

Policies and Procedures

These Policies and Procedures are developed and approved by the FlexForum Steering Group according to the FlexForum Constitution.

Version	Date approved	Change
1.0	7 September 2023	<p>Initial Policies and Procedures</p> <ul style="list-style-type: none"> • Annual subscription policy • Process for identifying and mitigating conflicts of interest of Steering Group members policy
2.0	13 June 2024	<ul style="list-style-type: none"> • Membership application process procedure inserted at 1 • renumbering of pre-existing policies following inclusion of Membership application process • document competition protocols • replace clause 2.7 'The Steering Group may set proportional subscription fees for Members joining after the specified payment date for the annual subscription.' with 'The year for each annual subscription starts on the date on the subscription invoice. For example, the membership year for a Member invoiced on 1 February 2024 ends 31 January 2025.'
3.0	1 August 2024	<ul style="list-style-type: none"> • Updates to the Membership application process policy to include 2 new membership categories • Updates to the Annual subscription policy to specify the annual subscription for the 2 new membership categories and to increase the subscription amount for specified organisations
4.0	13 February 2025	<ul style="list-style-type: none"> • Include a Financial transactions procedure and Decision-making responsibilities and policy for delegating those responsibilities

1. Membership application process

- 1.1. Any person wanting to become a Member will apply in writing to info@flexforum.nz:
- request Membership to participate in activities to achieve the FlexForum objective and purpose
 - agree to pay the annual subscription given their circumstances and the criteria in clause 1.2, or, request a specific reduction or waiver of the applicable annual subscription according to the process described in clause 1.5.

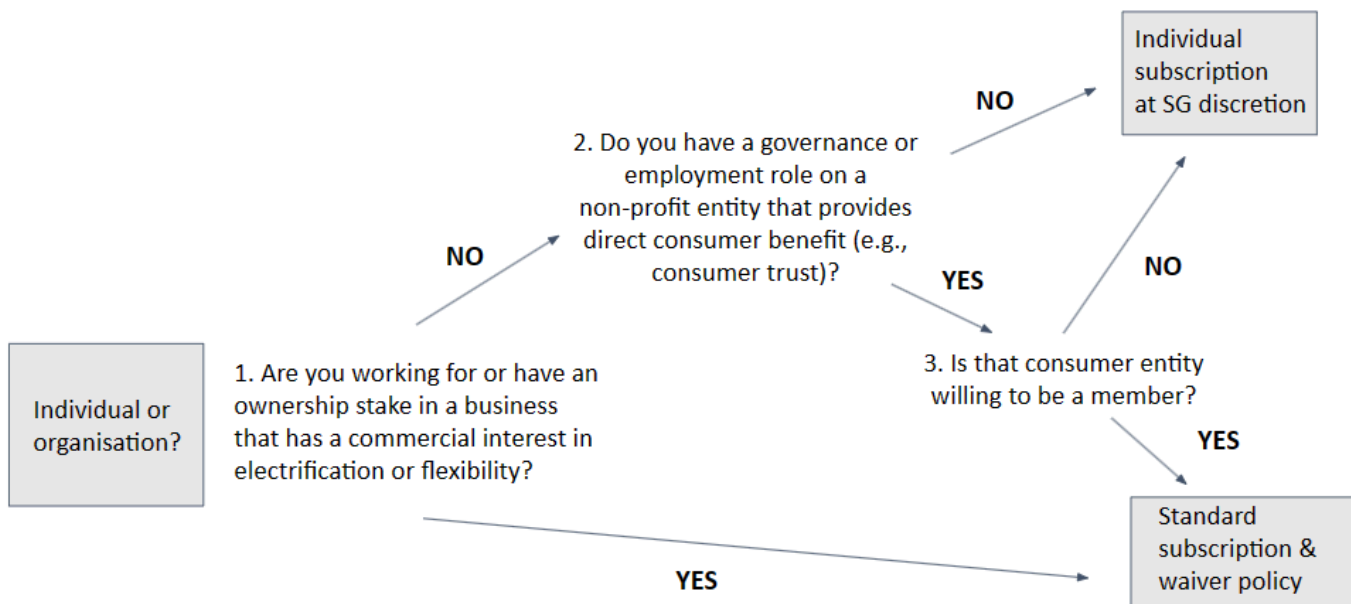
Requests to reduce or waive the applicable annual subscription will be decided by the Steering Group using the criteria set out in clauses 1.6 and 1.7.

