

internetnz



# InternetNZ Council April 2022

## AGENDA

**Council Meeting: Friday 1 April 2022, 9:00am - 1:00pm**  
**Venue: InternetNZ, Level 13, 18 Willis Street, Wellington**

NOTE: all timings are estimates, the meeting will run according to the needs of the meeting as it progresses.

If the meeting becomes an online meeting, additional breaks may be added at the Chair's discretion.

### Strategy Session: Data Governance and Ethics

|        |  |
|--------|--|
| 9:00am | Opening Karakia, session facilitated by Crs Pearce and Biasiny-Tule. |
|        | Strategic Discussion: Data Governance and Ethics                     |

### Formal Council Meeting: 10:30am onwards

#### Section 1 – Meeting Preliminaries

|                |     |  |
|----------------|-----|--|
| 10:30am        | 1.1 | Council only (in committee)              |
| 10:40am        | 1.2 | Council and CE alone time (in committee) |
| <b>11:00am</b> | 1.4 | Karakia, apologies, interests register   |
|                | 1.5 | Action Items and Agenda Review           |

#### Section 2 – Strategic Priorities

|         |     |                                     |
|---------|-----|-------------------------------------|
| 11:05am | 2.1 | Strategy update - purpose and goals |
| 11:15am | 2.2 | 2022/2023 Plan                      |
| 11:30am | 2.3 | 2022/2023 Budget                    |
| 11:50pm |     | <b>Morning Tea Break</b>            |

#### Section 3 – Matters for Decision

|         |     |  |
|---------|-----|--|
| 12:00pm | 3.1 | CE Recruitment                           |
| 12:10pm | 3.2 | Review independent director appointments |

## Section 4 – Matters for Discussion

|         |     |  |
|---------|-----|--|
| 12:20pm | 4.1 | President's Report - verbal update         |
| 12:35pm | 4.2 | Systemic Racism Review: Terms of Reference |

## Section 5 – Consent Agenda

|         |     |  |
|---------|-----|--|
| 12:50pm | 5.1 | Health, Safety and Wellbeing Update`       |
|         | 5.2 | Minutes of the meeting of 11 February 2022 |
|         | 5.3 | E-vote Ratification                        |
|         | 5.4 | Māori Design Group Update                  |

## Section 6 – Other Matters

|        |     |   |
|--------|-----|---|
| 1:00pm | 6.1 | CONTINGENCY (for any overflow)  |
|        | 6.2 | Matters for communication – key messages  |
|        | 6.3 | General business <ul style="list-style-type: none"><li>• Bank signatories</li></ul> |
|        | 6.4 | Meeting review  |
| 1:05pm | 6.5 | Meeting close (karakia)   |

---

## **Council Register of Interest**

---

Officers and Councillors are required to register any interests, commercial, political or organisational, which they believe may be relevant to the perception of their conduct as a Councillor or Officer. Officers and Councillors are, however, still required to declare a Conflict of Interest, or an Interest, and have that recorded in the Minutes.

Officers and Councillors receive the following annual honoraria:

President - \$35,470

Vice President - \$22,169

Councillor - \$17,735\*

*\*Sub-Committee Chairs also receives additional 10% of their honoraria*

**Name:** Joy Liddicoat

**Position:** President, InternetNZ

**Term:** AGM 2021 - AGM 2024

**Declaration Date:** 29 July 2021

**Interests:**

- Secretary of the Peter Rule Foundation
- Holder of .nz domain name registrations
- Member of the New Zealand Law Society
- Member Otago Women Lawyers Society
- Member of the Non Commercial Users Constituency of ICANN
- Founding Director and Shareholder of Oceania Women's Satellite Network (OWNSAT) PTE Limited. OWNSAT is a shareholder in Kacific Broadband Satellite
- Affiliate of the Centre for Law and Policy in Emerging Technologies, Faculty of Law, University of Otago.
- Senior Corporate Counsel, Silver Ferns Farms (part-time position)
- Member of the Association for Progressive Communications

**Name: Jay Daley**

**Position:** Vice President, InternetNZ

**Term:** AGM 2021 - AGM 2024

**Declaration Date:** 4 August 2021

**Interests:**

- Employed as IETF Executive Director
- Member of the Board of Whare Hauora
- Registrant of multiple domains.

