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Premier and Cabinet Circular

**PC 016 – BOARDS AND COMMITTEES: REMUNERATION,
GOVERNANCE AND DIVERSITY**

Effective from May 2025

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Purpose statement

This circular sets out how new government boards and committees are established, board composition requirements, member remuneration, governance and reporting requirements.

Context

This circular should be read in conjunction with the [Remuneration Framework](#) for boards and committees, the [Boards and Committees Guidelines](#) and the [Honesty and Accountability for Members of Government Boards paper](#).

Application

1. Definitions

Boards and Committees means all part-time government boards, committees, tribunals, trusts, commissions, councils, authorities, panels, taskforces, forums, working parties, and groups that are:

- established by or under state legislation and have a majority of members appointed by a minister or the Governor, or
- established by a minister, have a majority of members appointed by a minister, and have at least one member receiving remuneration.

This circular (except sections 3.1, 3.2, 4 and 7) applies to any subordinate entities created by a board or committee.

DPC Chief Executive means the Chief Executive, Department of the Premier and Cabinet.

Public sector agency has the same meaning as in the *Public Sector Act 2009*.

Public sector employee means an employee of a public sector agency and, for the purposes of this Circular, includes:

- Parliament of South Australia (staff and elected)
- South Australian Courts (staff and judiciary)
- statutory authorities, Boards and Committees, statutory officeholders, and any other person determined to be in scope by the DPC Chief Executive.

Remuneration framework means the Cabinet-approved framework for classifying boards and committees into payment categories and levels, based on their functions and responsibilities.

Responsible minister means the minister with responsibility for a board.

Responsible agency means the agency with administrative responsibility for a board or committee (including but not limited to administering remuneration payments) and may include the board itself.

Subordinate entity means a body (such as a subcommittee or working party) established by a board or committee, with members appointed by the board.

Sunset date means a date by which a board will be wound up, unless extended by the Minister.

2. Authority and accountability

Cabinet has the authority to approve establishing new boards or committees and to approve the Remuneration Framework and any payments to members that are not in-line with the Remuneration Framework.

Cabinet has delegated authority to the DPC Chief Executive to:

- assess and recommend remuneration for government boards and committees and their subordinate entities in accordance with this circular, including for out-of-session duties
- approve requests to pay public sector employees who are on government boards or committees.

The Treasurer has delegated authority to the DPC Chief Executive to grant exemptions for former government employees who received a Targeted Voluntary Separation Package (TVSP) to be appointed to or continue their term on a government board or committee during their employment exclusion period.

This circular applies to all public sector agencies, defined boards and any other body determined to be in scope by the DPC Chief Executive.

Ministers must also follow the requirements of this circular for boards and committees they are responsible for.

3. Requirements for Establishing a Board or Committee

3.1. Cabinet approval

All new boards must be approved by Cabinet. Cabinet proposals should explain the functions of a new board or committee, explain why a department or existing body cannot deliver the function and describe the structure that will deliver the functions.

Further information about structural options for boards and committees and other guidelines for board members, secretariats and responsible agencies can be found on the [DPC website](#).

3.2. Terms of Reference

All boards must have Terms of Reference (ToR) or equivalent that define responsibilities, appointment processes and reporting obligations. A ToR must be approved by the responsible minister, including any amendments, and be reviewed every two years. Statutory bodies do not need a ToR unless its legislation does not detail its operations. A ToR template is available on the [DPC Extranet](#).

3.3. Remuneration classification

All boards must be classified under the Remuneration Framework if any member will be paid. DPC will determine the appropriate classification.

3.4. Diversity

All boards must have diverse membership which is representative of the South Australian community and with the skills that will ensure the board can deliver its functions. Diverse backgrounds, perspectives, skills and experiences supports good governance and decision making. Every effort must be made to ensure each board has at least 50% women.

Any advisory councils established to provide input to government decisions will have specific regional representatives appointed to ensure local circumstances are understood and considered.

3.5. Regular review

All boards must be reviewed regularly by way of sunset date (non-statutory boards or committees) or a review date (statutory boards). The purpose of a review is to determine if:

- the board or committee has fulfilled its purpose, and
- there is an ongoing need for the board or committee.

Further guidance about board and committee reviews is available from the [DPC Extranet](#).

4. Appointments

4.1. Diversity

Diversity and gender balance should be considered when recruiting new board members (and deputy members, if applicable) to ensure government boards reflect the diversity of the South Australian community.

All Cabinet submissions related to appointments must set out the existing and proposed gender balance.

Where a non-government organisation is required by law to nominate a person to a government board, they must supply a panel of three nominees (including one man and one woman) for each position as per section 42 of the *Legislation Interpretation Act 2021*. By force of this Circular, this requirement also applies when an organisation is invited to nominate but not legally required to.

Ministers should consider appointing First Nations people to boards wherever possible. Boards should also consider whether any of their activities may benefit from First Nations' knowledge and experience and seek to engage organisations to provide these services.

All boards and committees must ensure they have or are aligned to a [Reconciliation Action Plan](#).

