

7 March 2019

Private and Confidential

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Dear Phil

RECOMMENDED FEE LEVELS FOR INDEPENDENT MAORI STATUTORY BOARD MEMBERS

The Role: Purpose

The Maori Statutory Board is an independent entity working with Auckland Council assisting it to make decisions, perform functions and promote economic and cultural issues for mana whenua groups, mataawaka of Tamaki Makaurau and ensuring the Council acts in accordance with the statutory provisions of the Treaty of Waitangi (formally, the Local Government (Auckland Council) Act 2009 is the enabling legislation and under Section 81 provided for the establishment of the Independent Maori Statutory Board (IMSB)).

The Board has been in place for nine years and some members are now at the end of their third term, approaching re-election.

2. The Role: Nature and Scope

As in our previous reports comments and analysis purely concern the work of the Board, an analysis of the role of Board members and issues related to a fair determination of remuneration for members. We do not comment on any aspect of how individual members perform in their roles or the performance of the Board as a whole.

2.1 Time commitments of Board Members

In previous discussions the Chair emphasised, both the volume of work and complexity of that work being high as a result of members being required to sit on, for example: Council committees, related workshops, liaise with officials, regularly consult with other committee members, and be accessible to the Public and Iwi groups.

The IMSB also meets on a regular basis to frame its strategy, review progress, set new priorities and monitor its progress. Formal meetings with Council are conducted four times per year.

For this report I have been in contact with the Chair and outlined the approach I have taken with this report.

Fees: Comparative Information

The current fee levels for Auckland Council Councillors and IMSB members as at March 2019 are noted as below.

2019/2020 Auckland Council Councillor Fees	
- Mayor	\$279,562
- Deputy Mayor	\$157,518
- Chair of committees of the whole	\$130,030
- Councillor	\$109,750

Independent Maori Statutory Board	
- Chairperson	\$131,701
- Deputy Chairperson	\$91,458
- Member (x7)	\$73,167

4. Summary and Recommendations

We defined in our earlier report a relationship linking the IMSB member's remuneration to between 65% and 70% of that of an Auckland Council Councillor. This was based on our understanding of other fee structures/roles and how they are determined. We have not changed that assessment for this report.

We believe that the accountabilities and responsibilities of Board members are fairly set in relation to the principal comparator group we have used and propose no change to those relativities. We note earlier reports have extensively reviewed the relationship between Councillors and members of the Board.

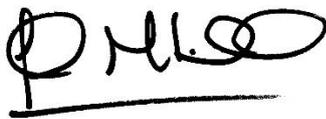
We recommend that, for this review:

- The fee levels of IMSB members continue to be maintained in relation to those of Auckland Councillors' and for 2019/20 the range of 66% to 70% of the latter group be used as a benchmark (for this report we have used the midpoint of this range, 68%)
- As per our previous recommendations, the fees for the role of Chair and Deputy Chair be set as a multiple of those of Members, specifically 1:1.8 and 1:1.25 respectively
- Should there be a change in Councillors fees within the next six months as a result of a Remuneration Authority decision we recommend that they be reflected in an adjustment to Board fees. We understand a Remuneration Authority determination for 2019 will be made shortly.
- Our analysis of fee levels suggest an increase in fees be made, to keep pay levels in line with those of Council as per the assumptions noted earlier:

Recommendation: An increase in fee levels in line with Councillors fee levels for 2019/20. As in previous years the new Remuneration Authority determination will be promulgated shortly and be effective from 1 July 2019:

Position	Current Fee Levels	Recommended Fee Levels
Chairperson	\$131,701	\$134,334
Deputy Chairperson	\$91,458	\$93,288
Member (x7)	\$73,167	\$74,630

Yours sincerely



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