**Name: Sarah Lee**

**Position:** Councillor, InternetNZ

**Term:** AGM 2014 - AGM 2022

**Declaration Date:** 24 August 2018

**Interests:**

- Member of New Zealand Māori Internet Society
- Receives additional honoraria for being Chair of the Māori Engagement Committee

**Name: Richard Hulse**

**Position:** Councillor, InternetNZ

**Term:** AGM 2021 – AGM 2024

**Declaration Date:** 29 July 2021

**Interests:**

- Employee of GS1 New Zealand
- Holder of .nz domain name registrations
- Receives additional honoraria for being Chair of the Audit and Risk Committee for InternetNZ.

**Name: Jeff Montgomery**

**Position:** Councillor, InternetNZ

**Term:** AGM 2021 – AGM 2022

**Declaration Date:** 8 August 2021

**Interests:**

- Holder 14 .nz domain names
- Employee of Service Delivery and Operations, Department of Internal Affairs
- Statutory Officer - Registrar General of Births, Deaths and Marriages.
- Chair, Pacific Civil Registrars Network
- Owner and Director City Bed and Breakfast Ltd.

**Name: Don Stokes**

**Position:** Councillor, InternetNZ

**Term:** AGM 2017 – AGM 2023

**Declaration Date:** 11 February 2022

**Interests:**

- Shareholder/Director, Rumsey Stokes Limited, an authorised .nz registrar
- Shareholder / director of several inactive companies
- Registrant of .nz and .net domains
- Consultant of Liverton Security

**Name: Kate Pearce**

**Position:** Councillor, InternetNZ

**Term:** AGM 2017 – AGM 2023

**Declaration Date:** 15 February 2019

**Interests:**

- Employee of TradeMe
- Member of the New Zealand Labour Party
- Holder of .nz, .com, .org, .net domain registrations
- Member of NZ Internet Task Force
- Board Member of New Zealand Internet Task Force (NZITF)
- Member and Co-leader of Aotearoa Tech Union
- Receives additional honoraria for being Chair of the .nz Policy Committee

**Name: aimee whitcroft**

**Position:** Councillor, InternetNZ

**Term:** AGM 2019 – AGM 2022

**Declaration Date:** 11 October 2021

**Interests:**

- Employee of Waka Kotahi NZ Transport Agency
- Holder of .nz domain names
- Open Data Charter Board Member
- Organiser for unconferences and related events
- Have previously been employed by InternetNZ on contractual basis
- Have previously been awarded an InternetNZ conference grant
- Wildlife.ai Board Advisor
- Global Data Barometer Advisor, Research Advisory Committee
- Toha .NZ Advisor

**Name: Anthony Bow**

**Position:** Councillor, InternetNZ

**Term:** Appointed 2020 – 2022

**Declaration Date:** 18 May 2021

- Holder of .nz and .com domain names
- Director of Whai Rawa Fund Ltd
- Director of Maungaharuru-Tangitū Ltd
- Deputy Chair and Board Member of the Medical Radiation Technologists Board.
- Chair and Director of Medical Sciences Secretariat Ltd
- Director and Shareholder of Waimana Capital Ltd
- Shareholder in private companies; Big Splash Ltd and Talent Propeller Ltd

**Name: Potaua Biasiny-Tule**

**Position:** Councillor, InternetNZ

**Term:** Appointed 2021 – 2023

**Declaration Date:** 8 November 2021

- Founder / Director of Digital Basecamp
- Trustee of Digital Natives Academy
- Co-Founder 4CompanyB (4CB) Digital Animation Studios Limited
- Board Member for Te Tatau o Te Arawa (partnership with Rotorua Lakes Council).
- Trustee of Te Takinga Marae Komiti
- Kaitiaki for numerous .co.nz and .iwi.nz whanau domains

The register was last updated in February 2022.

