

THE CROWN'S "20 QUESTIONS"

The Crown's governance principles for post settlement governance relate to representation, transparency and accountability. The Crown's governance principles are general in nature. In practice, they need to be satisfied by the development of specific text in the constitution or rules of the proposed PSGE.

To assist with this, the Crown has developed a set of 20 questions that Taranaki Iwi needs to consider, in light of the Crown's governance principles, while developing proposals for a PSGE.

If the 20 questions are adequately addressed in the proposed governance entity then the Crown principles will in turn be satisfied. An analysis of the Taranaki Iwi PSGE, Te Kāhui o Taranaki against these 20 questions is set out below. It should be noted that this is Taranaki Iwi's analysis against the Crown's 20 Questions framework, and has not been prepared by the Crown.

1. *What is the proposed governance entity and its structure?*

- The proposed PSGE for Taranaki Iwi is a private trust, named Te Kāhui o Taranaki Trust.
- There will be seven (7) trustees for Te Kāhui o Taranaki.
- An Asset Holding Company will be established to hold fisheries assets on behalf of Taranaki Iwi.

2. *How was the proposed governance entity developed?*

- The proposed governance entity was jointly developed by the Taranaki Iwi Trust and Claims Leadership Team.
- An analysis and assessment of various representation models was undertaken during the course of the PSGE developed and assessed against feedback received.
- A series of seven PSGE development hui were held in areas where there are concentrated numbers of Taranaki Iwi members to receive feedback and input from Taranaki Iwi members during March 2013.
- The feedback from these hui and subsequent individual feedback provided to the Taranaki Iwi Trust office, helped inform the structure and representation for the proposed PSGE for Taranaki Iwi.
- There will also be eight ratification information hui held in areas where there are concentrated numbers of Taranaki Iwi members to discuss the details of the proposed PSGE for Taranaki Iwi.
- There will also be a six week voting period to allow ample time for Taranaki Iwi members to seek information and clarification on the proposal and to also provide further feedback.

3. *What is the relationship between the proposed new governance entity and existing entities (if any) that currently represent the claimant community?*

- It is proposed that the PSGE for Taranaki Iwi, will supersede the current Taranaki Iwi Trust as the Mandated Iwi Organisation ("MIO") for Taranaki Iwi.
- The current Taranaki Iwi Trust will be dissolved (wound up) by the Taranaki Iwi settlement legislation.
- The assets and liabilities of the Taranaki Iwi Trust will be vested in the proposed PSGE for Taranaki Iwi, Te Kāhui o Taranaki Trust.

4. How can beneficiaries of the settlement participate in the affairs of the governance entity?

- It is proposed that adult members of Taranaki Iwi participate in the proposed PSGE for Taranaki Iwi, in the following ways:
 - (a) Members of Taranaki Iwi shall have the right to, among other things:
 - i) Receive reports and information from Te Kāhui o Taranaki;
 - ii) Attend annual and special general meetings; and
 - iii) Attend meetings of Te Kāhui o Taranaki (on notice and at the discretion of the Chairperson); and
 - (b) Adult Members of Taranaki Iwi shall have the right to, amongst other things:
 - i) Put forward proposals for amendments to the Charter for the consideration by Te Kāhui o Taranaki;
 - ii) Call a special general meeting;
 - iii) Inspect the Taranaki Iwi register;
 - iv) Vote in elections;
 - v) Be nominated for election and hold office as Trustee subject to he or she being eligible;
 - vi) Vote on ordinary and special resolutions of members; and
 - vii) Receive any notice relating to a major transaction.

5. How do members have a say in who the representatives on the governance entity will be?

- As set out above, adult members of Taranaki Iwi will have the right to nominate, be nominated and vote in elections for Trustees of the proposed PSGE for Taranaki Iwi.
- The proposed representation model will allow adult members of Taranaki Iwi to vote for all persons standing for election as representatives on the proposed PSGE for Taranaki Iwi.

