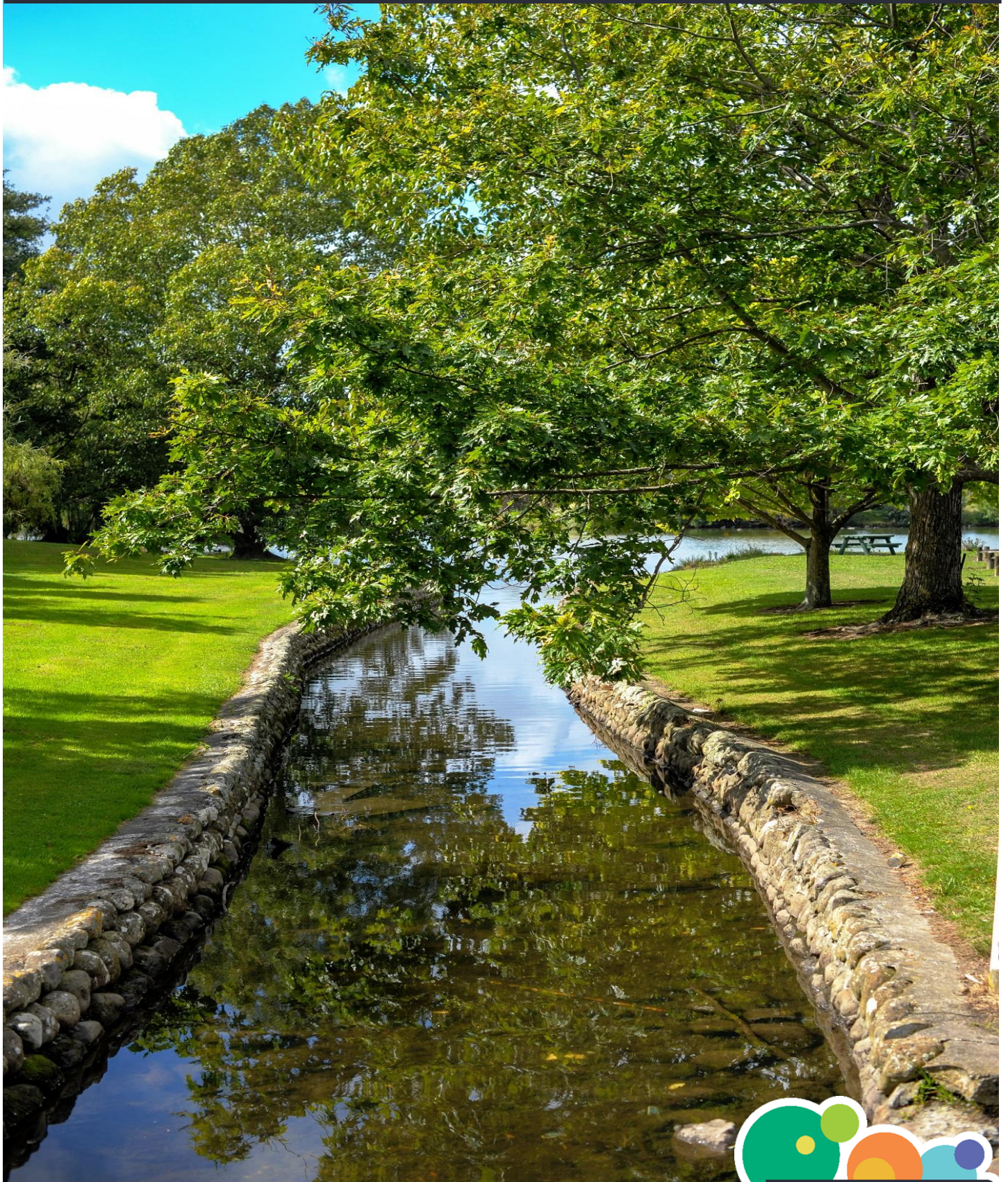


Council Appointments and Remuneration Policy



29 October 2025

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Pūtake | Purpose

1. To provide objectivity and transparency for Masterton District Council's recruitment, appointment, and reappointment of:
 - PART I:** External directors or elected members to Council Organisations.
 - PART II:** External members to Council Committees and Advisory Groups.
2. To follow an agreed policy relating to:
 - PART III:** The remuneration of external appointments made under the Parts above, with details of remuneration rates contained in Schedule A.