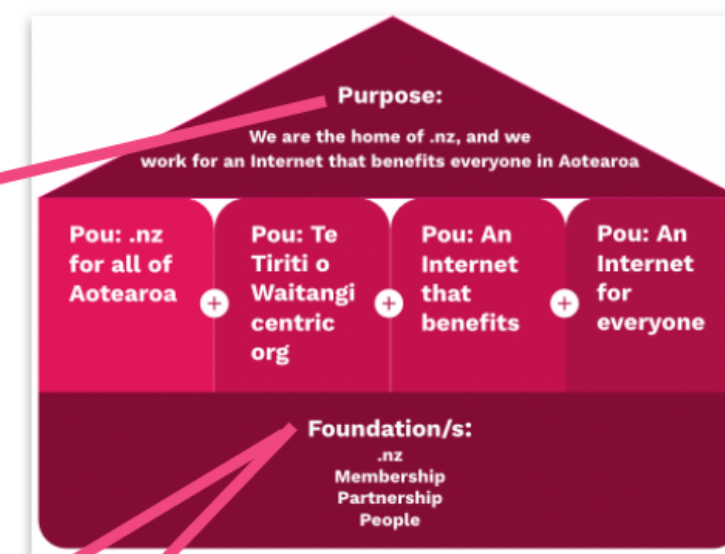
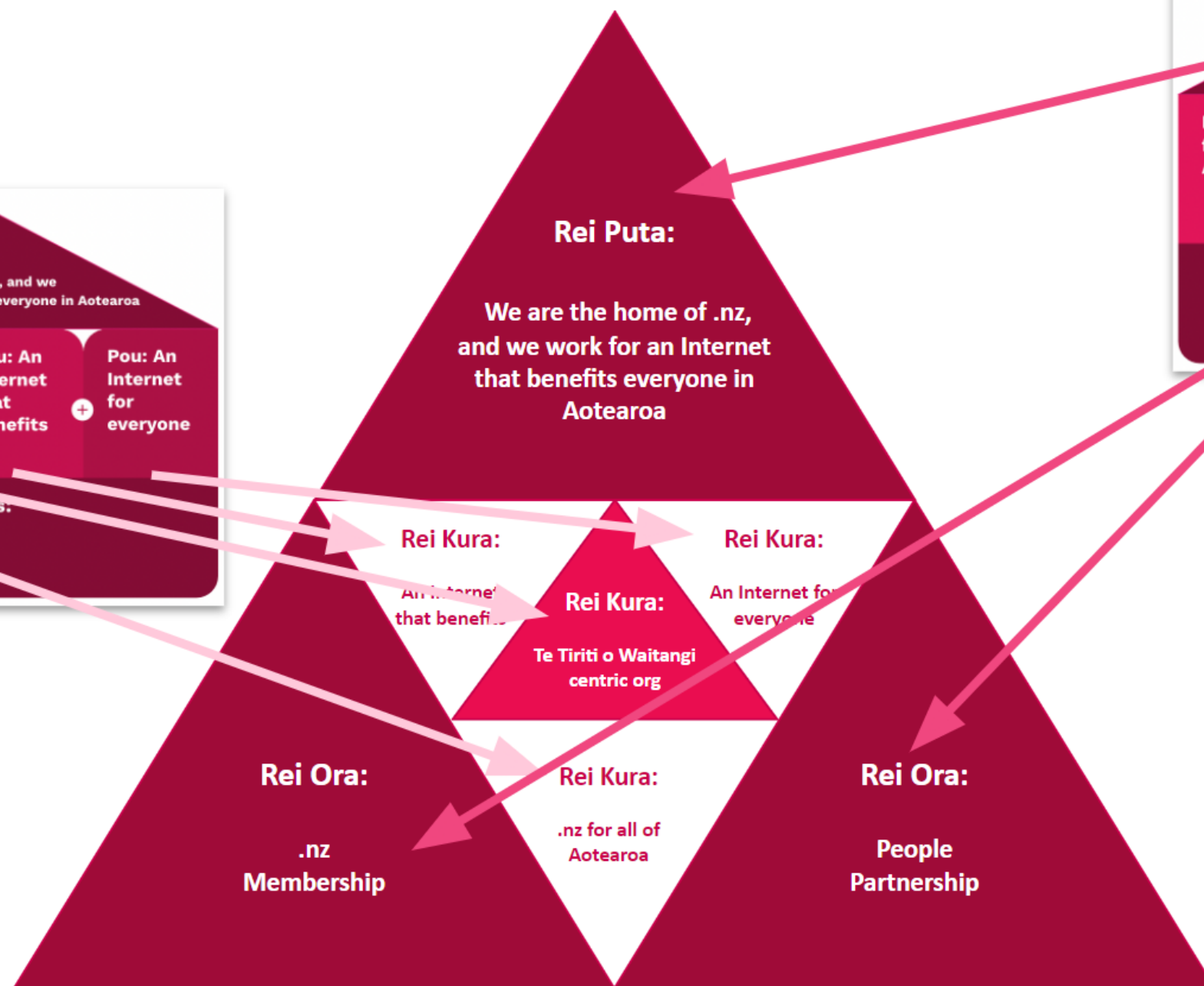
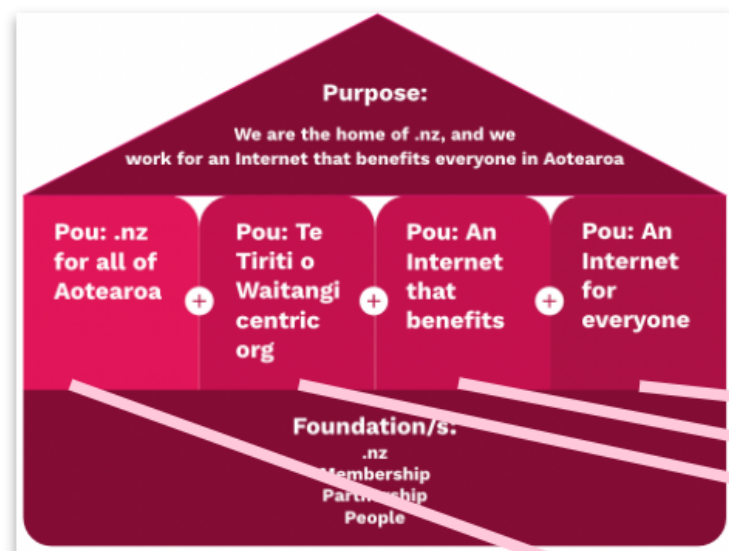
## Council Actions Register 2022

