



Supplementary information for ICANN Ombuds Assessment 20 July 2017

Although we are not remuneration advisers, following a query from ICANN staff, we asked our recent Ombudsman clients if they could advise us on the extent to which they had performance or at-risk pay as part of their remuneration arrangements. Not all we approached chose to respond with details, and those that did invariably asked for confidentiality.

- We received information from 13 Ombudsmen organisations – from Australia, Canada, Armenia, the Channel Islands and New Zealand.
- The majority of respondents were financial sector Ombudsmen that cover banking, investments, insurance, pensions (superannuation) and broking services. Other sectors included energy and water services, public transport, state government and retail and small business telecommunications services. No 'internal ombudsmen' were included.
- There were all kinds of minor variations to arrangements, making it difficult to classify into categories.
- Only three Ombudsman services had substantive at-risk or performance-based remuneration – once adjusted for comparability, ranging from 5% to 25% of salary.
- Seven Ombudsman services had annual salary reviews that had a performance-based input – ie. they had KPIs to meet which were taken into account in determining an adjustment to salary for the following year. These were typically for small amounts – a few percent or inflation-plus adjustments.
- The remaining three had no performance-based remuneration adjustment process, having salaries set by a government mechanism or periodic market-based adjustments to salary.
- A number reported that there was the capacity for the Board to award an Ombudsman an ad-hoc bonus for particular effort or for the Ombudsman to award similar to their staff.
- A number of respondents referred us to strong policy positions held by three Ombudsman associations¹ against at-risk or performance pay arrangements – on the basis that it can be seen to compromise the Ombudsman's independence.

We are aware that this by no means a representative sampling of remuneration in the world of Ombudsmen. We have avoided reproducing detail as in some cases this would have identified

¹ Australia and New Zealand Energy and Water Ombudsman Network (ANZEWO); Australia and New Zealand Ombudsman Association (ANZOA) and International Network of Financial Ombudsman (INFO)



the service, and in others accuracy and comparability would have required further back and forth exchange with the respondents – which we did not want to annoy them with. We were not engaged to do research in this area, it is simply offered by way of assistance.

Regards

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