1.2. Membership requests will be considered and decided by the Steering Group as soon as practicable.

1.3. There are six Membership categories:

- c) individuals who are consumers
- d) organisations with up to two people whether employees, contractors or owners
- e) organisations with an annual turnover of \$5 million or less
- f) organisations with an annual turnover of more than \$5 million and up to \$10 million
- g) organisations not in the other categories and industry associations
- h) specified organisations:
 - i. large electricity suppliers (ie, gentailers), for example, Contact Energy, Genesis Energy, Manawa Energy, Mercury Energy, Meridian Energy and Nova Energy
 - ii. electricity distributors with 100,000 or more installation control points and Transpower
 - iii. large electricity users directly connected to the transmission grid.

1.4. The Steering Group will use the following process criteria to determine if a prospective Member is an individual who is a consumer or an organisation:



1.5. 1.5 At the discretion of the FlexForum Chair, a prospective member may attend a FlexForum Member meeting prior to an application for membership under the categories in Section 2.

2. Annual subscription

- 2.1. There is no joining fee to participate in the FlexForum.
- 2.2. There is an annual subscription of:
 - a) \$0 for individuals who are consumers
 - b) \$500 for organisations with up to two people whether employees, contractors or owners
 - c) \$1,500 for organisations with an annual turnover of \$5 million or less
 - d) \$5,000 for organisations with an annual turnover of more than \$5 million and up to \$10 million
 - e) \$10,000 for organisations not in the other three categories and industry associations
 - f) \$30,000 for the following:
 - i. large electricity suppliers (ie, gentailers), for example, Contact Energy, Genesis Energy, Manawa Energy, Mercury Energy, Meridian Energy and Nova Energy
 - ii. electricity distributors with 100,000 or more installation control points and Transpower
 - iii. large electricity users directly connected to the transmission grid.
- 2.3. The annual subscription amounts in clause 1.2 exclude goods and services tax.
- 2.4. The Steering Group will annually review the amounts for each annual subscription category described in clause 1.2 to ensure the amounts are sufficient to fund the functions and activities described in the FlexForum Workplan and budget.
- 2.5. A Member or prospective Member may apply in writing to request a specific reduction or waiver of the applicable annual subscription. The request must include an explanation of why the reduction or waiver is necessary to enable their participation in the FlexForum and how their participation is beneficial to achieving the objectives and purpose of the FlexForum.
- 2.6. The Steering Group may, at its complete discretion, reduce or waive the annual subscription of a Member or a prospective Member which has made a request according to clause 1.5, taking into account the following:
 - a) whether the Member or prospective Member's financial situation is sufficiently challenging that a reduction or waiver is necessary to enable that entity to participate in the FlexForum
 - b) whether their potential contribution to the FlexForum is sufficiently unique in respect of achieving the objectives and purpose of the FlexForum
 - c) whether the decision to reduce or waive the annual subscription would adversely affect the ability of the FlexForum to fund itself
 - d) whether the Member or prospective Member is committing to a material in-kind contribution to support delivering the objectives and purpose of the FlexForum.
 - i. An in-kind contribution will be considered material considering the opportunity cost to that Member or prospective Member
 - ii. The in-kind contribution must either reduce the FlexForum's budgeted cash costs associated with achieving its objectives and purpose, or accelerate the achievement of FlexForum's objectives
 - iii. Membership of the Steering Group does not qualify as an in-kind contribution.
- 2.7. The year for each annual subscription starts on the date on the subscription invoice. For example, the membership year for a Member invoiced on 1 February 2024 ends 31 January 2025.

- 2.8. The Steering Group will provide Members with information on the annual subscription amount for each current Member and the reasons for annual subscriptions that have been reduced or waived.