| As at April 2022 |  |                                  |   |
|------------------|--|----------------------------------|---|
| Action No#       | Action   | Owner                            | Status  |
| AP07/21          | Staff to prepare an online webinar and information exchange on Digital Identity and the group's work on this so far, to be shared with Council on the list.      | Commercial Director              | Timing to be confirmed with Council Members around the meeting. |
| AP19/21          | Review the timing of quarterly reporting and the alignment of Council meetings in the next financial year.   | Organisational Services Director | Under Review.   |
| AP20/21          | Skills and Diversity Assessment discussion to be added to Council Agenda in May 2022   | Executive Assistant              | Noted.  |
| AP01/22          | Staff to prepare and further refine the draft strategy based on feedback from Council.   | CEO                              | To be adopted at this meeting.                                  |
| AP02/22          | Council to discuss the draft Strategy at a pop up session and provide further feedback to staff on the revised strategy.   | President and Council            | Completed.  |
| AP03/22          | Staff to review all of the Council committee Terms of Reference templates and reformat to a common approach, for inclusion in the governance framework document. | Organisational Services Director | Not started.  |
| AP04/2022        | Propose a Role Definition for the Returning Officer by next Council meeting.   | CEO                              | Not started.  |
| AP05/2022        | Feedback to be collected from past election candidates before the next   | CEO                              | Not started.  |



|           |  |                                  |              |
|-----------|--|----------------------------------|--------------|
|           | meeting.   |                                  |              |
| AP06/2022 | Paper on International Strategy (key issues, and INZ contribution) to be prepared for discussion at the May meeting. | CEO                              | In progress. |
| AP07/2022 | A breakdown of the flexible first project costs (premises) to be provided to Council between meetings.               | Organisational Services Director | Completed.   |

