



Taumata Arowai – the Water Services Regulator: Chair and Board Member candidate information

On behalf of the Minister of Local Government, the Taumata Arowai Establishment Unit (within the Department of Internal Affairs) is seeking candidates who wish to be considered for appointment as Chair or a Board Member of Taumata Arowai – the Water Services Regulator.

Taumata Arowai – the Water Services Regulator

Taumata Arowai is established by the Taumata Arowai – the Water Services Regulator Act 2020 (the Act), with the objectives of:

- protecting and promoting drinking water safety and related public health outcomes;
- effectively administering the drinking water regulatory system;
- building and maintaining capability among drinking water suppliers and across the wider industry;
- giving effect to Te Mana o te Wai, to the extent that Te Mana o te Wai applies to the functions and duties of Taumata Arowai;
- providing oversight of, and advice on, the regulation, management, and environmental performance of wastewater and stormwater networks (Regional Councils will remain the primary regulators of waste water and storm water); and
- promoting public understanding of the environmental performance of wastewater and stormwater networks.

While the Act was passed in July 2020, Taumata Arowai will not become fully operational until enactment of the complementary Water Services Bill, projected to in the second half of 2021. At that time, Taumata Arowai will become Aotearoa's dedicated regulator of the three waters: drinking water, wastewater and stormwater.

The Taumata Arowai Board

The Board has between five and seven members, in accordance with the Act. Board members are appointed by the Minister for terms of up to three years. They may be reappointed, but there is no guarantee of appointment for a further term.

In addition to holding responsibility for ensuring that Taumata Arowai meets its objectives and functions set out in the Act, the Board must also ensure that Taumata Arowai:

- acts in a manner consistent with the operating principles of:
 - building and maintaining credibility and integrity, so that Taumata Arowai is trusted by consumers, drinking water suppliers, wastewater network operators, stormwater network operators, Māori, and government;
 - ensuring that Taumata Arowai has suitable expertise to build and maintain confidence in its capability as a regulator;
 - developing sector capability, by promoting collaboration, education, and training; and

- partnering and engaging meaningfully with other people and organisations; and
- maintains systems and processes to ensure that, for the purposes of carrying out its functions under this Act, Taumata Arowai has the capability and capacity:
 - to uphold the Treaty of Waitangi (Te Tiriti o Waitangi) and its principles; and
 - to engage with Māori and to understand perspectives of Māori.

The Minister will also appoint a Māori Advisory Group, to advise the Board and Taumata Arowai on Māori interests and knowledge, including how to interpret and give effect to Te Mana o te Wai, and how to enable mātauranga Māori, tikanga Māori, and kaitiakitanga to be exercised.

For more information about Taumata Arowai see www.dia.govt.nz/Taumata-Arowai-Establishment-Unit

Skills, experience, and attributes required

The Act requires the Minister to appoint members to the Board who, collectively, have knowledge and experience of, and capability in:

- the compliance, monitoring, and enforcement activities of regulatory agencies;
- public health, particularly in relation to the objectives and functions of Taumata Arowai;
- the Treaty of Waitangi (Te Tiriti o Waitangi) and its principles;
- perspectives of Māori and tikanga Māori; and
- performance monitoring and governance.

In addition, the Minister is open to nominations from candidates with knowledge and experience of, and capability in:

- the water sector;
- the delivery and maintenance of infrastructure networks;
- an understanding of different perspectives across the water sector; and/or
- the establishment of a new organisation.

The generic criteria for a governance role in the Crown context include:

- understanding the respective powers and responsibilities of Ministers, boards, management and employees;
- having, and following effective and well-understood accountability processes;
- working in collaboration with other public entities, where practicable;
- modelling acceptable behaviours; and
- probity in the management of public funds and disclosing and managing conflicts of interest.

Other general qualities and experience required for the Chair role are:

- well respected and can obtain the confidence of governments;
- an ability to analyse and understand complex issues;
- an ability to lead peers; and

- an appreciation of diversity, and ability to manage tensions arising from diversity.

Finally, under s.29(2)(b) of the Crown Entities Act 2004, in appointing or recommending an appointment, the responsible Minister must also take into account the desirability of promoting diversity in the membership of Crown entities.

Remuneration and meetings

The current remuneration for the Board Chair is \$30,000 and for a Board member it is \$15,000 per annum. Full Board meetings may be held monthly, or otherwise as required, including at least one annual strategic planning meeting. In addition, Board members with committee responsibilities will attend additional meetings for those purposes. The expected time commitment for a Board member is approximately 30 days a year. Additional time is required for the Chair, commensurate with the role.

The Chair and the Chief Executive, with the support of the staff, will establish an agenda for each board meeting. Board materials will be distributed to members in advance of the board meetings to allow members to be thoroughly prepared.

The Chair will oversee board meetings and ensure they are conducted in an orderly fashion. Board members are expected to attend and participate regularly in board and committee meetings consistent with general fiduciary standards and the governance requirements of Crown entities.

Taumata Arowai as a Crown entity

Taumata Arowai is a Crown agent under the Crown Entities Act 2004. The Crown Entities Act 2004 provides a framework for Crown entity governance and accountability, including responsibilities of board members, disclosure of interests, and the roles of Ministers. It is available at <http://www.legislation.govt.nz>. As a Crown agent, Taumata Arowai can be directed to give effect to a government policy that relates to the entity's functions and objectives.