Opportunities to appoint people with disability, people from culturally and linguistically diverse backgrounds, youth and people of diverse sexualities and genders should also be actively explored.

Government agencies should review [BoardingCall](#) for potential appointees.

4.2. Suitability for Appointment

Responsible agencies and ministers should consider integrity and any possible conflicts when selecting board and committee members, and seek advice from the Crown Solicitor's Office as required.

Board and committee members should have a Nationally Coordinated Criminal History Check (commonly known as a 'police check').

Responsible agencies should consider whether additional probity checks of potential members are appropriate, such as verification of qualifications, reference checks, or searching the [ASIC Register of Banned and Disqualified](#) individuals.

Responsible agencies may require a [Screening Check](#) for some boards and committees, particularly those with work relating to children or other vulnerable people.

Declarations of interests are to be requested of board and committee members upon appointment. Members are to update their declarations when and as their interests change.

5. Remuneration

The [Remuneration Framework](#) sets out the available payments for eligible members based on a board's classification.

Ministers must seek board or committee classification before approving payment to members. A written submission using the template available on the DPC Extranet must be made to the DPC Chief Executive who will assess the functions of the board or committee and recommend a classification under the framework.

A Minister may request that the DPC Chief Executive review a board's classification or payments to subordinate entities. Reclassification will only be supported if there has been a significant change to a board or committee's functions and responsibilities. A written submission can be made using the template on the [DPC Extranet](#).

5.1. Authority to Pay

Payments to board and committee members (or members of subordinate entities) may only be approved by the relevant authority. For non-statutory boards, the relevant authority is the responsible Minister. For statutory boards, it is the person specified in the legislation (usually the responsible Minister or the Governor).

A Cabinet submission is required where:

- the Governor is required to approve remuneration
- a minister decides to pay remuneration that is different to what the DPC Chief Executive has determined, and
- an Attraction/Retention Allowance is proposed.

For guidance on preparing Cabinet submissions, agencies should visit the [DPC Extranet](#) or contact [Cabinet Office](#).

5.2. Annual and sessional remuneration

Annual fees cover all work of the board, including preparing for meetings, duties undertaken outside of formal meetings and work of subordinate entities. Fees are paid in full for each year of service.

Where a board member ceases to hold office for any reason, the member's entitlement to remuneration will also end.

The DPC Chief Executive may recommend that annual remuneration is converted to sessional remuneration and include any conditions or limitations.

Sessional fees are only paid to members who are present at board and committee meetings (including strategic planning sessions and induction sessions). They are paid per four-hour session based on the assumption that meetings generally last four hours, on the following basis:

- where a meeting lasts between two and four hours, members will be paid the full sessional fee
- where a meeting lasts for less than two hours, members will be paid the relevant hourly rate for each complete or partially completed hour, and
- where a meeting exceeds four hours, the sessional fee is paid in full, then members will be paid the relevant hourly rate for each complete or partially completed hour beyond that.

A member who chairs a meeting in the absence of the appointed chair is entitled to receive the chair's approved sessional fee. A deputy member who attends a meeting in the absence of a member is entitled to the member's approved sessional fee.

The DPC Chief Executive may recommend converting sessional remuneration to hourly remuneration and include any conditions or limitations.

The minister may seek a determination by the DPC Chief Executive for members of sessionally-paid boards and committees to be paid for out of session duties in certain circumstances. This will normally be the hourly breakdown of the sessional fee.

Board and committee members are not obligated to accept remuneration. In these cases:

- they must inform the responsible agency in writing that they decline remuneration, and
- the agency is not obliged to contribute superannuation payments.

5.3. Remuneration of subordinate entities

Members of subordinate entities (e.g. subcommittees) are not automatically entitled to remuneration.

The DPC Chief Executive may recommend payment to subordinate entity members (and include conditions on payment) based on exceptional circumstances agreed between the responsible minister and the DPC Chief Executive.

The minister may seek a determination by the DPC Chief Executive for members of sessionally-paid subordinate entities to be paid for out of session duties in certain circumstances. This will normally be the hourly breakdown of the sessional fee.

Subordinate entity fees must be approved by the relevant authority before members can be paid.

If a member of a sessionally-paid board is appointed to a subordinate entity, they are paid the subordinate entity rate when acting in that capacity.

5.4. Payments to board members and tax

Board members must be paid through the payroll system of the responsible agency. The responsible agency must withhold PAYG tax in accordance with the *Taxation Administration Act 1953* (Cth).

There may be instances where a board member is required to pass their fees to a third party, such as their employer. In these cases, the Commissioner of Taxation has varied the rate of PAYG withholding to nil (see [Variation 40](#)), which means agencies must not issue payment summaries or lodge earnings information with the Australian Taxation Office (ATO). However, the responsible agency will still need to make compulsory superannuation contributions to the member.

Members required to remit their fees to a third party must provide written confirmation from the third party, so that the responsible agency knows that they need to vary PAYG withholding to nil.