|  |   |  |
|--|---|--|
| <div>Rei Kura - the focus of our action and mahi</div>   | <div>Rei Puta: Teeth of leadership</div> <div>Rei Kura: Treasured teeth</div> <div>Rei Ora: Teeth of vitality</div> <div>NIHO TANIWHA: 1. (noun) saw-edged pattern of tukutuku panels and in the tāniko weaving on the hems of cloaks. The principal motif that represents the realm of mythology and a chief's lineage from the gods. Also symbolises family houses within the tribe.</div> <div><div><div><div><div>Rei Puta:</div><div>We are the home of .nz, and we work for an Internet that benefits everyone in Aotearoa</div></div><div><div><div>Rei Kura:</div><div>An Internet that benefits</div></div><div><div>Rei Kura:</div><div>Te Tiriti o Waitangi centric org</div></div><div><div>Rei Kura:</div><div>An Internet for everyone</div></div></div><div><div><div>Rei Ora:</div><div>.nz Membership</div></div><div><div>Rei Ora:</div><div>People Partnership</div></div></div></div></div></div> |  |
| <div>Rei Kura: An Internet that benefits</div> <div>We believe in an Internet that benefits all the people of Aotearoa.</div> <div>We work towards the empowerment of all New Zealanders to use, create and innovate on the Internet in a way that keeps them and others safe. We work to shape developments affecting the Internet, both domestically and internationally, to make the Internet better for people.</div>  | <div>Rei Kura: An Internet for everyone</div> <div>We believe that everyone in Aotearoa should be empowered to make the most of an increasingly digital world, in a way that works for them.</div> <div>We work to enable all the people of Aotearoa to access and effectively use the Internet to equitably participate in and benefit from our society, democracy and economy</div>   |  |
| <div>Whaingā: Responses to harms</div> <div>InternetNZ drives effective responses to the harms people experience, and the negative impacts on society, from an Internet dominated by big online services.</div>  | <div>Whaingā: Digital equity and inclusion</div> <div>InternetNZ drives meaningful efforts across Aotearoa to address current problems of digital equity and digital inclusion, with our efforts focused on access (people being able to get online) and accessibility (all people being able to make the most of the digital world).</div>   |  |
| <div>Success looks like:</div> <div><ul style="list-style-type: none"><li>People and communities affected by harmful behaviours and systems online, including Māori, recognise us as an effective voice and partner on these issues.</li><li>We have argued for specific, effective, and credible steps to address the harms from online services.</li><li>People working to understand and respond to impacts of misinformation, online hate speech, and other systemic harms arising from the Internet recognise InternetNZ as an effective voice and partner in this work.</li><li>There is measurably* less harm being done.</li></ul></div> | <div>Success looks like:</div> <div><ul style="list-style-type: none"><li>People working on issues of digital equity recognise InternetNZ as a helpful contributor to work towards digital equity in Aotearoa.</li><li>Clear positions and advocacy on access and accessibility issues within the digital equity community.</li><li>Objective measures of digital equity are improving.</li></ul></div>   |  |
| <div>Rei Kura: .nz for all of Aotearoa</div> <div>We believe that the .nz domain is New Zealand's home online, and the .nz infrastructure is critical to the performance of the modern New Zealand economy, and wellbeing of New Zealanders and our communities.</div> <div>We work to increase the availability, utility, security, and trustworthiness of .nz, so that eventually everyone in or connected with Aotearoa has, uses and values .nz. We work to connect it to other uses that enable New Zealanders to do great and amazing things. We ensure that .nz reflects our values.</div>  | <div>Rei Kura: A Te Tiriti o Waitangi centric organisation</div> <div>We believe that as an organisation of this land, and as guardian of .nz on behalf of Aotearoa, Te Tiriti o Waitangi should be central to how we operate.</div> <div>We work to be recognised as kaitiaki of .nz, and as a Te Tiriti o Waitangi centric organisation, by developing relationships and working in partnership with Māori, and by embedding Te Ao Māori into our core work.</div>  |  |
| <div>Whaingā: .nz is a good product</div> <div>.nz and the .nz infrastructure are trusted as reliable, compatible and capable of uses and applications - and our values are embedded in how it works.</div>  | <div>Whaingā: We are a Te Tiriti o Waitangi centric organisation</div> <div>We change our organisation so that Te Tiriti o Waitangi is central to how we work, infusing our relationships with others, in choosing the work we do and in how we go about that work. Over time, we realise our aspiration of being a kaitiaki for the .nz domain name space.</div>   |  |
| <div>Success looks like:</div> <div><ul style="list-style-type: none"><li>Sales</li><li>Infra stability/reliability</li><li>Innovative uses</li><li>Policy up to date and tackling harm</li><li>Public and customer perceptions of value</li></ul></div>   | <div>Success looks like:</div> <div><ul style="list-style-type: none"><li>We are recognised by our Māori partners as being capable acting in Te Ao Māori</li><li>Our partners agree that our partnerships and relationships in Te Ao Māori are deepened and strengthened.</li><li>We are recognised as kaitiaki of .nz</li></ul></div>  |  |





# **Annual Plan 2022/23**

## Introduction

Our 2022 plan is being prepared alongside a refreshed strategic framework for InternetNZ. This plan highlights the significant strategic commitments we will make in achieving our strategy in the next financial year.

