.88%	375,265	0.94%	15,400	25.32%	121.2%
Waimakariri District	38,900	1.03%	26,965	0.82%	362,163	0.91%	34,000	14.41%	110.3%
Whakatane District	34,000	0.90%	25,428	0.77%	278,465	0.70%	34,300	-0.87%	100.9%
South Taranaki District	28,100	0.75%	26,005	0.79%	293,171	0.73%	29,600	-5.07%	105.1%
Selwyn District	29,200	0.78%	20,878	0.64%	479,114	1.20%	26,100	11.88%	107.7%
Papakura District	42,700	1.14%	19,323	0.59%	270,784	0.68%	41,600	2.64%	100.0%
Manamata - Piako District	30,200	0.80%	22,671	0.69%	362,130	0.88%	30,400	-0.66%	100.7%
Upper Hutt City	37,700	1.00%	21,405	0.65%	232,066	0.58%	37,800	-0.26%	100.3%
Manawatu District	28,300	0.75%	21,106	0.64%	356,362	0.89%	28,700	-1.39%	101.4%
Taranaki District	18,150	0.48%	18,746	0.57%	456,282	1.14%	19,350	-6.20%	106.2%
Ashburton District	26,100	0.69%	17,200	0.52%	348,100	0.87%	25,800	1.16%	100.0%
Waikato District	20,300	0.54%	18,661	0.57%	332,226	0.83%	21,800	-6.88%	106.9%
Horowhenua District	30,600	0.81%	15,444	0.47%	242,353	0.61%	30,800	-0.65%	100.6%

HIGHER SALARIES COMMISSION - FUNDING FORMULAE AND FACTORS

District / City Council	---Population Calc---		----Expenses Calc----		--Gross Assets Calc--		---Rate of Change Calcs---		Change Factor
	Population 2002	Funding Weighting	Expenses (000)'s	Funding Weighting	Assets (000)'s	Funding Weighting	Population 1997	% of Change	
Masterton District	23,200	0.62%	15,626	0.48%	295,203	0.74%	23,300	-0.43%	100.4%
Central Otago District	14,800	0.35%	17,436	0.53%	318,183	0.80%	15,150	-2.31%	102.3%
Hauraki District	17,150	0.46%	18,216	0.55%	274,003	0.69%	17,750	-3.36%	103.4%
Rangitikei District	15,300	0.41%	16,437	0.50%	360,701	0.90%	16,550	-7.55%	107.6%
Clutha District	17,500	0.47%	20,581	0.63%	499,420	1.25%	18,300	-4.37%	104.4%
Ruapehu District	14,550	0.39%	16,761	0.51%	226,726	0.57%	16,900	-13.91%	113.9%
Kaipara District	18,000	0.48%	17,770	0.54%	253,625	0.63%	17,850	0.84%	100.0%
South Waikato District	23,800	0.63%	14,388	0.44%	202,657	0.51%	25,700	-7.39%	107.4%
Central Hawkes Bay	13,150	0.35%	15,660	0.48%	461,377	1.15%	13,300	-1.13%	101.1%
Westland District	7,940	0.21%	9,104	0.28%	201,341	0.50%	8,390	-5.36%	105.4%
Hurunui District	10,300	0.27%	13,578	0.41%	140,988	0.35%	9,670	6.51%	102.4%
Waitomo District	9,680	0.26%	11,031	0.34%	210,119	0.53%	9,950	-2.71%	102.7%
Buller District	9,760	0.26%	13,564	0.41%	125,963	0.31%	10,550	-7.49%	107.5%
Grey District	13,100	0.35%	13,176	0.40%	147,810	0.37%	13,950	-6.09%	106.1%
Gore District	12,650	0.34%	11,730	0.36%	172,412	0.43%	13,350	-5.24%	105.2%
Waimate District	7,150	0.19%	7,284	0.22%	191,271	0.48%	7,700	-7.14%	107.1%
Waioea District	9,070	0.24%	13,985	0.43%	133,814	0.33%	10,050	-9.75%	109.8%
Banks Peninsula District	8,150	0.22%	13,004	0.40%	191,303	0.48%	7,750	5.16%	101.0%
South Waierapa District	8,930	0.24%	7,879	0.24%	151,042	0.38%	9,020	-1.00%	101.0%
Otorohanga District	9,590	0.26%	8,520	0.26%	143,254	0.36%	9,930	-3.42%	103.4%
Opoitiki District	9,530	0.25%	6,431	0.20%	103,051	0.26%	9,660	-1.35%	101.3%
Stratford District	8,940	0.24%	6,965	0.21%	118,286	0.30%	9,660	-7.45%	107.5%
Mackenzie District	3,760	0.10%	6,178	0.19%	76,811	0.19%	4,140	-9.18%	109.2%
Canterton District	7,040	0.19%	5,368	0.16%	88,412	0.22%	6,890	2.18%	100.0%
Kawerau District	7,160	0.19%	5,663	0.17%	36,768	0.09%	8,010	-10.61%	110.6%
TOTALS	3,760,350	100.00%	3,286,951	100.00%	39,999,999	100.00%	3,610,120	4.16%	