6. How often and how will the representatives change?

- It is proposed that Trustees of the PSGE for Taranaki Iwi will be elected for a three year term and will be eligible for re-election.
- The establishment trustees may be replaced in accordance with the Taranaki Iwi Trust election cycle during the establishment period.
- Establishment trustees and any replacement establishment trustees will be rotated off the proposed PSGE for Taranaki Iwi to create a rotation sequence for elections (e.g three (3) trustee positions will become vacant in the first income year of the proposed PSGE, two (2) trustee positions will become vacant in the second income and another two (2) trustee positions will become vacant in the third income year of the proposed PSGE.
- An annual election cycle (above) will occur for the proposed PSGE for Taranaki Iwi.

7. What are the purposes, principles, activities, powers and duties of the governance entity and any bodies accountable to it?

- The proposed PSGE for Taranaki Iwi, Te Kāhui o Taranaki will be governed by a charter. Based on feedback from whanau at our PSGE development hui, the Charter for Te Kāhui o Taranaki will reflect the following principles:

- a) Protect Taranaki Iwi assets, taonga and tikanga;
 - b) Be representative – you get to vote for those representing you;
 - c) Will develop relationships with marae/pā and hapū;
 - d) Be accountable to Taranaki Iwi members. In other words, you will be able to raise your concerns with Trustees and Te Kāhui o Taranaki, attend and speak at the annual general meetings, and receive regular reports, plans and financial accounts; and
 - e) Allow for the participation of all Taranaki Iwi – this includes those living within the Taranaki Iwi rohe and those living throughout New Zealand, Australia and the rest of the world. It doesn't matter where you live, you can still vote in elections and for special resolutions.
- Specifically, the following principles of Te Kāhui o Taranaki are set out in the draft Charter:
- a) Te Kāhui o Taranaki is to act in the interests of all Taranaki Iwi – Ngā uri o Taranaki Iwi;
 - b) Profits of Te Kāhui o Taranaki are to be used for the benefit of Taranaki Iwi;
 - c) Te reo ake o Taranaki Iwi me ōna tikanga are to be fostered;
 - d) The Trustees are to act in accordance with the relevant Taranaki Iwi tikanga to achieve the best possible standards of stewardship and business practice;
 - e) Beneficial Members must be Taranaki Iwi; and
 - f) Trustees must be Adult Registered Members of Taranaki Iwi.
- As set out in the draft Charter, the key purpose of establishing Te Kāhui o Taranaki is to receive, administer, manage, protect and govern Te Kāhui o Taranaki Assets on behalf of and for the benefit of Taranaki Iwi. As provided for in the draft Charter, Te Kāhui o Taranaki will specifically:
- a) Receive, hold and manage settlement property for the beneficial members;
 - b) Receive, hold and manage Taranaki Iwi Trust assets and functions;
 - c) Make distributions in order to carry out the purposes of Te Kāhui o Taranaki;
 - d) Promote, grow and enhance Taranakitanga;
 - e) Promote amongst Taranaki Iwi the educational, spiritual, economic, social and cultural advancement or well-being of Taranaki Iwi and its whanau;
 - f) Maintain and establish places of cultural or spiritual significance to Taranaki Iwi;
 - g) Act as the Mandated Iwi Organisation for the purpose of the Māori Fisheries Act 2004;
 - h) Act as the Iwi Aquaculture Organisation for the purpose of the Māori Commercial Aquaculture Claims Settlement Act 2004; and
 - i) Any other purpose that is considered by Te Kāhui o Taranaki from time to time to be beneficial to Taranaki Iwi.

8. Which decisions will members have a say in and how?

- It is proposed that the adult members of Taranaki Iwi will be entitled to vote and have a say on resolutions to approve the remuneration of the trustees and entitled to vote on any special resolutions. A special resolution will be required to approve:

- (a) a major transaction (which is a transaction that deals with more than 20% of the value of the Trust's assets or any transfer or exchange of fisheries settlement quota);
- (b) amendment of the Charter;
- (c) a resettlement of the Trust's assets;
- (d) the termination of the Trust; and
- (e) the disposal of fisheries settlement assets.

