



# Remuneration and Reimbursement for External Committee Members Policy

Adopted/Confirmed:	15 May 2025
Review Frequency:	1 Year
Previous Adoption Date:	01 August 2024
Next Review Date:	May 2026
Policy type:	Governance
Reviewer	GM <del>People &amp;</del> Corporate
Policy version	P281

## Contents

1	Purpose .....	1
2	Scope .....	1
3	Definitions .....	1
4	Background .....	<del>2</del> 21
5	Remuneration and Reimbursement Rates.....	2
6	Eligibility for Council-organised training .....	2
7	Taxation obligations .....	<del>3</del> 32
8	Applicability of Council’s Code of Conduct .....	3
9	Applicability of Council’s Standing Orders .....	3
10	Term of Appointment .....	<del>4</del> 43
11	Delegations .....	<del>4</del> 43
	Schedule 1 – Creative Communities Assessment Committee.....	<del>5</del> 54
	Schedule 2 – District Licensing Committee .....	<del>7</del> 75

## 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~~ and other subordinate decision-making bodies.

## 2 Scope

- 2.1 This policy applies to ~~the externally appointment appointed of external~~ members ~~to of Council Committees committees, and Subcommittees~~ and other subordinate decision-making bodies.

- 2.2 This policy does not apply to:

- Appointment of Independent Commissioners;
- ~~Appointment of external member to Audit and Risk Committee; and~~
- External members where remuneration and reimbursement arrangements are determined through an individual agreement approved by the Chief Executive; 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 or subordinate decision-making body 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.

- ~~3.5.3.6~~ Subordinate decision-making body – a body established by the Council and delegated decision-making authority under Schedule 7 of the Local Government Act 2002, other than a committee or subcommittee.

## 4 Background

4.1 The membership of a committee or subordinate decision-making body 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 an elected 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. This clause applies to committees, and to other subordinate decision-making bodies where the responsibility for appointments has been retained by the Council.

*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-subordinate decision-making bodies are included in the schedules, located at the bottom of to this Policy.

## 6 Eligibility for Council-organised training

6.1 External members ~~are eligible to~~ may attend ~~any Council-organised~~ training relevant to their role on a committee or subordinate decision-making body. Attendance at Council-organised or Council-funded training is subject to the approval of the relevant budgetary manager. External members may undertake other training at their own discretion, but no reimbursement for expenses incurred will be provided without prior approval. ~~for committee members in relation to matters relevant to the committee, e.g., training in relation to new legislation.~~

6.2 Requests for individual skills development-related training ~~are to~~ will 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.~~

- 6.3 External members will not generally be paid an allowance for time spent attending training. Reasonable expenses incurred in attending approved training, including mileage, may be reimbursed in accordance with this Policy. An allowance for time may only be paid where explicitly provided for in the relevant Schedule or where prior approval has been granted by the Chief Executive.

## **7 Taxation obligations**

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

- 7.2 ~~Committee External~~ 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.~~

- 7.3 For the purposes of the Goods and Services Tax Act 1985, the role of a Chairperson or member of a committee is generally not considered a “taxable activity”, and GST does not usually apply to payments made under this Policy. However, exceptions may apply in certain circumstances, including where a member is required to account to their employer for the remuneration received, or where the member is already carrying out a taxable activity and their services as a committee member are provided in the course of that activity. Members are responsible for determining their own GST obligations.

## **8 Applicability of Council’s Code of Conduct**

- 8.1 All external members of a committee ~~and or subcommittee subordinate decision-making body~~ 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 or subcommittee subordinate decision-making body~~ 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. Where the Council is responsible for appointing members to a subordinate decision-making body, it may also discharge those members.

*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, and support, ~~and the implementation for implementing of~~ this policy.

## Schedule 1 – Creative Communities ~~Assessment Committee~~ Funding Panel

1. The Creative Communities ~~Assessment Committee~~ Funding Panel was ~~(re)~~ established by the Council on ~~25 October 2022~~ 04 February 2026, replacing the Creative Communities Assessment Committee.
2. External members are appointed by the ~~Council~~ existing Panel as vacancies arise, in accordance with Creative Communities Scheme Assessors Guide (CCS Guide) ~~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~~ Panel membership is a mix of elected members and community representatives. The CCS Guide stipulates that up to two members may be elected representatives appointed by the Council. The remaining members must be community representatives, and one of these must be of Māori descent and have local knowledge of Māori arts activity, comprised of:
  - ~~4x~~ Community representatives
  - ~~1x~~ Tangata whenua representative
4. The CCS Guide does not prescribe a specific number of community representatives; however, they must comprise at least half of the total membership. The CCS Guide recommends an overall membership of between 7 and 11 members.
5. External members of the ~~Committee~~ Panel 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 <del>Assessment Committee</del> <u>Funding Panel</u>		
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 <del>Committee</del> <u>Panel</u> meeting
Mileage	\$..... /km	In accordance with the rate (per kilometre) set by the Remuneration Authority

6. 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~~ Panel.

7. 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~~three years. Member’s tenure is complete at the end of ~~five~~three 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~~five members, comprised of:

- 1x Chair
- 2x ~~Members (external)~~Elected members
- ~~1x~~2x ~~Member (elected member)~~External members

3. The fees payable to members of the Committee are determined by Council, having regard to the detailed in the **Cabinet Fees Framework**, released by the Cabinet Office. Hourly rates are derived from the applicable daily rate under the Framework.

*Clause 195, Sale and Supply of Alcohol Act 2012*

4. For the purpose of paying fees to members, the District Licensing Committee currently sits within Group 2 (Statutory Tribunals and Authorities), Level 3.

5. 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 do not distinguish~~ between external and elected members for the ~~provision purpose~~ 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~~The Council has determined that both are eligible for payment where undertaking District Licensing Committee functions.

6. Members of the Committee are eligible to claim ~~for~~ fees for services undertaken in their role, including attendance at hearings, meetings, and associated preparation time, 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)	<del>\$85.23</del> <u>103.13</u>	<u>As determined by Council, in accordance with section 195 of the Sale and Supply of Alcohol Act 2012 and the Cabinet Fees Framework, as updated from time to time</u>

		Includes preparation (i.e., pre-reading) and meeting time
Fee (members)	<del>\$55.73</del> 65.63	<u>As determined by Council, in accordance with section 195 of the Sale and Supply of Alcohol Act 2012 and the Cabinet Fees Framework, as updated from time to time</u>  Includes preparation (i.e., pre-reading) and meeting time
Mileage	\$..... /km	In accordance with the rate (per kilometre) set by the Inland Revenue Department

~~7. 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.~~

8.7. The rates for mileage are set in accordance with the Inland Revenue Department's most recently published table of rates.