HIGHER SALARIES COMMISSION - FUNDING FORMULAE AND FACTORS - SUMMARY

District / City Council	Population	Expenses	Assets	Change Factor	Total Points	Indicative Pool	Mayor's Salary
Auckland City	401,500	353,224	132,503	103.36%	917,075	1,537,537	144,841
Christchurch City	332,100	188,681	112,828	100.00%	633,609	1,364,207	137,508
Manukau City	307,100	165,126	86,667	107.51%	600,874	1,339,655	136,526
Wellington City	174,600	172,516	67,129	100.83%	417,681	1,117,254	128,384
North Shore City	198,900	107,731	53,842	104.05%	375,087	1,047,657	125,009
Waitakere City	180,700	103,119	36,190	104.83%	335,451	976,311	121,045
Dunedin City	120,300	85,166	43,463	100.00%	248,928	795,035	107,286
Hamilton City	122,000	97,533	33,497	102.48%	259,310	818,913	109,362
Hutt City	99,500	55,929	25,159	100.00%	180,588	628,146	93,132
Tauranga District	95,600	51,752	29,869	110.74%	196,259	672,024	96,658
New Plymouth District	68,700	45,419	29,899	101.15%	145,676	530,392	85,277
Palmerston North City	75,900	41,376	20,862	100.00%	138,137	509,285	83,581
Rodney District	81,100	53,660	27,931	110.06%	179,064	623,880	92,789
Hastings District	70,100	45,559	25,175	100.00%	140,834	516,836	84,188
Whangarei District	70,600	41,697	22,440	100.00%	134,737	499,764	82,816
Rotorua District	67,200	42,117	16,438	100.00%	125,755	474,613	80,795
Far North District	56,800	35,405	19,744	100.00%	111,949	435,956	77,688
Napier City	55,500	30,386	14,842	100.00%	100,728	404,540	75,164
Southland District	29,300	25,964	25,960	104.87%	85,180	355,816	70,554
Franklin District	54,300	28,795	16,651	103.79%	103,527	412,375	75,794
Invercargill City	51,400	30,985	13,991	103.02%	99,285	400,249	74,786
Porirua City	49,800	25,604	9,834	100.00%	85,237	355,998	70,571
Kapiti Coast District	44,400	20,239	10,794	105.74%	79,762	338,750	68,929
Wanganui District	44,100	32,331	14,800	104.13%	94,999	386,747	73,500
Timaru District	42,900	26,443	16,455	101.15%	86,786	360,876	71,036
Waipa District	41,800	22,279	16,120	100.00%	80,200	340,128	69,060
Waikato District	41,700	31,337	11,987	100.00%	85,024	355,325	70,507
Taupo District	32,800	26,163	14,507	100.00%	73,470	318,931	67,041
Thames-Coromandel District	26,000	27,346	11,279	100.00%	64,625	291,068	64,387
Western Bay of Plenty	39,900	23,144	13,922	104.56%	80,474	340,994	69,142
Queenstown-Lakes District	19,300	21,848	11,995	121.16%	64,389	290,325	64,317
Wairakariri District	38,900	20,360	11,576	110.25%	78,097	333,505	68,429
Whakatane District	34,000	19,200	8,901	100.87%	62,643	284,826	63,793
South Taranaki District	28,100	19,635	9,371	105.07%	60,000	276,499	63,000
Selwyn District	29,200	15,764	15,314	107.72%	64,929	292,026	64,479
Papakura District	42,700	14,590	8,655	100.00%	65,945	295,227	64,784
Matamata - Piako District	30,200	17,118	11,255	100.66%	58,958	273,219	62,688