Mātāpono | Principle

Council appointments and their remuneration are based on agreed policies, as required under the Local Government Act 2002 (LGA).

Ngā Putanga Takune | Intended Outcomes

1. *Strategic alignment:* alignment of Council Organisations, Committees, and Advisory Groups with the Council's strategic direction, as included in its Long-Term Plan.
2. *Achievement of the Council's objectives:* through an effective mix of relevant skills, knowledge, backgrounds, perspectives, and experiences, balanced with the benefits of diversity in each organisation.

Te mana whakaae | Authorising environment

Section 57 of the LGA states:

- (1) A local authority **must** adopt a policy that sets out an objective and transparent process for—
 - a) The identification and consideration of the skills, knowledge, and experience required of directors of a council organisation; and
 - b) The appointment of directors to a council organisation; and
 - c) The remuneration of directors of a council organisation.
- (2) A local authority may appoint a person to be a director of a council organisation only if the person has, in the opinion of the local authority, the skills, knowledge, or experience to—
 - a) Guide the organisation, given the nature and scope of its activities; and
 - b) Contribute to the achievement of the objectives of the organisation.
- (3) When identifying the skills, knowledge, and experience required of directors of a council-controlled organisation, the local authority must consider whether knowledge of tikanga Māori may be relevant to the governance of that council-controlled organisation.

Local authorities may also appoint committees, subcommittees, other subordinate decision-making bodies, and joint committees (clauses 30 to 31 of Schedule 7 of the LGA refers).

Kuputaka | Definitions

Council Organisations (refer to section 6 of the LGA for full legal definitions):

- **Council Organisation:** a company or entity in which the Masterton District Council has a voting interest or the right to appoint a director, trustee or manager.
- **Council Controlled Organisation:** a council organisation of which the Masterton District Council (alone or with other local authorities) controls 50 percent or more of the voting rights or has the right, directly or indirectly, to appoint 50 percent or more of the directors.
- **Council Controlled Trading Organisation:** a council-controlled organisation that operates a trading operation for the purpose of making a profit.

Director: includes company directors, trustees, members, managers and office holders of a Council Organisation (however described). Section 6(3)(b) of the LGA refers.

A director with respect to a Council Organisation, where the Council Organisation is not a company, includes a trustee.

Entity (refer to section 6 of the LGA for the full legal definition): any partnership, trust, arrangement for the sharing of profits, union of interest, cooperation, joint venture, or other similar arrangement. Does not include a company, or a committee or joint committee of a local authority.

Whānuitanga | Scope

Council appointments (PARTS I and II)

In scope within this policy are the process, criteria, and critical skills relevant when appointing (except those identified as 'out of scope' below):

- **PART I:** External members of the community OR elected members to Director roles with Council Organisations.¹
- **PART II:** External members of the community to Council Committees and Advisory Groups.

Out of scope are:

- Masterton District Council iwi representatives. Ngāti Kahungunu ki Wairarapa and Rangitāne o Wairarapa have a nomination process in place for iwi representatives.

¹ Section 6 of the LGA defines these types of organisations. They are collectively referred to here as 'Council Organisations' but can include Council Organisations, Council Controlled Organisations, and Council Controlled Trading Organisations.

- Any water organisation within the meaning of section 4 of the Local Government (Water Services) Act 2025, also defined as a council-controlled organisation under section 6 of the LGA. These appointments will be made under the Local Government (Water Services) Act 2025.

Remuneration (PART III)

In scope are:

- External members of the community appointed to a Council Organisation or a Council Committee or an Advisory Group.

