

Review of Council Governance Remuneration Pool - 2025

Meeting: Council Briefing
Date of meeting: 03 February 2025
Reporting officer: Gillian Bruce, Business Support Manager

Purpose | Ngā whāinga

To inform Elected Members about changes to their remuneration pool.

Context | Horopaki

The Remuneration Authority sets remuneration for local government members, and the rules for reimbursement of costs met by members in undertaking their duties.

Remuneration for mayors is set by the Remuneration Authority. For other elected members the Remuneration Authority sets a remuneration pool, which is the total amount that must be paid in remuneration to councillors. Elected members determine how to split the pool between them.

The cost of remuneration and reimbursement is met by the district, through rates.

Last year the Remuneration Authority carried out a review of remuneration levels, and expenses. Elected members were invited to provide feedback. The Authority has now reported on the preliminary outcome of that review.

Discussion | Ngā kōrerorero

Remuneration is determined by size indices based on the factors and weightings below.

Size Index/ Authority Type	Factors and weightings (%)					
	Population	Total Assets	Total Operating Expenditure	Socioeconomic Deprivation	Geographic Area	Passenger Boardings
Territorial	50	15	20	15	n/a	n/a
Regional	25	25	20	n/a	20	10
Unitary	25	10	20	15	20	10

Data supporting the factors is drawn from the following sources:

- **Population:** Stats NZ - Estimated Resident Population as at 30 June 2023
- **Total Assets:** Stats NZ - Local Authority Financial Statistics as at 30 June 2023
- **Total Operating Expenditure:** Stats NZ - Local Authority Financial Statistics as at 30 June 2023
- **Socioeconomic Deprivation:** University of Otago – NZDep 2023 Index of Socioeconomic Deprivation, 31 October 2024
- **Geographic Area:** Stats NZ - Geographic Boundary Files as at 30 June 2023.
- **Passenger Boardings:** NZ Transport Agency - Public Transport Boardings by Region 2023/24

The new size indices show changes in the rankings for some councils when compared to the 2022 indices. These changes are largely driven by increases in councils' population and smaller

changes in other factors. Kaipara has moved up one place in the size indices review, from 35 to 34.

Governance Remuneration Pool for Kaipara District Council

Next year's local government members' determination contains two schedules. Schedule 1 (informed by the current 2022 size indices) covers the period beginning on 1 July 2025. Schedule 2 (covered by the new 2025 size indices) will apply on and from the day after the date the official result of the 2025 election is declared.

The Remuneration Authority's provisional 2025/26 determination is:

Local Government Members (2024/25) Determination 2024	Local Government members' (2025/26) determination	
	Schedule 1	Schedule 2
Current from 1 July 2024	Proposed from 1 July 2025	Proposed from day after the date the official result is declared.
\$473,099	\$491,077	\$496,127

The increase in payments represents a 4.86% increase to elected members' remuneration and an additional cost of \$21,765 in FY 25/26.

Following KDCs 2024 representation review, the number of councillors in the new triennium will reduce 9 to 8. The amount shown in Schedule 1 will be shared between 9 councillors, and in Schedule 2 will be shared between 8 councillors.

The Authority is welcoming feedback on the proposed governance remuneration pool by 28 February 2025.

Next steps | E whaiake nei

1. Provide feedback to the Remuneration Authority, if desired.
2. When confirmed, apply Schedule 1 from 1 July 2025.

Attachments | Ngā tapiritanga

	Title
A	Local Government Size Indexes Rankings 2025