Upper Hutt City	37,700	16,162	7,418	100.26%	61,442	281,041	63,432
Manawatu District	28,300	15,936	11,390	101.39%	56,402	265,166	61,921
Taranua District	18,150	14,154	14,584	106.20%	49,796	244,328	59,898
Ashburton District	26,100	12,987	11,126	100.00%	50,213	245,672	60,064
Waikato District	20,300	14,090	10,619	106.88%	48,106	238,750	59,053
Horowhenua District	30,600	11,661	7,746	100.65%	50,332	246,046	60,100
Masterton District	23,200	11,798	9,436	100.43%	44,625	227,262	57,312
Central Otago District	14,800	13,165	10,170	102.31%	39,016	208,754	54,508
Hauraki District	17,150	13,754	8,758	103.38%	41,003	215,309	55,501
Rangitikei District	15,300	12,411	11,529	107.55%	42,204	219,272	56,102
Clutha District	17,500	15,540	15,963	104.37%	51,145	248,607	60,343
Ruapehu District	14,550	12,655	7,247	113.91%	39,243	209,502	54,622
Kaipara District	18,000	13,417	8,107	100.00%	39,524	210,429	54,762
South Waikato District	23,800	10,864	6,478	107.39%	44,183	225,803	57,091
Central Hawkes Bay	13,150	11,824	14,747	101.13%	40,169	212,558	55,085
Westland District	7,940	6,874	6,435	105.36%	22,389	153,884	46,195
Hurunui District	10,300	10,252	4,506	102.35%	25,648	164,639	47,824
Waitema District	9,680	8,329	6,716	102.71%	25,396	163,807	47,698
Buller District	9,760	10,242	4,026	107.49%	25,827	165,229	47,913
Grey District	13,100	9,949	4,724	106.09%	29,465	177,236	49,733
Gore District	12,650	8,857	5,511	105.24%	28,434	173,833	49,217
Waimate District	7,150	5,500	6,114	107.14%	20,104	146,342	45,052
Wairoa District	9,070	10,559	4,277	109.75%	26,238	166,585	48,119
Banks Peninsula District	8,150	9,819	6,115	101.00%	24,324	160,270	47,162
South Wairarapa District	8,930	5,949	4,828	101.00%	19,903	145,681	44,952
Olorohanga District	9,590	6,433	4,579	103.42%	21,307	150,314	45,654
Opotiki District	9,530	4,856	3,294	101.35%	17,918	139,128	43,959
Stratford District	8,940	5,259	3,781	107.45%	19,320	143,755	44,660
Mackenzie District	3,760	4,665	2,455	109.18%	11,878	119,199	40,939
Carterton District	7,040	4,053	2,826	100.00%	13,919	125,933	41,960
Kawerau District	7,160	4,276	1,175	110.61%	13,949	126,033	41,975
TOTALS	3,760,350	2,481,831	1,278,519		7,758,694	26,515,254	4,761,649

DISTRICT/CITY COUNCILS

Variables

Weightings	Points
Population	3,760,350
Expenses	2,481,831
Assets Gross	1,278,519
	7,520,700

X and Y for Change Factor

Change factor weighting for larger than	100%
Change factor weighting for negatives	100%

Indicative Pool - Points to remuneration

Points	Rate	Max
Flat Base		80,000
50,000	3.300	165,000
100,000	3.150	322,500
200,000	2.800	602,500
300,000	2.300	832,500
400,000	1.800	1,012,500
500,000	1.400	1,152,500
600,000	1.065	1,259,000
700,000	0.750	1,334,000
800,000	0.650	1,399,000
900,000	0.500	1,449,000
1,000,000	0.500	1,499,000
2,000,000	0.500	1,999,000

