



Remuneration and Reimbursement for External Committee Members Policy

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1 Purpose

- 1.1 This policy sets out guidelines for the remuneration and reimbursement of expenses applicable to external members appointed as community representatives to Council committees and subcommittees.

2 Scope

- 2.1 This policy applies to the appointment of external members to Council Committees and Subcommittees.

- 2.2 This policy does not apply to:

- Appointment of Independent Commissioners;
- Appointment of external member to Audit and Risk Committee; and
- Individuals appointed in their role as an employee or representative of an organisation and where that person is receiving financial remuneration from that organisation.

3 Definitions

- 3.1 External member – a person who is not an elected member and who is appointed by Council resolution as a member of a committee or subcommittee in accordance with Schedule 7, Clause 31 of the Local Government Act 2002.

- 3.2 Member – a person who is currently an elected member of a local authority (the Council), in accordance with Section 19A of the Local Electoral Act 2001.

- 3.3 Code of Conduct – the Code of Conduct applying to members of the Council, which has been adopted by a resolution of the Council in accordance with Schedule 7, Clause 15 of the Local Government Act 2002. This document is distinct from any conduct or ethics policies applying to Council officers.

- 3.4 Standing Orders – the Standing Orders adopted by a resolution of the Council for the conduct of its meetings and its subordinate decision-making bodies, in accordance with Schedule 7, Clause 27 of the Local Government Act 2002.

- 3.5 Committee – a standing committee or subcommittee established by the Council, in accordance with Schedule 7, Clause 30 of the Local Government Act 2002. The Policy does not apply to any other groups, including Council organisations (CO's) or Council-controlled organisations (CCO's). The remuneration for CO's and CCO's is covered by the Appointment of Directors to Council Organisations and Council-Controlled Organisations Policy.

4 Background

- 4.1 The membership of a committee can be made up of elected members and/or external members, or a mix thereof. At least one member of a committee must also be a member of the Council (this requirement does not apply to subcommittees).

- 4.2 Responsibility for appointing committee members (both elected and external) resides with the Council. The Council may appoint external members if they deem a

person to have skills, attributes or knowledge that will assist the work of the relevant committee or subcommittee.

Schedule 7, Clause 31, Local Government Act 2002

4.3 Council recognises that:

- Members of the community may voluntarily and actively contribute to Council processes in the interests of the public good or in the interests of particular groups that they may represent.
- Many of its decision-making processes will require the active involvement of community representatives to ensure acceptable outcomes can occur.
- Community representatives may have limited capacity and financial resources and this may restrict their ability to actively participate in Council processes.
- Nominally compensating community representatives for their involvement in decision-making processes will support fuller, fairer and more equitable participation.

5 Remuneration and Reimbursement Rates

5.1 Remuneration and Reimbursement Rates for specific committees and subcommittees are included in the schedules, located at the bottom of this Policy.

6 Eligibility for Council-organised training

6.1 External members are eligible to attend any Council-organised training for committee members in relation to matters relevant to the committee, e.g., training in relation to new legislation.

6.2 Requests for skills development-related training are to be considered by the Chief Executive on a case-by-case basis.

6.3 An allowance for time spent at training may be paid on a per-hour basis if specified in the relevant Schedule to this Policy. Where not explicitly stated, an allowance may be paid at a pre-determined rate if approval is provided by the relevant budgetary manager prior to the training taking place.

7 Taxation obligations

7.1 For tax purposes, committee members are treated by the Inland Revenue Department as self-employed. Payments made to committee members are treated as schedular payments and have withholding tax deducted at 33%. Committee members are able to claim expenses incurred in their role as part of their annual filing of their tax return.

7.2 Committee members are responsible for meeting their own ACC Levy obligations.

7.3 For the purposes of the Goods and Services Tax Act 1985, the term “taxable activity” does not apply to the role of a Chairperson or member of any committee (refer Goods and Services Tax Act 1985 section 6(3)(c)(iii) and section 6(4)). There are some exceptions to this, outlined in sections 6(4) and 6(5) that members will need to review to see if the situations described apply to them. These relate to circumstances when

the member has to account to their employer for the remuneration received, and when the member already carries out a taxable activity as defined in the Act and their services as a member of the committee are deemed to be supplied in the course of that taxable activity.

