



CABINET FEES FRAMEWORK REQUEST – Queen Elizabeth II National Trust Board of Directors

Date:	30 June 2023		
To:	Hon Andrew Little, Minister for the Public Service		
Action Sought:	Sign and send the attached letter to the Minister of Conservation	Due Date	30 June 2023
Report No:	2023-0184		
Contact:	Robert Anderson, Director, System and Agency Performance		
Encl:	Yes	Priority:	Medium
Security Level:	IN CONFIDENCE		

Executive Summary

1. In preparing to make appointments to the Queen Elizabeth the Second National Trust Board of Directors (the Board), the Department of Conservation has recently reviewed fees paid to Board members under the Cabinet Fees Framework (the Framework).
2. As a result of the fees review, the Board has been reclassified from a Group 4, Level 4 body, to Group 3a, Level 5. This change in classification, would mean that fees would be paid per annum, rather than per diem. The Minister of Conservation (the Minister) is proposing a change in the fees paid to the Chair and Board members.
3. Under the Framework, fee-setting Ministers are able to determine the fees for bodies when a change in classification occurs, providing the fees are within the Framework ranges associated with the new classification.
4. Te Kawa Mataaho recommends that you sign and send the attached letter to the Minister of Conservation, noting the Minister’s proposal to pay an annual fee of \$22,000 to the Chair of the Board, and \$11,000 to the Board members.

Recommended Action

We recommend that you:

a **note** the Minister of Conservation's proposal to change the fees paid to the Chair and members of the Queen Elizabeth the Second National Trust Board because of a recent reclassification of the Board under the Cabinet Fees Framework (the Framework) from a Group 4, Level 5 body to Group 3a, Level 5


b **note** that as the proposed new Board fees are within the Framework ranges for Group 3a, Level 5 bodies, there is no need for the fee increase to be approved by you or referred to APH

c **sign** the attached letter to the Minister of Conservation

Agree/disagree

d **agree** that Te Kawa Mataaho release this briefing once it has been considered by you.

Agree/disagree.



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Hon Andrew Little
Minister for the Public Service

CABINET FEES FRAMEWORK REQUEST: Queen Elizabeth the Second National Trust Board

Purpose

5. This briefing responds to a 23 June 2023 letter from the Minister of Conservation, Hon Willow-Jean Prime (the Minister) regarding proposed changes to fees paid to the Queen Elizabeth the Second National Trust Board (the Board) as a result of a recent review of fees under the Cabinet Fees Framework (the Framework).

Context

6. Established under section 4 of the Queen Elizabeth the Second National Trust Act 1977, the Board's function is to encourage and promote, for the benefit and enjoyment of the present and future generations of the people of New Zealand, the provision, preservation, and enhancement open space.
7. The Board is primarily responsible for the governance and management of the Trust which involves determining strategic direction, business objectives, and formulation of policies.
8. The Minister appoints a Chair and three directors to the Board. In accordance with its rules, two directors are elected by the Trust Board members.
9. The Minister advises that the Board's current fee could be up to \$14,500 per annum for the Chair and up to \$6,450 per annum for the directors. However, the current fees were last formally reviewed in 2007.
10. As a result of the recent fee review, the Board has been reclassified from a Group 4, Level 5 body to a Group 3a, Level 5 body under the Framework.

Minister's proposal

11. To reflect the change in the Board's reclassification, the Minister proposes to change the Board's classification to Group 3a Level 5 Board where the members are paid per annum. The proposed new per annum fees are \$22,000 for the Chair and \$11,000 for directors.

Our advice

12. Under the Framework, when a fee review results in a change in classification, the responsible Minister is able to determine the fees for the body. If the proposed fees are within the applicable Framework range for the new classification, there is no need for the fee-setting Minister to seek approval from the Minister for the Public Service or Cabinet's Appointments and Honours Committee (APH).
13. As the proposed new fees for this Board are within the Framework ranges for Group 3a, Level 5 bodies, there is no need for the fee increase to be approved by you or referred to Cabinet's Appointments and Honours Committee (APH).

Risks

14. As the proposed fees are within the Framework's range for Group 3a, Level 5 bodies, we do not consider that there are significant risks associated with you supporting the Minister's proposal to increase the Board's fees.

Financial Implications

15. The Minister has advised that the proposed fee increase would result in an increase of up to \$48,000 in the total annual spend on Board fees. The cost of this increase will be absorbed within the Board's current baseline allocation.

Next steps

16. It is recommended that you sign and send the attached letter to the Minister of Conservation, noting his intention to change the Board fees as a result of the recent reclassification.
17. If you agree, Te Kawa Mataaho will release this briefing in full once it has been considered by you.