Out of scope are:

- Elected members appointed to a Council Organisation or a Council Committee or an Advisory Group. Elected members are remunerated for these roles as part of their substantive work.
- Masterton District Council iwi representatives.
- Members of District License Committees. Remuneration for these positions is established separately.
- External members of the community appointed an Advisory Group as a representative of an organisation or interest group which already pays them.

[Arotake Kaupapa Here](#) | [Review of Policy](#)

This policy will be reviewed every six years.

[Ngā Tohutoro](#) | [References](#)

Local Government Act 2002.

Code(s) of Conduct for Council's elected members.

[Whakahaere Kōnae](#) | [Version Control](#)

Council Appointments and Remuneration Policy	
First Adopted	2004
Latest Version	3 April 2019
Adopted by:	29 October 2025
Review Date	29 October 2031

Part I: Directors appointed to Council Organisations

Process

The Masterton District Council (the Council) can:

1. **Either** appoint an elected member to a Council Organisation.
2. **Or** advertise a Council Organisation position and nominate a selection panel comprising an elected member, the Mayor, a member of the Council's Executive Leadership Team, and the Chief Executive.

The panel is responsible for publicly advertising the vacancy, assessing applications, interviewing shortlisted candidates, and reporting back to a Council meeting with recommendations. Elected members are eligible to apply.

The Council will decide in an open meeting whether to appoint an elected member (point 1, above) or to advertise a vacancy (point 2, above). When making this decision, the Council will consider:

- Costs associated with the advertisement and recruitment process.
- The availability of qualified candidates, including the skills and experiences an elected member would bring to the role.
- The urgency of the appointment.

If an elected member is appointed, the Council will record the decision (including the reasons for not advertising the position to the public) in the minutes of the relevant meeting.

Identification of Skills Required

For each Director appointment, the Council will develop a profile for the role, outlining the specific skills, knowledge and experience required, in the context of:

- A. The nature and scope of the Council Organisation, its future directions, and its constitutional set-up.
- B. The strategic objectives of the Council Organisation, its alignment with the Council's strategic objectives, and the attributes, skills, and knowledge required of Directors to be able to deliver those objectives.
- C. The skills of the current directors, the desired cumulative skills of board members, and skill gaps.
- D. Any specific skill, knowledge, qualification and experience that is currently required or may be required.
- E. The responsibilities and obligations of the role, including the time demands which are likely to be placed on an appointee.
- F. Whether the skills, experience and knowledge of mātauranga, te reo, and tikanga Māori may be relevant and of benefit to the organisation.

As a minimum, any person considered for the position of Director of a Council Organisation should be able to demonstrate their:

- Fit in relation to criteria A to F above; and
- Expertise in:
 1. Governance, risk and compliance.
 2. Strategy and planning.
 3. Financial performance.
 4. Business and commercial management.
 5. Community engagement.

They should also be able to:

- a. Support the Council's strategic objectives.
- b. Demonstrate intellectual ability and sound judgement.
- c. Commit to a high standard of personal integrity.
- d. Be able to work as a member of a team and be a good fit with the team.
- e. Appreciate the wider public interest.
- f. Be able to devote the time required to effectively undertake the position.
- g. To be able to avoid conflicts of interest and be able to comply with relevant Code(s) of Conduct.

Appointees to Community Organisations that operate as companies are encouraged to become members of the New Zealand Institute of Directors, or similar, for the duration of their appointment, and commit to continuing professional governance development.

Council Decision

The preferred candidate(s) will be appointed by a Council resolution for the period of the relevant Council triennium.

The resolution may be made in a Public Excluded session if required to protect the privacy of others (the Local Government Official Information and Meetings Act 1987 refers). A public announcement of the decision will be published as soon as practicable.

Reappointment

Appointments to a Council Organisation can be reconfirmed for a second Council triennium through Council resolution, without the appointment being re-advertised.