3. Process for identifying and mitigating conflicts of interest of Steering Group members

- 3.1. All Steering Group members must disclose details of their interests to the Steering Group Chair.
- 3.2. Interests must be disclosed as soon as practicable after the member becomes aware that he or she is interested, or the nature of the interest materially alters, or the extent of the interest materially increases.
- 3.3. The details that must be disclosed are:
- a) the nature of the interest and the monetary value of the interest (if the monetary value can be quantified)
 - b) the nature and extent of the interest (if the monetary value cannot be quantified).
- 3.4. A person is interested in a matter if he or she:
- a) may derive a financial benefit from the matter
 - b) is the spouse, civil union partner, de facto partner, child, or parent of a person who may derive a financial benefit from the matter
 - c) may have a financial interest in a person to whom the matter relates
 - d) is a partner, director, officer, board member, or trustee of a person who may have a financial interest in a person to whom the matter relates
 - e) is otherwise directly or indirectly interested in the matter.
- 3.5. A person is not interested in a matter:
- a) if his or her interest is so remote or insignificant that it cannot reasonably be regarded as likely to influence him or her in carrying out his or her responsibilities
 - b) only because he or she has past or current involvement in the relevant sector, industry, or practice.
- 3.6. A member who is interested in a matter must receive written permission from the Chair:
- a) to vote or take part in any discussion or decision of the Steering Group relating to the matter, or otherwise participate in any activity that relates to the matter; and
 - b) sign any document relating to the entry into a transaction or the initiation of the matter
 - c) to be regarded for the purpose of forming a quorum for that part of a meeting during which a discussion or decision relating to the matter occurs or is made.
- 3.7. The Chair must give prior written notice to the Steering Group that a member has been granted permission under clause 2.6.
- a) The Chair must be satisfied that it is in the interest of the FlexForum to grant permission under clause 2.6.
 - b) The permission may state conditions that the member must comply with.
 - c) The permission may be amended or revoked in the same way as it may be given.
- 3.8. The Steering Group will disclose an interest to which a permission relates in its annual report, together with a statement of who gave the permission and any conditions or amendments to, or revocation of, the permission.

- 3.9. If the Steering Group resolves by a two-thirds majority vote of its members that a member has failed to disclose an interest that is a conflict and this reflects badly on the FlexForum or is contrary to this Constitution, the Steering Group may admonish, suspend and/or expel that member.

4. Protocols for managing competition requirements of the Commerce Act 1986

- 4.1. FlexForum has a diverse membership spanning the electricity ecosystem with Members who are customers and competitors of other Members.
- 4.2. The Commerce Act 1986 prohibits anti-competitive conduct involving discussing commercially sensitive activity, including but not limited to agreements to fix, control or maintain prices, restrict output or capacity, or allocate markets or customers.
- 4.3. Given this, FlexForum will use the following protocols to manage competition requires of the Commerce Act 1986:
- a) **Independent chair.** The chair is required under the constitution to act independently of sectoral or organisational interests and must facilitate discussions and achieve consensus in a way that is objective and consistent with the objectives of the FlexForum and the interests of all Members. The chair will remind Members participating in FlexForum activities and events to avoid discussions and actions that are contrary to their obligations under the Commerce Act 1986.
 - b) **Independent secretariat.** The independent secretariat will support the chair and Steering Group to remind Members participating in FlexForum activities and events to avoid discussions and actions that are contrary to their obligations under the Commerce Act 1986.
 - c) **Steering Group independence.** Steering Group members will act in their personal capacity and not as representatives of their employer or organisation. Steering Group members will follow the process for identifying and managing conflicts of interest to avoid influencing deliberations or decisions where they have a conflict of interest.
 - d) **Meeting protocols.** Each formal FlexForum, Steering Group and Workstream meeting will have an agenda documenting the matters to be discussed and will begin by reminding attendees:
You should all be familiar with the requirements of the Commerce Act 1986, prohibiting anti-competitive conduct. You should not discuss commercially sensitive areas of competitive activity, including (but not limited to) relating to agreements to fix, control or maintain prices, restrict output or capacity, or allocate markets or customers.
 - e) **Transparency.** FlexForum events and activities will have a written agenda and a written record of decisions and actions. The constitution requires the Steering Group to operate transparently, including by promptly after each meeting publishing the agenda, relevant papers and notes outlining the discussions and decisions on the FlexForum website.

5. Financial transaction and banking procedures

Finance subcommittee

- 5.1. The Steering Group will have a finance subcommittee of 3 Steering Group members including the independent chair. One of the finance subcommittee members (other than the independent chair) will be known as the Treasurer.

Supplier payments

- 5.2. All payments must be made electronically via internet banking or the FlexForum debit card.
- 5.3. All payments greater than \$50 require a valid tax invoice or valid GST receipt from the supplier.
- 5.4. Recurring payments (e.g., software subscriptions) still require a valid tax invoice/GST receipt, but this can be added to Xero after the payment has been made.
- 5.5. Irregular/one-off payments will not be made until a valid tax invoice has been through the new supplier process.

FlexForum Payment Terms

- 5.6. FlexForum will pay all suppliers on the 20th of each month. Invoices must be received from suppliers by the 5th of the month.

New supplier process

- 5.7. No invoice will be paid unless the supplier details are recorded in Xero according to this process.