Board members are subject to the collective and individual duties of members set out in sections 58 and 59 of the Crown Entities Act 2004. The collective duties of Board members are to ensure the Board's functions are performed efficiently, effectively and consistently in the spirit of the public service, and in a financially responsible manner. The individual duties of Board members are:

- to act with honesty and integrity;
- to act in good faith and not at the expense of the entity's interests;
- to act with reasonable care, due diligence and skill; and
- not to disclose, or make use of information that would otherwise not be available to them.

Further information on how the relationships between Crown entities, Ministers, and departments work in practice can be found on the Public Service Commission's website (www.publicservice.govt.nz/resources/it-takes-three-operating-expectations-framework/).

Crown entity chair role

Based on the Public Service Commission's guidance material,¹ a Crown entity chair's role includes the following:

¹ State Services Commission, *Resource for Preparation of Governance Manuals - Guidance for Statutory Crown Entities (excluding DHBs and Corporations Sole)*, October 2009.

- Providing effective leadership and direction to the board and entity, consistent with the Minister's expectations.
- Ensuring effective accountability and governance of the entity, consistent with the requirements of relevant legislation including the Crown Entities Act 2004.
- Developing and maintaining sound relationships with Ministers and their advisors including:
 - leading any formal entity discussions with Ministers, particularly on budget and planning cycles, including the Statement of Intent and Letter of Expectations;
 - signing off on formal governance documents (Statement of Intent, Annual Report, others), generally in conjunction with the deputy chair if appointed;
 - acting as spokesperson for the board in ensuring the Minister and other key stakeholders are aware of the board's views and activities, and that Ministers' views are communicated to the board; and
 - ensuring that the Minister is kept informed under the 'no surprises' obligations.
- Acting as the leader of the entity including presenting the entity's objectives and strategies to the public. Representing the entity to government and stakeholders, including attending any select committee appearance by the entity.
- Chairing board meetings including:
 - setting the annual board agenda;
 - ensuring there is sufficient time to cover issues;
 - ensuring the board receives the information it needs, before the meeting in board papers and in presentations at the meeting;
 - ensuring that contributions are made by all board members;
 - assisting discussions towards the emergence of a consensus view; and
 - summing up so that everyone understands what has been agreed.
- Ensuring appropriate policies and structures are in place to support the board, including processes in accordance with Schedule 5 of the Crown Entities Act 2004.
- Providing motivation, guidance and support to other board members to ensure they contribute effectively to the governance of the entity.
- Taking the lead, often in conjunction with the monitoring department, in providing comprehensive tailored induction for new board members.
- Ensuring that the development needs of individual board members are identified and addressed and, where necessary, dealing with underperformance by board members.
- Ensuring that an annual performance evaluation is conducted of the board as a whole, as well as of the chair and members individually.
- Participating in the recruitment process for new board members. This is likely to include:
 - maintaining a view on the desired composition of the board;
 - considering succession planning for members and chair; and
 - supporting Ministers and monitoring departments in appointing board members.
- Providing guidance and support to the chief executive to ensure the entity is managed effectively. This includes establishing and maintaining an effective working relationship with the chief executive, while also taking an independent view to challenge and test management thinking.
- Overseeing the employment of the chief executive, including considering succession planning, and organising induction for a new chief executive.

- Representing the board in formal assessments of the chief executive's performance and in the required discussions with the State Services Commission with respect to chief executive terms and conditions at time of appointment and performance reviews.
- Ensuring that appropriate interest registers are in place, in accordance with the Crown Entities Act 2004, and that members' conflicts of interest (including those of the chair) are dealt with appropriately.

Conflicts of interest

Applicants will be asked to declare any actual, potential or perceived conflict of interest, or any other matter relevant to their suitability for appointment. The Department of Internal Affairs may check the accuracy of any information relating to an application for appointment.

The Appointment Process

The process for appointing to a Crown entity board can take up to three months after the closure of applications and consists of the following stages:

- Shortlisting of applications – the Department and Minister will select candidates for interviews.
- Disclosure of interests – shortlisted candidates will be asked to disclose interests.
- Interviews – a panel will be convened to interview candidates in person or other means.
- Due diligence – the Department will undertake due diligence (covering public profile, credit, qualification, criminal, and reference checks) to assess the recommended candidate's suitability for appointment.
- Recommendation to Minister – the Department will brief the Minister on the outcome of the interviews and recommended candidate(s).
- Consultation – once the Minister has selected the candidate who they consider best meets the needs of the Board, the Department will consult colleagues and the Government coalition and support parties.
- Cabinet process – the Minister will raise an appointment proposal for discussion by the Cabinet Appointments and Honours (APH) Committee and Cabinet.
- Appointment by the Minister – depending on the outcome of these discussions, the Minister will then appoint a member.

Next steps

Nominations, including a completed nomination form and curriculum vitae, should be emailed to stephen.church@dia.govt.nz. All nominations must be received by 5pm Friday 20 November 2020.

Please note that nominations do not necessarily result in the appointment of a particular person.