Members who choose to pass their fee to a third party, but are not required to do so, are subject to PAYG tax withholding in accordance with the *Taxation Administration Act 1953* (Cth).

5.5. Superannuation entitlements and salary sacrifice

Board members are considered 'employees' for the purposes of the *Superannuation Guarantee (Administration) Act 1992* (Cth) (SG Act). Where an agency makes a payment to a board member, they are required to contribute a prescribed amount to the member's superannuation fund in accordance with the rates specified in the SG Act.

Superannuation is paid in addition to board fees.

Board members are eligible for membership of the Government's Triple S Scheme superannuation fund once they are paid any remuneration.

Board members may nominate another superannuation fund for superannuation payments.

Board members may salary sacrifice into superannuation only. There is no limit on salary sacrifice for superannuation contributions to a complying fund.

Board members who want to salary sacrifice their remuneration must complete a salary sacrifice agreement form and forward to the board executive officer. This form is available on the [DPC website](#).

5.6. Agency cross-charging for public sector employees

Public sector agencies are not permitted to charge boards or other agencies for the release of employees whose serve as members of boards and committees.

5.7. Payments to public sector employees

Public sector employees are not entitled to be paid for board membership unless an exemption is granted by the DPC Chief Executive.

Exemptions will only be granted if exceptional circumstances can be demonstrated and payment is supported by the responsible minister.

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Executive-level public sector employees are not eligible to receive board fees except under extraordinary circumstances agreed between the minister and the DPC Chief Executive.

Requests for exemptions must be submitted using the template on the [DPC Extranet](#).

Public sector employees are entitled to reimbursement of travel and other expenses necessarily incurred as a member of a board or committee in accordance with section 5.8 of this circular.

Former public sector employees who have accepted a TVSP agreement and wish to continue on a board (or be appointed to a board) during their employment exclusion period need the support of the responsible minister and approval from the DPC Chief Executive to be appointed to a board, and to receive remuneration.

5.8. Reimbursement of necessarily incurred expenses

Members who must travel more than 40 kilometres one-way to attend meetings or undertake official duties authorised by the board are entitled to reimbursement of costs necessarily incurred.

This includes:

- where public transport is used, the actual travel cost is reimbursed
- where a private motor vehicle is used, the per/km allowance at the rate specified in [Commissioner's Determination 3.2](#) (CD3.2) is paid, and
- costs for meals, accommodation, and air travel are reimbursed in accordance with CD3.2.

Reasonable taxi costs may be provided by agencies in accordance with CD3.2.

Reasonable car parking expenses may be reimbursed by agencies in cases where they:

- are necessarily incurred by members, and
- arise solely as a result of a member's board or committee duties.

Agencies will need to consider any fringe benefit tax implications with the reimbursement of expenses to members.

Childcare costs, and other costs that are clearly a member's own responsibility, are not reimbursed.

6. Insurance

All boards and committees are required to be insured via the South Australian Financing Authority (SAFA). This may extend to any other bodies which should, in the opinion of SAFA, be insured.

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In the event of a bodily injury or death to a member of a government board or committee during their official duties (including travel to and from) members are covered for Personal Accident under the Government's insurance and risk management arrangements as administered by SAFA.

The amounts payable will be equivalent to the benefits that would have been payable under the *Return to Work Act 2014*.

Agencies must declare details of all boards and committees in the annual [SAFA Insurance questionnaire](#).

Details of what is covered by the policy are available from the [DPC website](#).

7. Exemptions

This circular does not apply to:

- the South Australian Civil and Administrative Tribunal or South Australian Employment Tribunal
- departmental bodies
- short-term bodies (e.g. operational for six months or less, selection committees)
- a body determined by the DPC Chief Executive not to be a board or committee for the purpose of PC016.

8. Monitoring and compliance

8.1. Reporting requirements

Guidance for boards with statutory reporting requirements is available in [Premier and Cabinet Circular PC013](#).

All boards and committees not subject to statutory reporting obligations must report to their responsible minister regularly and in line with any requirements under their ToR. Annual reporting is recommended. However, in some cases a different timeframe may be appropriate.

Reporting should summarise activities undertaken, outcomes achieved over the reporting period, and board performance, with supporting data where relevant. It should contain enough detail to give the minister confidence in its reliability and relevance.

8.2. Annual reporting by DPC

DPC will prepare an annual report to be tabled by the Premier in Parliament by the end of September (subject to Parliamentary sitting dates), which details all government boards and committees, their membership and remuneration as at 30 June.

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DPC will liaise with ministers' offices to ensure information is correct as at 30 June and chiefs of staff will certify the information.

8.3. The Boards and Committees Information System (BCIS)

Membership and remuneration details of government boards and committees will be recorded on the Boards and Committees Information System (BCIS), which is maintained by DPC.

When a new board or committee is established, or when membership changes, details must be provided to DPC via DPCBoardsandCommittees@sa.gov.au for inclusion on BCIS.

Distribution and publication

This circular will be published on the DPC Website.

DPC will write to all Chief Executives and Ministers when the circular is published or updated.

Document Control

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For more information

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