Task	Description	Who can perform task
1 – Enter supplier details into Xero	Supplier added to Xero contacts	Administrator, Book-keeper or FF Officer
2 – Enter supplier details into Kiwibank as “Saved Payee”	Supplier name and bank account number entered into Kiwibank	FF Officer

Xero invoice loading procedure

- 5.8. Invoices from suppliers are to be loaded into Xero as soon as possible after receipt. Once a valid tax invoice is received, the invoice must be loaded into Xero as follows:

Task	Description	Who can perform task
1 – Draft bill	Invoice loaded into Xero and attached to a new draft bill; allocated to the correct FF expense and project code.	Administrator, Book-keeper or FF Officer
2 – DFA check	Confirm invoice meets requirements of delegated authority policy	FF Officer
3 – Approved bill	Subject to (2), draft invoice approved in Xero	FF Officer from (2)

Banking procedure

5.9. The following process must be followed for making payments to suppliers. As stated above, FlexForum's policy is to pay all suppliers on the 20th of the month.

Task	Description	Who can perform task
4 – Confirm bill	Confirm there is an approved bill set up in Xero for the payment	FF Officer (“loader”)
5 – Load payment	Loads payment in Kiwibank according to FlexForum Payment Terms above	FF Officer (“loader”)
6 – Confirm payment	Confirms transaction details align with Xero records	FF Officer (“approver”)
7 – Approve payment	Approves transaction	FF Officer (“approver”)

5.10. The transaction “loader” and transaction “approver” cannot be the same person.

GST filing process

5.11. The following process must be followed for filing GST every quarter and to make payments

Task	Description	Who can perform task
8 – Reconcile in Xero	Reconcile all payments within Xero in both Debit card and bank account	Administrator, Book-keeper or FF Officer
9 – Save GST as draft	Save GST as draft in Xero and let the Book-keeper, FF Officer know.	Administrator, Book-keeper or FF Officer
10 – Finalise GST	Confirms that all reconciling etc. has been completed and approves GST.	FF Officer (“Approver”)
11 – Upload to MyIR	Upload payment into FlexForum MyIR	Administrator, Book-keeper or FF Officer
12 – Lodge GST payment	Loads payment into Kiwibank	FF Officer (“Loader”)

Related party transactions

5.12. Should a FlexForum Officer be a supplier, that FlexForum Officer can only perform the duties of an “approver” steps 6 and 7 above in respect of invoices related to their services as a supplier. For the avoidance of doubt, they cannot perform any of steps 1-5 for such invoices.

Use of debit card and petty cash

5.13. FF will not operate a traditional petty cash system. Instead, a debit card will be held by the Treasurer. The Treasurer will ensure that the available funds on the debit card never exceed \$1,000 unless agreed by the finance sub-committee. Any use of the debit card must be approved by a member of the finance subcommittee. In giving this approval, the finance subcommittee approver must notify the remainder of the finance subcommittee via Slack.

5.14. All irregular debit card transactions will be included in the monthly Steering Group reports.

6. Decision-making responsibilities and policy for delegating those responsibilities

- 6.1. This policy sets out the decision-making responsibilities for day-to-day management of FlexForum affairs and the policy for delegating those responsibilities.
- 6.2. The Steering Group will review the contents of, and compliance with, this policy annually on the anniversary of this policy. The Steering Group, at its discretion, may choose to review the policy at an earlier date should it wish.

Matters reserved for the Members

- 6.3. FlexForum Members are responsible for decisions relating to the following. These functions and decisions cannot be delegated.
 - a) Approval of, or changes to, the Constitution [c11 of the constitution]
 - b) Election of Steering Group members [cl 6.6(e) and (h)]
 - c) Election of Chair [cl6.6(f)]
 - d) Review and approve the Workplan presented at the AGM [cl 7.2(d)]
 - e) Approve the budget for the next financial year [cl 7.2(d)]
 - f) Approve changes or additions to the Flexibility Plan [cl 7.2(c0 and 11.1]
 - g) Dissolution of FlexForum [cl 12].

Matters reserved for the Steering Group

- 6.4. The Steering Group will make decisions relating to the following. These functions and decisions cannot be delegated.
 - a) Decisions about organisational strategy [cl 6.1(b)]
 - b) Approval of new Members, and admonishment, suspension and/or expulsion of a Member [cl 4.6]
 - c) Setting membership fees and approving any variations to a Member's subscription fee or in-kind contribution to subscriptions [cl 5.4 to 5.6]
 - d) Approval of, or changes to, organisational policies [cl 6.1(a)]
 - e) Administration of the Steering Group nomination and election process [cl6.6]
 - f) Preparation of the shortlist of candidates for Steering Group vacancies [cl (6.6(d)]
 - g) Operate the Common Seal [cl 8.1(e)]
 - h) Establishment and oversight of subcommittees or advisory groups, subject to a Terms of Reference [c 6.1(c)]
 - i) Succession planning for Steering Group positions and Chief Doer
 - j) Any business acquisition or disposal, or any strategic alliance
 - k) Lending to or investing surplus funds with external bodies
 - l) Health and Safety, meeting all obligations under the H&S Act and any contractual obligations
- 6.5. The Steering Group is accountable for the following functions. These functions and decisions can be delegated.
 - a) Maintaining proper records of Steering Group meetings and General Meetings
 - b) Preparation of a financial statement at the end of the financial year, per 8.2 of the FF Constitution.
 - c) All matters with the potential to have a material impact on the reputation of the organisation.

