

March 2025

# Summary of consultation on Constitutional options

---

## Document purpose

This document recommends that the Proposed Constitution is brought to the SGM to be considered by eligible Financial Members. It includes an analysis and background about why this approach is recommended.

The paper also recommends one additional change to the Proposed Constitution to clarify that Eligible Members are able to attend and vote online at all General Meetings. This reflects a suggestion from a submitter that clarifies the original intent of the Proposed Constitution.

## Contents of this document

This document includes additional background on the approach taken and legal advice received.

1. [Overarching approach and principles to guide decision-making](#)
2. [Process for making recommendations to Council](#)
3. [Recommended approach: taking one Constitution to the SGM](#)
4. [Analysis and recommended approach for each alternative option](#)
  - a. [Domain Name Space statement](#)
  - b. [Board Composition](#)
5. [Board Leadership](#)
6. [Additional amendment from consultation](#)

## Overarching approach and principles

The Membership of InternetNZ has expressed a wide range of views on the options presented and also other provisions in the Proposed Constitution in the most recent consultation. The approach for determining what options to present in the

final Proposed Constitution to members, contextualised the feedback received in the most recent consultation within the wider programme of work that has guided the development of the Proposed Constitution over a number of months. The following outlines the principles followed in this approach.

## Principles

The key principles that underpin the process and decision-making on the option presented in this paper, are that:

1. InternetNZ has a Constitution that meets legal requirements and means that it can be re-registered and continue to exist as an Incorporated Society
2. Consultation has been over time, with multiple points of engagement offered which have been taken up by a significant number of people. The Proposed Constitution to be presented at SGM is the result of all these engagements
3. There is a transition period (up to the 2027 AGM) to give full effect to the Proposed Constitution. There will be ample time for further discussions and proposals to refine a re-registered Constitution if members wish.

## Process for making recommendations to the Council

Following the consultation with eligible Financial Members on the Proposed Constitution Options, an analysis of the feedback has taken place. In our analysis, we also considered:

- submissions received through earlier engagement and consultation processes
- the input and advice from the Constitutional Co-Design Group (12 members of the Co-Design Group are currently members)
- practical and legal considerations for implementing the proposals, including legal advice received by external lawyers
- the stated goals of the [Constitution Review Programme](#), including addressing recommendations of the [Independent Review of Systemic Racism in 2022](#).

## Recommended approach: Present the Proposed Constitution to the members to vote on at the SGM

The Proposed Constitution with its original options to be presented as a **singular option** to the members at the Special General Meeting on 31 March 2025.

On balance, the Proposed Constitution is the preferred option because:

- providing a single option gives members clarity about what is being considered at the SGM, and focuses on the importance of the primary goal to achieve a consistent, coherent Constitution in its entirety;
- there was a slim preference for all three of the options already included in the Proposed Constitution. This feedback is an indication of broad support overall for the Proposed Constitution;
- consideration has been given to legal advice received, previous consultation feedback, and engagement with members and the public that also indicate broad support for the options reflected in the Proposed Constitution.

In addition, there will be ample time before the changes relating to governance (co-chair option and number of board members) come into effect (AGM 2027) to effectively operationalise them and for members to discuss further changes, and bring these to a General Meeting for consideration, should they wish.

Any eligible member of the Society can propose amendments to the Constitution, once it is passed, to be considered at the Annual General Meeting or through a Members' Motion provision for Special General Meetings.

These considerations make us confident that the Proposed Constitution is on balance the best option for members' consideration. Analysis and recommended approach for each alternative option are outlined below.

## **Domain Name Space statement**

### ***Analysis***

Most respondents favour keeping the Internet and the .nz Domain Name Space as open as possible. Many respondents (13) favour an approach that clarifies what InternetNZ can and can't do.

However, some respondents felt the Constitution was not the appropriate place for this statement because matters relating to .nz policy are more properly dealt with through the existing .nz policy development process, not the Constitution of an organisation.

The .nz Domain Space is administered in accordance with New Zealand laws and Internet Governance best practices, and the .nz rules process has principles that guide its policy-making including a multistakeholder approach with public consultation. Objects a), b) and d) in the Proposed Constitution effectively cover the role that InternetNZ plays in maintaining the Domain Name Space in line with both national and global standards.

### **Consultation survey numbers:**

21 respondents were in favour of keeping the background section as it is. 21 respondents were of the view to add in the statement to clarify InternetNZ's role in the .nz Domain Name Space.

### **Consultation free text feedback:**

The written feedback was fairly evenly split between those who did (nine) and did not want (13) to include the statement in the Constitution. Reasons for not including it ranged from those who were concerned that the Constitution was not the right place to include this kind of statement and those who supported just retaining the current preamble without the statement. Some respondents noted they are also open to further discussions on whether such rules and limitations should be included in the .nz Domain Name Space, and this should be considered outside the Proposed Constitution process.