9. How are decisions made by the governance entity?

- It is proposed that the trustees of Te Kāhui o Taranaki will determine the frequency of their meetings as they see fit. Written notices of meetings are to be sent to trustees at least seven (7) days before a meeting.
- Four trustees shall constitute a quorum at meetings.
- At the first meeting of trustees following an election a Chairperson will be appointed.
- Decisions will be made by a majority vote and the Chairperson holds a casting vote in the case that there is an equality of votes.
- Trustees may establish sub-committees and appoint one (1) or more trustees, employees or other persons to those sub-committees.

10. Who will manage the redress received in the settlement?

- It is proposed that the trustees of Te Kāhui o Taranaki will have responsibility to act on behalf of all members of Taranaki Iwi in managing the settlement redress received by Taranaki Iwi.
- Under the trust Charter, Te Kāhui o Taranaki is to establish and oversee the operations of an Asset Holding company.
- The trustees may also establish other subsidiary entities to manage particular assets.
- Te Kāhui o Taranaki will have the power to appoint and remove directors of any subsidiary company and trustees of any subsidiary trust.
- The trustees will be responsible for the day to day management of Te Kāhui o Taranaki settlement assets and will be accountable to members of Taranaki Iwi.

11. Who will determine what benefits are made available to beneficiaries?

- The trustees of Te Kāhui o Taranaki have overall responsibility for determining benefits for members of Taranaki Iwi as set out in the purposes of the Trust.
- The trustees will determine what benefits are made available to beneficiaries in accordance with a distribution policy to be developed during the establishment period.

12. What are the criteria for determining how benefits are allocated and distributed?

- The trustees of Te Kāhui o Taranaki have discretion in the allocation and distribution of benefits for members of Taranaki Iwi.
- The trustees will determine the criteria for determining how benefits are allocated and distributed in accordance with a distribution policy to be developed during the establishment period.

13. How will the people managing assets and determining benefits be accountable to beneficiaries?

- It is proposed that the trustees of Te Kāhui o Taranaki will be accountable to members of Taranaki Iwi. The Trust will prepare an annual plan each year covering, among other things:
 - a) the annual objectives of the Trust;
 - b) the nature and scope of activities proposed by the Trust;
 - c) the ratio of capital to total assets;
 - d) the performance targets and measurements by which the performance of the Trust may be judged;
 - e) the proposed manner for dealing with projected income; and
 - f) any proposals for ongoing management of the Trust’s assets.

- It is proposed that Te Kāhui o Taranaki will also prepare a Five Year Strategic Plan, to be updated at least every two years, setting out the longer term vision of the Trust.

- The Trust will be required to hold an annual general meeting (“AGM”) for the members of Taranaki Iwi. At each AGM the Trust will be required, among other things, to:
 - a) report on the operation of the Trust (and any subsidiaries) during the previous year;
 - b) present the Annual Report and audited consolidated financial statements; and
 - c) present the proposed annual plan;
 - d) announce any newly appointed trustees;
 - e) approve trustees remuneration;
 - f) conduct any other notified business; and
 - g) undertake any other general business.

14. What are the rules under which the governance entity and any bodies accountable to it operate?

- The Trust Charter for Te Kāhui o Taranaki sets out the rules under which the Trust must operate. The establishment of subsidiaries and their accountability to Te Kāhui o Taranaki is also set out in the Trust Charter.
- The Trustees will also need to adhere to the provisions of the Trustees Act 1957 in carrying out their duties as set out in the Trust Charter.
- Reporting by any subsidiary company must also comply with the Companies Act 1993.

15. Are there any interim governance arrangements in the period between the establishment of the governance entity and the date that the settlement assets are transferred? If so, what are they?

