

## FEES FRAMEWORK FOR NON-ELECTED MEMBERS

Version date: June 2021

### Purpose

1. This document outlines the policy for payment of non-elected members appointed onto committees and participate in decision making with Horizons Regional Council. This policy seeks to ensure such individuals are fairly remunerated; it provides a framework for how remuneration is set and outlines the Councils and non-elected members' responsibilities when engaging under this policy.
2. Non-elected members may include individuals appointed to contribute a tangata whenua perspective, or to represent particular iwi / hapū. Horizons has statutory responsibilities to maintain and improve opportunities for Māori to contribute to local decision-making processes, including fostering capacity development to enable Māori to participate in such processes (for example, Section 81, Local Government Act, 2002). Moreover, inclusion of iwi members in decision-making processes will likely contribute to more robust and broadly accepted outcomes. Recognising the relationship between Council and tangata whenua acknowledges the importance of Māori, mātauranga Māori and relationships with te taiao (the environment) in local government.

### Scope

3. This policy applies to payment of all non-elected members who are appointed in a governance role on committees, or other bodies established by Horizons Regional Council.
4. The policy does not apply:
  - if payment is set by the Remuneration Authority, or by legislation;
  - if payment is made from some other source (for example, if a professional consultant is paid by their employer to attend);
  - to appointments made by the Council to another organisation;
  - if the Council has formally resolved a different form of payment;
  - if payments are made on a contractual basis (e.g. independent commissioners);
  - in cases where no appointment is made by Council (e.g. individuals representing the interests of specific iwi or hapū).
5. Council has a Staff Gifts and Professional Acknowledgement Policy which covers payment of koha; this remuneration policy should not be used for the purpose of koha.

### Remuneration Framework

6. The Horizons Regional Council Fees Framework for Non-Elected Members is aligned to the Cabinet Office Fees Framework (for members appointed to bodies in which the Crown has an interest CO(19)1)<sup>1</sup>. The Cabinet Office Fees Framework is used by many Government bodies whose fees are not determined by the Remuneration Authority. The Cabinet Office Fees Framework provides guidance and assessment criteria that Horizons Regional Council has modified to fit local government functions.

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<sup>1</sup> <https://dpmc.govt.nz/publications/co-19-1-fees-framework-members-appointed-bodies-which-crown-has-interest-html>

7. Most appointments that are made by the Council will be to bodies or committees which can be described as “Group 4 – all other committees and other bodies” in the Cabinet Office Fees Framework. The assessment criteria for Group 4 has been adapted for use by Horizons Regional Council. The Cabinet Office Fees Framework was last updated in January 2020.

#### **Assessment process**

8. The body (committee, subcommittee, advisory body) will be scored on the following factors:
  - skills, knowledge and experience required by the majority of members
  - function, level and scope of authority
  - complexity of issues
  - public interest and profile
9. The assessment criteria to be used for scoring are attached as Appendix A.
10. The resulting total score is used to identify a remuneration band within the Cabinet Fees Framework. The Council then decides the rate to paid from within that band.
11. Members occupying identical positions on the same body should be paid the same fee. The fee rate is varied only to reflect additional responsibility such as that assumed by chairpersons who may receive an extra margin for additional responsibilities that go with the role. Daily rates are capped at the equivalent rate for an elected member.

#### **Daily rate**

12. The remuneration bands are expressed as daily rates.
13. A daily rate applies to all work, including that performed outside of meetings (e.g. preparation, representing the body at other forum, or administrative work). All work that is required to be performed for the body by the member should be paid at the approved rate.
14. It is expected that a working day is about 8 hours, and the daily fee is calculated on this basis. Work for longer than 8 hours in one day will not attract an extra payment, unless work is frequently longer than 8 hours.
15. Where at least 6 hours is worked in one day, a daily fee may be paid. It is accepted that it may not be possible for a member having worked 6 hours in one day for the purposes of the body or committee to return to other paid work. Where a member spends time, for example one evening, preparing for a meeting the next day, if the preparation and meeting time combined were between 6 and 8 hours, then one daily fee would be paid for the combined preparation and meeting time.
16. If a member attends multiple eligible meetings in a single day, the daily fee will be paid once only.
17. Work other than preparation for meetings/sittings must be approved and minuted by the committee before it is undertaken. Individual members should not be in a position where they could be considered to be setting their own work programmes without the endorsement of the body.

## **Hourly rates**

18. Hourly pro-rata rates are calculated by dividing the daily rate by 8 and multiplying by the number of hours worked.
19. Payment of an hourly rate for work other than attendance at meetings/sittings of the committee is subject to prior approval. Individual members should not be in a position where they could be considered to be setting their own work programmes without the endorsement of the body.

## **Co-Chairs and Deputy Chairs**

20. Where a non-elected committee member is appointed as a chair, co-chair, or alternating chair, the member will be paid the chair's fee outlined in the framework (Appendix A).
21. Where a non-elected committee member is appointed as a deputy chair, an additional fee of 25 percent of the member's fee shall be paid.
22. Where there is no co-chair or deputy chair appointed, and a non-elected member is required to chair a meeting, the member should be reimbursed for attendances associated with the meeting at a rate equivalent to that of the chair.

## **Payment for travel time**

23. Members travelling for more than one hour to attend a scheduled meeting will be eligible for a travel fee, as per the Councillors' Allowances and Remuneration Policy. The travel fee is currently \$37.50 per hour, after the first hour of travel.

