

# **Attachment B: Draft Non-Elected Member Remuneration Policy**

**Meeting:** Council Briefing  
**Date of meeting:** 2 September 2020  
**Reporting officer:** Gavin Dawson, Governance Advisor

## **Purpose/Ngā whāinga**

To seek feedback and direction on the draft Non-Elected Member Remuneration policy (the “Policy”).

## **Context/Horopaki**

The Council currently has 15 Non-Elected Members (Non-EMs) who serve on our committees. Their participation in Council democratic processes ensures that the views of the community and Iwi are heard.

For the purposes of this discussion a Non-EM is defined as:

- A person appointed by Council or Mayor to sit on a Committee or Panel of Council, who is not an Elected Member, District Licensing Committee Chair or Member, Independent Hearings Commissioner, or Chair of the Audit and Risk Committee.

Many councils throughout the country have formalised a Policy as they recognise that non-elected members incur personal expense from time to time as a result of their participation. Emphasising that they do not want participation to financially disadvantage participants or act as a disincentive to participate.

The formalising of a Policy would set out the remuneration framework for non-elected members and how it is applied, and seek to maintain a framework which is balanced, transparent, and accountable.

## **Discussion/Ngā kōrerorero**

The matter of Non-EM remuneration has been raised at several governance meetings. There is a strong feeling that remuneration is needed for the time a Non-EM spends preparing, travelling, and participating in a governance meeting. Non-EM remuneration is not uncommon around the country. However, the rate and criteria do differ quite a lot between territorial and regional authorities.

Elected Members, the District Licensing Committee Chair or Members, Independent Hearings Commissioners, and the Chair of the Audit and Risk Committee are not included in this draft policy as they are remunerated through another mechanisms such as the Remuneration Authority, Central Government regulation, or another policy of Council.

Members of the Raupo Drainage Committee have been eligible for a rate of \$50 per month plus mileage since 2005. This was an opt in scheme which has only seen up to two members use this arrangement. The arrangement is still in place today and any payments are drawn from the Raupo drainage targeted rate. The proposed policy would see this arrangement closed, with the Policy applied to the Raupo Drainage Committee and costs borne from the general rate.

At present all Non-EMs can claim for mileage at a rate of 79 per kilometre or at the rate recommended by the Inland Revenue Department. No other meeting fees apply for committees, other than the monthly fee which applies to the Raupo Drainage District.

The Council currently has two non-statutory agreements with Te Uri o Hau Settlement Trust and Te Roroa Whatu Ora and Mana Whenua Trust. Both agreements note that unless otherwise agreed, each party shall provide its own resources for its participation in activities under the agreements signed, such as governance meetings. However, there is provision for further agreement between the Council and two organisations, on the remuneration of their representatives.

The policy proposes paying the rates below:

Chair	Committee or panel member
\$75 per hour	\$50 per hour

Mileage rate
According to rates set by the Inland Revenue Department.

This policy would cost about \$10,000 per annum to fund the 15 Non-EMs we currently have. This figure is based on three-hour long meetings maximum, of which many do not go beyond two hours.

The Northland Regional Council, Whangarei District Council, and Far North District Council pay the following rates:

Council	Rate
Northland Regional Council	\$170 per meeting maximum regardless of time plus mileage.
Whangarei District Council	Rate to be advised asap
Far North District Council	Unpaid

## Next steps/E whaiake nei

The feedback and direction provided today will be included in the final draft. A policy for adoption will be considered at the September Council Meeting.

If adopted the budget will be included in the 2021-31 Long Term Plan and be applicable from then. A review and reallocation of current governance related budgets would be required to fund this policy during this financial year.

## Attachments/Ngā tapiritanga

	Title
A	Draft Non-Elected Member Remuneration Policy