8 Applicability of Council's Code of Conduct

- 8.1 All external members of a committee and subcommittee must abide by the Council's Code of Conduct adopted under Schedule 7, Clause 15 of the Local Government Act 2002.

9 Applicability of Council's Standing Orders

- 9.1 All external members of a committee and subcommittee must abide by the Council's Standing Orders adopted under Schedule 7, Clause 27 of the Local Government Act 2002.

10 Term of Appointment

- 10.1 Appointments are considered to have commenced from the date of the applicable Council resolution making the appointment.
- 10.2 For appointees to committees and subcommittees, the appointment will end when the committee or subcommittee is discharged at the end of the local government triennium.

Schedule 7, Clause 30(7), Local Government Act 2002

- 10.3 The Council may discharge any member of a committee or subcommittee at any time.

Schedule 7, Clause 31(1), Local Government Act 2002

11 Delegations

- 11.1 The implementation of this policy is delegated to the Chief Executive and their delegates.
- 11.2 The Governance and Assurance Manager is responsible for providing advice, support and the implementation of this policy.

Schedule 1 – Creative Communities Assessment Committee

1. The Creative Communities Assessment Committee was (re)established by the Council on 25 October 2022.
2. External members are appointed by the Council near the beginning of each triennium. The appointments must be aligned with Creative New Zealand’s guidelines around the tenure of community representatives.
3. There are five external members, comprised of:
 - 4x Community representatives
 - 1x Tangata whenua representative
4. External members of the Committee are eligible for remuneration and reimbursement, as detailed in the below table. External members are required to submit an expense claim form to officers for each eligible meeting, detailing the rates that they are claiming for and the distance travelled for mileage.

Creative Communities Assessment Committee		
Item	Rate per meeting	Notes
Assessment Allowance	\$130	For the assessment of grants submitted to a funding round
Meeting Allowance	\$130	For attendance at a Committee meeting
Mileage	\$..... /km	In accordance with the rate (per kilometre) set by the Remuneration Authority

5. The rates for mileage will be aligned with the rates paid to elected members for travel to and from meetings (set by the Remuneration Authority). This ensures that there is fairness among elected members and external members who are appointed to the Committee.
6. As elected members are remunerated in accordance with the determinations made by the Remuneration Authority (including the provision of a salary), they are not eligible to claim the assessment and meeting allowance detailed within this Schedule.

Schedule 2 – District Licensing Committee

1. The District Licensing Committee is established by legislation under the Sale and Supply of Alcohol Act 2012. It is not subject to disestablishment at the end of the local government triennium and members (both elected and external) are appointed by the Council to serve for a term of five years. Member’s tenure is complete at the end of five years, however they may be reappointed by the Council for additional tenures.

Clauses 186 and 192, Sale and Supply of Alcohol Act 2012

2. There are four members, comprised of:
 - 1x Chair
 - 2x Members (external)
 - 1x Member (elected member)
3. The fees payable to members of the Committee are detailed in the **Fees Framework**, released by the Cabinet Office. For the purpose of paying fees to members, the District Licensing Committee currently sits within Group 2 (Statutory Tribunals and Authorities), Level 3.

4. Both external and elected members are eligible to claim the fees.
Note: The Sale and Supply of Alcohol Act 2012 and Fees Framework make no distinction between external and elected members for the provision of fees. The Remuneration Authority has no jurisdiction over fees related to alcohol Licensing hearings and does not prohibit the payment of fees to elected members for this purpose.

5. Members of the Committee are eligible to claim for fees as detailed in the below table. Members are required to submit an expense claim form to officers for each eligible meeting, detailing the rate and hours that they are claiming for and the distance travelled for mileage.

District Licensing Committee		
Item	Rate per hour	Notes
Fee (chair)	\$82.75	Includes preparation (i.e., pre-reading) and meeting time
Fee (members)	\$54.11	Includes preparation (i.e., pre-reading) and meeting time
Mileage	\$..... /km	In accordance with the rate (per kilometre) set by the Inland Revenue Department

6. Members of the Committee are eligible to claim an hourly rate for time spent at formal training, provided that the member's attendance has been approved by the Council. Unless approved by the Regulatory Services Manager beforehand, an hourly allowance will not be provided for pre-reading or other pre-course work that may be required.
7. The rates for mileage are set in accordance with the Inland Revenue Department's most recently published table of rates.