

APPOINTMENT-IN-CONFIDENCE

Minister of Broadcasting, Communications and Digital Media

Memorandum for the Cabinet Appointments and Honours Committee

Radio New Zealand Ltd (RNZ): Board Reappointment

Introduction

1. In this memorandum the Cabinet Appointments and Honours Committee is invited to note my intention to make one reappointment to the RNZ Board, as follows:

Company	Person	Designation	Appointment/ Reappointment	Replacing
Radio New Zealand Ltd	Rodger John <u>Finlay</u>	Governor	Reappointment	n/a

Background

2. The appointment will be made in accordance with the guiding legislation, the Crown Entities Act 2004, and the company's constitution, which stipulates that the shareholders may, at any time, appoint or reappoint directors to the board. Appointments are made in accordance with the Cabinet-approved skills-based appointment process.
3. Crown appointees on these boards are generally appointed for terms of up to three years and, guided by best practice and subject to their skills still being relevant to the company's business, may be reappointed for subsequent terms.

Radio New Zealand Ltd (RNZ)

4. RNZ is a Crown entity company established under the Radio New Zealand Act 1995. RNZ receives around \$36million in Crown revenue and provides content via RNZ National, RNZ Concert, RNZ International, RNZ.co.nz and thewireless.co.nz. RNZ is transforming from a radio broadcaster to a multi-platform content provider with a goal to reach 1 million New Zealanders per week by FY20. On top of its core business, RNZ broadcasts Parliamentary proceedings through RNZ's AM network and has a statutory role to act as a lifeline utility in emergency situations.
5. RNZ's aim is to provide reliable, independent and freely accessible news and information, and to give expression to New Zealand's national identity and diversity. RNZ has a mandate to operate in the broad public interest in accordance with the RNZ Charter.
6. Along with all media sector participants, RNZ faces significant challenges with the rapidly changing and uncertain direction of the industry. As a commercial-free broadcaster, RNZ has to manage capability (people and technology), whilst operating within a fixed budget – an advantage it has over most other entities in the industry, whose revenue is falling.

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7. I intend to reappoint governor Rodger Finlay for a further full term.

Reappointment – governor

s9(2)(a)

Appointment process

8. The Cabinet-approved process was followed for this reappointment, which included the following elements:
- identifying the skills and experience required on the board
 - assessing the contribution and skills of the incumbent directors against the ongoing needs of the board
 - discussions with the Chair regarding the skill needs of the board
 - consultation with the Ministry for Culture and Heritage regarding the skill needs of the board
 - background checks for the candidate being considered for reappointment.

Conflicts of interest

9. I can confirm that appropriate enquiries concerning conflicts of interest have been carried out in accordance with the Treasury appointment guidelines, and no conflicts have been identified. The board maintains an ongoing conflict of interest disclosure regime, in accordance with the Companies Act 1993. Further, the appointee has disclosed the nature and extent of all known interests that may relate to the company he is being appointed to, which is a further provision required by Treasury. The reappointment is also subject to the satisfactory completion of background checks.

Representativeness of appointment

10. I can confirm that full consideration has been given to the need for the membership of the board concerned to have an appropriate gender, age, ethnic and geographical balance.

Remuneration

11. Fees will be drawn from the remuneration approved for the board by shareholding Ministers. These fees have been set in accordance with Cabinet Minute CAB-16-MIN-0678. This allows a unit rate of \$23,802 per annum for a RNZ governor.

Publicity

12. Media interest and comment on the appointment is possible, given the public interest in RNZ. A press release will be issued in the usual way.

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Recommendations

13. It is recommended that the Cabinet Appointments and Honours Committee:

1. **note** the intention of shareholding Ministers to make the following reappointment to the board of Radio New Zealand Ltd:

Company	Person	Designation	Appointment/ Reappointment	Term	Replacing
Radio New Zealand Ltd	Rodger John Finlay	Governor	Reappointment	From 1 May 2018 up to 30 April 2021	n/a

2. **note** that the reappointment is subject to the satisfactory completion of background checks.

Authorised for lodgement

Hon Clare Curran

Minister of Broadcasting, Communications and Digital Media
(on behalf of shareholding Ministers)