- It is proposed that the existing trustees of the Taranaki Iwi Trust also be the Establishment Trustees for Te Kāhui o Taranaki.
- Establishment Trustees may change or be replaced in accordance with the Taranaki Iwi Trust election cycle during the establishment period.
- Establishment Trustees are appointed until replaced or until the First Elected Trustees are determined – First Income Year following settlement date.
- Establishment Trustees will have limited power.
- It is proposed that the Taranaki Iwi Trust will be dissolved (wound up) through settlement legislation.
- We will have two entities holding Taranaki Iwi assets on behalf of the Iwi for a period of time.

- An establishment plan will be implemented during the establishment period.
- Overarching objective of the establishment plan is to ensure Taranaki Iwi has an effective PSGE prior to the completion of a Deed of Settlement and the receipt of settlement redress.
- Ensure that Te Kāhui o Taranaki has organisational and operational capability to prepare for the receipt of settlement redress.

16. How will the structure and the rules of the governance entity and any bodies accountable to it be changed?

- It is proposed that the Trust Charter may be amended, revoked or added to by a special resolution passed by a 75% majority of adult members of Taranaki Iwi voting at a Special General Meeting, in accordance with the Trust Charter voting requirements.
- No amendment can be made to the Trust Charter in respect to:
 - Changes to the Trust’s objectives and purposes so that the Trust is no longer required to act for the collective benefit of the present and future members of Taranaki Iwi;
 - The limitations on amendments;
 - The provisions relating to the termination of the Trust;
 - Changes required for a Special Resolution; and
 - Changes to the membership and beneficiaries of the Trust.

17. What are the planning / monitoring / review processes for decisions of the governance entity?

- The planning documents required for Te Kāhui o Taranaki are set out in answer to question 13.
- The Trust will prepare an annual plan each year covering, among other things:
 - a) the annual objectives of the Trust;
 - b) the nature and scope of activities proposed by the Trust;
 - c) the ratio of capital to total assets;
 - d) the performance targets and measurements by which the performance of the Trust may be judged;
 - e) the proposed manner for dealing with projected income; and
 - f) any proposals for ongoing management of the Trust’s assets.
- It is proposed that Te Kāhui o Taranaki will also prepare a Five Year Strategic Plan, to be updated at least every two years, setting out the longer term vision of the Trust.
- The performance of the Trust can be reviewed at the annual general meeting where it will report against the planning documents.

18. What if members do not agree with a decision made by the governance entity?

- Provisions for dealing with disputes relating to membership to Taranaki Iwi are set out in the Trust Charter, including how a dispute shall be notified to Te Kāhui o Taranaki.
- Part 5 of Māori Fisheries Act 2004 shall apply to disputes under that Act while Te Kāhui o Taranaki is the Mandated Iwi Organisation.
- Members of Taranaki Iwi also have the ability to convene a special general meeting of Taranaki Iwi in order to discuss any decision or matter that may be in dispute.

19. How often will accounts be prepared and audited?

- Te Kāhui o Taranaki must ensure that the consolidated financial statements for each income year of the Trust are prepared and then audited annually by a chartered accountant.
- No trustee or employee of Te Kāhui o Taranaki may be appointed as the auditor.
- The financial statements are to be presented at the annual general meeting for approval.
- Copies of the financial statements for Te Kāhui o Taranaki shall be made available to members of Taranaki Iwi as part of the annual report of the Trust and will also be available at the Taranaki Iwi office.

20. Will beneficiaries receive information about decisions that affect them? How? How often?

- It is proposed that Te Kāhui o Taranaki will provide regular information to beneficiaries on decisions that affect them.
- Specific provisions in the Trust Charter set out the requirements for notices relating to special resolutions and/or major transactions.
- Regular communications with Taranaki Iwi will be through at least quarterly written and/or electronic pānui, website updates and in time other technologies including social media.
- Annual reports, annual financial statements and minutes of annual general meetings will also be made available to members of Taranaki Iwi.
- Hui ā-iwi and wānanga will also be another means for distributing information and receiving feedback.
- As set out in the principles of the Trust Charter, Te Kāhui o Taranaki will also be developing relationships with marae/pā and hapū.