This is an exciting time. We have organised this plan around the four strategic rei kura — treasured teeth — that are the focus of our work. In each area we describe the piece of work involved, and explain the strategy and goal it contributes to.

Throughout our work, our biggest goal is impact — for the people of Aotearoa, for our members and partners, and to protect and honour our responsibility of being the home of .nz.

A primary focus for our whole organisation is the successful conclusion of the registry replacement project, with current plans seeing the cutover to the new InternetNZ registry system in August. This is our first priority, above all others, for the next six months.

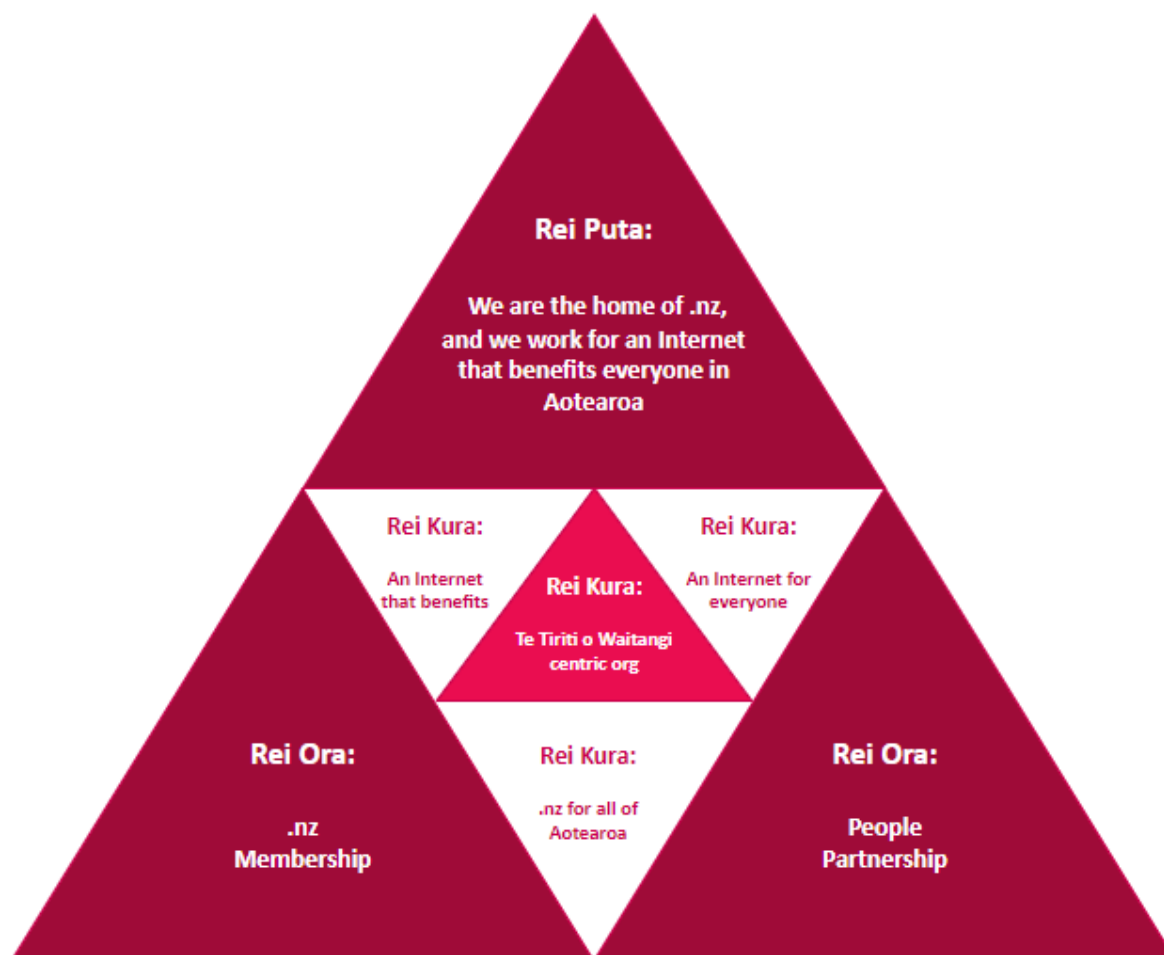
Finally, we acknowledge that the preparation of the plan coincides with the highest peak yet of the COVID-19 pandemic in New Zealand. We have set out an achievable, important work programme, and we hope that the disruptions of the past few years will fade as 2022 continues.