Following an appointee completing two terms in a role, EITHER an elected member must be appointed to the role OR the position must be advertised.

A former appointee becomes eligible again after an absence of one full term.

Removal of Directors

Council-appointed Directors of Council Organisations hold office at the pleasure of the Council and may be removed from the position at any time by way of Council resolution.

Without limiting the rights of the Council, the reasons likely to justify removal of a Director could include instances where that Director:

1. Is regularly absent from board meetings without good justification.
2. No longer has the confidence of the Community Organisation or the Council.
3. Has breached ethical standards or breached a relevant Code of Conduct.
4. Does not act in the best interests of the Council Organisation.
5. Breaches the confidence of the Council Organisation in any way.

The Council will not make any payment by way of compensation to Directors who have been removed from their position.

Reporting Requirements

The reporting responsibilities of Directors will be confirmed at the time of their appointment to a Council Organisation. At a minimum, Directors will report annually on the progress of the Council Organisation.

Part II: Council appointment of external members to Council Committees and Council Advisory Groups

Process

The Council's appointments of external members onto Council Committees, Subcommittees, and Advisory Groups will be made by the Council following public notification of the vacancy and a call for expressions of interest.

Identification of Skills Required

The Council will ensure, as part of the assessment, selection, and appointment process, that appropriate inquiries are made to satisfy itself that the external appointee is, in respect of both character and competence, a fit and proper person capable of discharging the requirements of the position to an exemplary standard.

The assessment, selection and appointment process should also consider the principles and intended outcomes of this policy.

Council appointments of external members to Council Committees, Subcommittees, and Advisory Groups will consider:

- a. The skills, attributes, knowledge and experience of the appointee relevant to the specific role.
- b. The appointee's ability to contribute to the collective competencies of all the relevant group's members.
- c. The ability of the appointee to support the Council's strategic objectives.
- d. The appointee's ability to devote the time required to effectively undertake the position.

Council Decision

The preferred candidate for a Council Committee, Subcommittee or Advisory Group will be appointed by a Council resolution for the period of the relevant Council triennium.

The resolution may be made in a Public Excluded session, if required, to protect the privacy of others (Local Government Official Information and Meetings Act 1987 refers). A public announcement of the decision will be published as soon as practicable.

Reappointment

Appointments to a Council Committee, Subcommittee or Advisory Group can be reconfirmed for a subsequent Council triennium through a Council resolution.

Following an appointee completing two terms in a role, the position must be advertised and expressions of interest sought. The previous appointee is eligible to apply.

Removal of Members

The expectation of all appointed people is that they will demonstrate exemplary standards of professional conduct, integrity, and commitment in carrying out the functions of the position to which they are appointed. This includes compliance with the standards established in the Terms of Reference and associated Codes of Conduct relevant to each Group or Committee.

Failure to meet these standards may result in dismissal from the appointed position, based on a Council resolution. The resolution may be made in a Public Excluded session.

PART III: Remuneration for external appointees to Council Organisations, Committees, and Advisory Groups

Appointees to Council Organisations and Council Committees are remunerated in alignment with the fees prescribed in the Cabinet Fees Framework. That Framework is for members appointed to bodies in which the Crown has an interest.

Based on the Cabinet Fees Framework, Schedule A tables the remuneration of external Council Appointees, by type of entity.

Schedule A can be updated by a resolution of the Council to maintain alignment with any updates over time to the Cabinet Fees Framework.

Appointees are liable for their own PAYE, GST and ACC arrangements.

Individuals invoicing through a limited liability business are not required to pay withholding tax. Sole traders do pay withholding tax, and the Council deducts their withholding tax at source.

Schedule A: Remuneration for External Appointees to Council Organisations, Committees, and Advisory Groups

Type of Entity	Fee per meeting (including preparation time)	
	Member	Chair
Council Organisations	\$150	\$200
Council Committees	N/A*	\$2,580*
Council Advisory Groups	\$150*	N/A

* Plus reimbursement of expenses as appropriate.