Mayor's Salary - Points to remuneration

Points	Rate	Max
Flat Base		35,000
50,000	0.500	25,000
100,000	0.300	40,000
200,000	0.225	62,500
300,000	0.200	82,500
400,000	0.100	92,500
500,000	0.050	97,500
600,000	0.040	101,500
700,000	0.030	104,500
800,000	0.030	107,500
900,000	0.020	109,500
1,000,000	0.020	111,500
2,000,000	0.020	131,500

HIGHER SALARIES COMMISSION - FUNDING FORMULAE AND FACTORS

	---Population Calc---		----Expenses Calc----		--Gross Assets Calc--		---Capital Value \$---	
	Population	Funding Weighting	Expenses (000)'s	Funding Weighting	Assets (000)'s	Funding Weighting	Capital Value	Funding Weighting
Regional Council								
Auckland Regional Council	1,251,400	33.52%	122,311	27.70%	196,057	6.53%	168,213	38.22%
Wellington Regional Council	445,400	11.93%	103,799	23.51%	642,467	21.38%	54,030	12.28%
Environment Canterbury	503,800	13.49%	54,764	12.40%	343,572	11.44%	53,610	12.18%
Environment Waikato	373,200	10.00%	43,791	9.92%	244,686	8.14%	53,404	12.13%
Environment Bay of Plenty	250,000	6.70%	23,945	5.42%	661,846	22.03%	25,213	5.73%
Horizons.mw	227,100	6.08%	26,899	6.09%	222,620	7.41%	18,349	4.17%
Otago Regional Council	190,600	5.10%	14,360	3.25%	162,636	5.41%	18,684	4.25%
Hawkes Bay Regional	148,000	3.96%	15,813	3.58%	243,364	8.10%	12,496	2.84%
Environment Southland	93,400	2.50%	14,398	3.26%	85,283	2.84%	8,902	2.02%
Northland Regional Council	145,400	3.89%	11,495	2.60%	92,357	3.07%	16,854	3.83%
Taranaki Regional Council	105,500	2.83%	10,000	2.26%	109,594	3.65%	10,334	2.35%
TOTALS	3,733,800	100.00%	441,575	100.00%	3,004,482	100.00%	440,089	100.00%

HIGHER SALARIES COMMISSION - FUNDING FORMULAE AND FACTORS - SUMMARY

	Population	Expenses	Assets	Capital	Total Points	Indicative Pool	Chair's Salary
Regional Council							
Auckland Regional Council	1,251,400	861,848	121,824	1,427,152	3,662,224	751,311	129,061
Wellington Regional Council	445,400	731,406	399,211	458,401	2,034,418	741,775	119,491
Environment Canterbury	503,800	385,887	213,486	454,838	1,558,011	686,251	115,272
Environment Waikato	373,200	308,668	152,041	453,090	1,286,898	632,118	111,340
Environment Bay of Plenty	250,000	168,725	411,252	213,912	1,043,890	578,656	107,452
Horizons.mw	227,100	189,540	138,330	155,676	710,646	473,513	100,963
Otago Regional Council	190,600	101,186	101,057	158,519	551,362	410,545	92,575
Hawkes Bay Regional	148,000	111,424	151,219	106,018	516,662	396,665	90,666
Environment Southland	93,400	101,454	52,992	75,526	323,372	319,349	73,854
Northland Regional Council	145,400	80,998	57,388	142,993	426,779	360,711	83,160
Taranaki Regional Council	105,500	70,464	68,099	87,676	331,738	322,695	74,606
TOTALS	3,733,800	3,111,500	1,866,900	3,733,800	12,446,000	5,673,590	1,098,441

REGIONAL COUNCILS

Variables

Weightings	Points
Population	30.0%
Expenses	3,733,800
Assets Gross	3,111,500
Capital Value	1,866,900
	3,733,800
	12,446,000
	100%
	12,446,000

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Indicative Pool - Points to remuneration

Points	Flat Base	Rate	Max
300,000	300,000	0.400	190,000
500,000	500,000	0.400	120,000
700,000	700,000	0.400	200,000
1,000,000	1,000,000	0.330	280,000
1,500,000	1,500,000	0.220	379,000
2,000,000	2,000,000	0.125	489,000
2,500,000	2,500,000	0.008	551,500
3,000,000	3,000,000	0.005	555,500
3,500,000	3,500,000	0.005	558,000
4,000,000	4,000,000	0.005	560,500
4,500,000	4,500,000	0.005	563,000
5,000,000	5,000,000	0.005	565,500
			568,000