Nine commenters supported the inclusion of the statement in the Proposed Constitution, with one respondent suggesting that a stronger statement should be located somewhere other than in the Preface to the Constitution and another providing a detailed clause about InternetNZ's administration of the Domain Name Space.

### ***Conclusion***

The decision was that we do not include the Domain Name System statement, as it is covered in existing policy processes and InternetNZ's role is already reflected in other elements of the Proposed Constitution such as in the Objects a), b) and d).

## **Board composition**

### ***Analysis***

#### **Consultation survey numbers:**

23 (56%) people preferred a Proposed Constitution with up to 9 Board Members including 6-7 Elected Members. 18 (44%) preferred the alternative option with up to 11 Board Members with 7-8 Elected.

#### **Consultation free text feedback:**

In the comments, nine people expressed support for a smaller Board that reflects good governance practices. Five respondents supported retaining a larger Board, including greater representation and the potential for hearing more perspectives. A further commenter was happy with both options presented.

Seven respondents emphasised the importance of retaining an elected majority on the Board, expressing concern about having appointed members, or suggested member involvement in the appointments process. One of these said the current proportion of Elected Board Members should remain the same as it currently is and that Appointed Board Members should not have voting rights.

One submitter suggested that Appointed Board Members should have a 1-year term. We note that this is allowable under the proposed Constitution if there is a short-term gap identified.

#### **Overarching themes from all previous consultations and engagements:**

In consultation, feedback consistently supported reducing the number of Board Members. This was reflected in the survey on governance options in November 2024 and in this most recent consultation, and reflects advice we received on governance best practice.

Throughout submissions on the Drafting Guidelines and the Options, a key theme was that Constitution provisions collectively impact membership rights to vote and to hold governance to account. While some of these concerns remain with some submitters, a number of changes were made following the Drafting Guidelines to address these (including shifting the balance of Elected and Appointed Board Members).

We note that the number of Elected Board Members has been increased since the Drafting Guidelines to generally put the balance at two-thirds Elected Board Members.

### ***Conclusion***

The decision was to proceed with the Board composition of up to 9 members as it stands in the Proposed Constitution.

## **Board leadership and structure**

### ***Analysis***

#### **Consultation survey numbers:**

22 (54%) people preferred to keep the co-chair option as part of the leadership structure and subsequently Board leaders being appointed by the Board. A total of 19 people preferred the option to remove the co-chair structure, out of which 13 voted for the chairperson to be selected by the Board and 6 were in favour of eligible members electing the Chairperson.

The above results suggest that members who have engaged in the consultation process are generally comfortable with the Board electing their leader. Based on these results, retaining the co-chair leadership structure would be possible and is a favourable option.

#### **Consultation free text feedback:**

There were some comments suggesting that the idea of co-chairship wasn't clear or tested. However, the proposed Constitution, alongside the transition provisions, allows time for this model to be tested. The proposed Constitution also retains the option to have a Chair and Deputy Chair where co-chairs is not achievable.

There were some commenters who considered that it was important that Membership could elect the leader of the Board. We note that for practical reasons, it was not feasible to have a proposal that enabled the election of co-chairs. Additionally, under the new legislation, all Board Members are officers with the same obligations and duties with the exception of the Chair/s having a casting vote.

## Overarching themes from all previous consultations and engagements:

During the survey to test governance options in November 2024, a small portion of survey respondents were opposed (16.7%) to co-chairs, but others were either supportive (41.7%) or not sure (41.7%). Some feedback included that more information is needed to understand this option better.

Having mechanisms to enable Māori leadership of InternetNZ was also a key recommendation of the Co-Design Group.

## Our purpose:

The co-chair structure contributes to one of the main ways we can achieve embedded Māori leadership at a governance level, which aligns with the intended goals of this robust review process.

## Conclusion

The decision was that the proposal for the co-chair structure remains preferred with the option of Chair and Deputy Chair, and with the Board leadership being selected by the Board be retained in the Proposed Constitution.

## Additional amendment following feedback

In addition to comments related to the options presented, submitters provided a range of suggestions in regards to other provisions in the constitution. These suggested changes have not been considered at this stage, because the suggestions change the intent in the Proposed Constitution. Further they were out of scope of the most recent consultation process, and would require further engagement with Members.

There were also a number of suggestions which could be implemented operationally, rather than embedding in the Constitution.

We considered one change that provides greater clarity to the original intent of the Proposed Constitution relating to the Annual General Meeting (AGM):

Comment	Note/recommendation	Proposed change
Concern that AGM provisions will enable in-person only meetings and lock out online participation. Submitter suggested an online-first approach, with in-person attendance optional; and that online voting option should always be available.	The intention was that online meetings would be an option. However, the proposed constitution enables a mix of in-person/online attendance which could enable a chair to choose an in-person only option, which is not accessible for people outside Wellington.	To add a statement to clause 4.1.1 How meetings can take place. <i>“There must always be an option for Eligible Members to attend and vote online at General Meetings”.</i>

	Recommending updating the Proposed Constitution for clarity.	
--	--	--