- d) Maintaining financial and activity reporting that provide a high level of transparency to the members and ensure funding obligations, charitable status and legislative obligations are met.
- 6.6. The Steering Group will approve matters with material financial implications including:
- a) Changes to the annual budget greater than +/- 15%
 - b) All unbudgeted capital and/or operating expenditures between \$3,000 and \$25,000
 - c) All budgeted capital and/or operating expenditures over \$15,000
 - d) Contracts of any amount where the term extends beyond the expected completion date of the associated activity or the horizon of the FlexForum workplan
 - e) Staff hires or contracts outside of the approved budget
 - f) Staff dismissal
 - g) A mediated settlement up to \$10,000 for any staffing dispute
 - h) Any contract of term exceeding 1 year.

Matters reserved for the Chair

- 6.7. The Chair will make decisions relating to the following. These functions and decisions cannot be delegated.
- a) Selection of candidates for Steering Group election, as per 6.6(g) of the FF Constitution
 - b) Appointment of contractors where body of work/programme is part of approved budget and within delegated levels
 - c) Day to day oversight of Chief Doer, including amendments to deliverables and priorities. The Chair will carefully consider where such changes require the approval of the Steering Group.
- 6.8. The Steering Group Chair (only) may approve:
- a) Unbudgeted capital and/or operational expenditures up to \$3,000
 - b) All budgeted capital and/or operating expenditures up to \$15,000
 - c) Disposal of assets with book value over \$5,000 and less than \$19,999
 - d) Disposal of assets up to book value of \$5,000
 - e) Staff hires or contracts within the approved budget
 - f) All operating expenditures incurred in the ordinary course of business and within the approved operating budget.
- 6.9. The chair can authorise unbudgeted expenditure of up to \$15,000 in the case of a crisis. A crisis is defined as urgent action required in a circumstance where it is not feasible to convene a Steering Group meeting, for example actions to prevent damage to life, property, reputation or data. The expenditure must be reported as soon as practicable to the Steering Group.

Matters reserved for the Steering Group Finance subcommittee

- 6.10. The Finance subcommittee established according to policy 5 is responsible for the following functions. These functions and decisions cannot be delegated.
- a) Approval of changes to the annual budget within +/- 15%
 - b) Oversight of accounting procedures, including banking, invoicing and financial record keeping
 - c) Appointment of suitably qualified independent accounting and audit professionals.

- 6.11. The Finance subcommittee will report regularly to the Steering Group on:
- a) the exercise of any financial authority exercised except budgeted delegation
 - b) the 12-month cashflow forecast
 - c) the year to date budget against actuals.
- 6.12. Any breach of delegated financial authority must be reported to the Chair immediately following being made aware of the breach.
- 6.13. The Finance subcommittee (two members) may approve:
- a) opening of new bank accounts
 - b) disposal of assets with book value in excess of \$2,000.

Communication on behalf of FlexForum

- 6.14. Any verbal or written communication with media, regulatory bodies, or other entities that may have an impact on the organisation are limited to:
- a) The Steering Group
 - b) Chief Doer.

Matters delegated elsewhere

- 6.15. Other than where expressly forbidden by this policy or the Constitution, any decision making powers covered in this Policy can be delegated at the sole discretion of the Steering Group.
- 6.16. At this point in time, FlexForum does not have employees. The bulk of the work of the FlexForum is carried out either by:
- a) contracted resources, with delegations outlined in the schedule of tasks in each contract; and
 - b) Members acting in a voluntary or in-kind capacity. The need for delegations and other requirements for Members acting in a voluntary or in-kind capacity is at the discretion of the Steering Group.
- 6.17. Where delegations are made to Members, these will be outlined in a Terms of Reference.

Temporary Delegation of Authority

- 6.18. Any role may temporarily delegate their authority to another role in case of absence. The Steering Group must be informed of the delegation and the period for which it will be in force at the next Steering Group meeting.