

Report 11.291
Date 30 June 2011
File WRS/08/04/01

Committee Wellington Regional Strategy
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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. Significance of the decision

The matters for decision in this report **do not** trigger the significance policy of the Council or otherwise trigger section 76(3)(b) of the Local Government Act 2002.

3. Background

The current remuneration level of the directors and chair of Grow Wellington were set in May 2007. At that time 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 Committee has just appointed a new chair of Grow Wellington, replacing Murray McCaw who is standing down from the board at the end of June 2011. Murray has been chair of the board since its establishment in 2007. He also led the forum that developed 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 MartinJenkins 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 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

Greater Wellington, as the shareholder of the company, must make the formal decision to change the fee. A recommendation from the Committee to increase the chair's remuneration will be considered at the next Council meeting which is scheduled for 27 July 2011.

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-elect for his information. No further communications are necessary.

7. Recommendations

That the Committee:

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

Report prepared by:

Report approved by:

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Chief Executive, Greater Wellington