Chair's salary - Points to Remuneration

Points	Flat Base	Rate	Max
300,000	300,000	0.123	35,000
500,000	500,000	0.090	36,750
700,000	700,000	0.055	54,750
1,000,000	1,000,000	0.020	65,750
1,500,000	1,500,000	0.016	71,750
2,000,000	2,000,000	0.009	79,750
2,500,000	2,500,000	0.007	84,250
3,000,000	3,000,000	0.006	87,750
3,500,000	3,500,000	0.005	90,750
4,000,000	4,000,000	0.005	93,250
4,500,000	4,500,000	0.005	95,750
5,000,000	5,000,000	0.005	98,250
			100,750

HIGHER SALARIES COMMISSION - FUNDING FORMULAE AND FACTORS

	---Population Calc---		----Expenses Calc----		--Gross Assets Calc--		---Rate of Change Calcs---		
	Year 2002 Population	Funding Weighting	Expenses (000)'s	Funding Weighting	Assets (000)'s	Funding Weighting	Year 1997 Population	% of Change	Change Factor
Unitary Councils									
Gisborne District	45,200	26.08%	48,546	29.40%	572,859	27.19%	46,900	-3.62%	103.6%
Tasman District	43,500	25.10%	36,944	22.38%	581,233	27.59%	39,400	10.41%	106.8%
Nelson City	43,500	25.10%	39,400	23.86%	415,180	19.71%	41,400	5.07%	10.5%
Mariborough District	41,100	23.72%	40,206	24.35%	537,259	25.50%	39,600	3.79%	100.2%
TOTALS	173,300	100.00%	165,096	100.00%	2,106,531	100.00%	167,300	3.59%	

HIGHER SALARIES COMMISSION - FUNDING FORMULAE AND FACTORS - SUMMARY

Unitary Councils	Population	Expenses	Assets	Change Factor	Total Points	Indicative Pool	Mayor's Salary	---Unitary Adjustment--- Pool	Salary
Gisborne District	45,200	33,633	16,023	103.62%	98,294	397,127	74,488	446,768	83,799
Tasman District	43,500	25,595	16,258	106.82%	91,173	374,696	72,352	421,533	81,396
Nelson City	43,500	27,296	11,613	101.49%	83,634	350,947	70,090	394,815	78,851
Marlborough District	41,100	27,855	15,028	100.20%	84,152	352,577	70,245	396,649	79,026
TOTALS	173,300	114,378	58,922		357,253	1,475,347	287,176	1,659,765	323,072

Variables

Weightings	Points
Population	173,300
Expenses	114,378
Assets Gross	58,922
	346,600

X and Y for Change Factor

Change factor weighting for larger than	100%
Change factor weighting for negatives	100%

Indicative Pool - Points to remuneration

Points	Rate	Max
Flat Base		80,000
50,000	3.300	165,000
100,000	3.150	322,500
200,000	2.800	602,500
300,000	2.300	832,500
400,000	1.800	1,012,500
500,000	1.400	1,152,500
600,000	1.065	1,259,000
700,000	0.750	1,334,000
800,000	0.650	1,399,000
900,000	0.500	1,449,000
1,000,000	0.500	1,499,000
2,000,000	0.500	1,999,000

Mayor's Salary - Points to remuneration

Points	Rate	Max
Flat Base		35,000
50,000	0.500	25,000
100,000	0.300	40,000
200,000	0.225	62,500
300,000	0.200	82,500
400,000	0.100	92,500
500,000	0.050	97,500
600,000	0.040	101,500
700,000	0.030	104,500
800,000	0.030	107,500
900,000	0.020	109,500
1,000,000	0.020	111,500
2,000,000	0.020	131,500

HIGHER SALARIES COMMISSION - SPECIAL CASES

	Indicative Pool	Chair/Mayor salary
West Coast Regional Council	150,000	50,000
Kaikoura District Council	121,000	30,000
Chatham Islands Council	80,000	35,000