## **Payment for meetings by teleconference**

24. Where a meeting is held by teleconference or video conference, the usual meeting fees apply.
25. Where a member is unable to attend a meeting in person but joins the meeting by teleconference or videoconference, with the agreement of the chair, the usual fees apply.

## **Reimbursement of Expenses**

26. Members travelling to and from meetings are entitled to reimbursement of out of pocket travelling, meal and accommodation expenses actually and reasonably incurred. The expectation is that expenditure will be modest and appropriate to reflect public-sector norms.
27. A kilometre rate is payable for members who use their private vehicle to travel to and from meetings. The kilometre rate is specified by Inland Revenue (currently 82 cents per km).
28. Reimbursements will be paid on submission of an expense claim form, accompanied by original receipts where appropriate. Claims are to be submitted within the same financial year the expenses are incurred.
29. In case of doubt, non-elected members will be eligible for the same expense payments as elected members, as specified in Horizons' Councillors' Allowances and Remuneration Policy.

#### **General absence**

30. Where a member fails to attend a significant number of meetings, or otherwise perform their duties as a member, the committee chair will discuss expectations with the member.

#### **Appointment and Role of Tangata Whenua on Committees**

31. This policy provides a framework for remuneration of non-elected members – including tangata whenua representatives – where they are appointed onto Horizons’ committees. It does not constitute a policy on whether or in which circumstances such appointments are to be made.
32. The appointment, role, and term of non-elected membership on Horizons’ committees will be defined in the respective committee’s Terms of Reference.

#### **Review of this policy**

33. This policy may be reviewed annually by Horizons and is current until it is superseded.

## APPENDIX A – Assessment criteria

### ***Skills, knowledge and experience required of members***

Skills, knowledge and experience will vary between members on a particular body. The score below should reflect the level of skill **required by the majority** of members, and should not be based on any particular individual. This factor has a higher weighting than others, to reflect that is the application of skills, knowledge and experience in carrying out their responsibilities that is a major contributor to the successful operation of the committee or body.

	<b>Definition</b>	<b>Score</b>
Pre-eminent	Outstanding and authoritative knowledge, recognised nationally and internationally for expertise in a particular field.	12
Distinguished	Deep and broad knowledge in a specific area or as a leader. Widely respected as a subject matter expert or authority in their field.	10
Substantive	Substantial range of knowledge and experience in a field or professional discipline sometimes associated with senior level functional or technical leadership, executive management or governance roles. May include widely respected people with broad community support.	8
Technical	A number of years' experience in a technical, professional field or in a leadership role is a pre-requisite.	6
Specialised experience	No specific experience is required but members would have broad general knowledge and may represent a body of opinion.	4

### ***Function, level and scope of authority***

	<b>Definition</b>	<b>Score</b>
Strategic decisions	Sets policy or work programme for a major area of economic activity or policy area of importance to the Council's strategic priorities.	6
Policy decisions	Sets policy or work programme and/or exercises regulatory/disciplinary powers.	5
Expert advice	Provides expert counsel and advice to the Mayor, Governing Body or local boards on technical or policy issues that are of strategic importance. At this level the body would be expected to be proactive in identifying emerging issues and contributing to policy direction.	4
Professionally targeted	Exercises regulatory/disciplinary powers at the individual/professional level. This will include the power to impose sanctions.	3
Technical	Provides a broad range of advice on technical and/or policy issues.	2
Ad hoc	Provides ad hoc advice on minor matters. Generally a limited focus at a single output level.	1

### ***Complexity of issues***

	<b>Definition</b>	<b>Score</b>
Innovative	The development of new concepts is required to find innovative and pathfinding solutions. There will be little or no external guidance (NZ or internationally) to aid resolutions of these issues.	5
Constructive	The development of new policy or advice is required where the issues are complex, multidimensional and involve substantial research, consideration of possible alternatives and their consequences. The body may commission research or utilise the findings to inform their policy development or advice.	4

Evaluative	Issues will include circumstances, facts and concepts different to those that have been experienced in the past. Analytical thinking and evaluative judgement will be required to identify realistic alternatives and apply/recommend a solution.	3
Judgement	Solutions will be found from application of professional or personal judgement and generally guided by previous decisions. Circumstances may be different from those previously experienced but there will be sufficient frame of reference to make a considered decision/recommendation.	2
Operational	Issues to be resolved are generally within existing policy and prior decisions. Decisions can generally be made quickly and with reasonable certainty.	1

#### ***Public interest and profile***

	<b><i>Definition</i></b>	<b><i>Score</i></b>
Widespread	Widespread public interest in outcomes would be expected. Member will attract strong media interest. Potential risk to personal and/or body's reputation is high.	5
Strong	Strong public and stakeholder interest and importance would be associated with these issues. Media interest would also be expected, but potential risk to personal or the body's reputation is unlikely.	4
Moderate	Moderate but widespread public interest is likely. Reputational risk is minimal.	3
Limited	Public interest is likely to be limited, but these issues would be of interest to other members of the particular profession or sector.	2
Little	There is likely to be little or no wider public interest in the decisions.	1

#### ***Daily Fee Levels***

<b>Total Score</b>	<b>Level</b>	<b>Fees range - chair</b>	<b>Fees range - members</b>
24-28	1	\$540 - \$1,150	\$405 - \$865
20-23	2	\$390 - \$885	\$290 - \$560
15-19	3	\$280 - \$575	\$205 - \$395
10-14	4	\$250 - \$365	\$190 - \$270
9 or less	5	\$205 - \$265	\$150 - \$205