We welcome your support in this important work.

**Andrew Cushen**  
Interim Chief Executive

**Joy Liddicoat**  
President

## Our strategy



Niho Taniwha is used as a visual metaphor in presenting our strategy. Niho Taniwha is a saw-edged pattern of tukutuku panels and in the tāniko weaving on the hems of cloaks. The principal motif that represents the realm of mythology and a chief's lineage from the gods. It also symbolises family houses within the tribe.

Each element of the Niho Taniwha has specific relevance to our strategic framework.

**Rei puta: the teeth of leadership** represents our organisation's purpose.

**Rei kura: treasured teeth** represent our four key areas of focus and action to deliver to that purpose.

**Rei ora: teeth of vitality** represent the enduring foundations of how we operate, and that we honour these foundations over time in all the work we do.

## Rei ora: our foundations

Our “teeth of vitality” in our strategy are our foundations. These are fundamental characteristics of who we are as an organisation, and things we honour in all the work we do. They imbue a focus and approach in how we operate, behave and in what the people of Aotearoa can expect from us.

### People:

We put people and communities, not technologies, at the centre of our work. The goals under each of our rei kura are directed at what will benefit people. We also care about, develop, challenge and empower the people who work for our organisation.

### Partnerships:

InternetNZ cannot work alone for an Internet that benefits everyone. We believe in partnering to achieve our goals; that we will be stronger and have greater impact working together with others.

### Membership:

Membership of our incorporated society is fundamental to who we are and how we were established. We honour our members by extending the opportunity to meaningfully intersect with our purpose, pou and foundations. They help hold us to account, and select our governors.

### .nz:

Our role as manager of the .nz domain name space is foundational to our organisation. It links us to a broad community around the world and demands proper connection to communities around Aotearoa. It is also how we earn our income in the world.

# Rei kura: .nz for all of Aotearoa

## Our strategy:

We believe that the .nz domain is New Zealand's home online, and the .nz infrastructure is critical to the performance of the modern New Zealand economy, and wellbeing of New Zealanders and our communities.

We work to increase the availability, utility, security, and trustworthiness of .nz, so that eventually everyone in or connected with Aotearoa has, uses and values .nz. We work to connect it to other uses that enable New Zealanders to do great and amazing things. We ensure that .nz reflects our values.

## Our strategic goal: .nz is a good product

.nz and the .nz infrastructure are trusted as reliable, compatible and capable of uses and applications — and our values are embedded in how it works.

## Our work in 2022/23

Our work under this rei kura is focused on the transition we are making to a new registry platform, and the opportunity to reconceive of what we aspire to in .nz.

We will confirm new leadership in this area with the new role of General Manager Customer and Product, and also dedicate a strategy process to .nz in June 2022 with that new General Manager participating.

## Complete the replacement of the .nz registry

Our primary focus in the first half of the year is successful completion of the .nz registry replacement. This means changing out our vintage Shared Registry System (SRS) for our new InternetNZ Registry System (IRS), delivered in partnership with the Canadian Internet Registration Authority (CIRA). This contributes to the stability and security of the .nz system for all its users, and ensures that we benefit from ongoing development and upgrades alongside other users of CIRA's technology.

This project involves more than half our people across InternetNZ and DNCL in diverse ways.

## .nz policy that responds to increasing concern on harm

A very small number of .nz domains are being used to harass and encourage harm to people in Aotearoa or to share highly objectionable content. In light of increasing risk, and concerns with our tightly circumscribed ability to respond, we



need to reconsider the process and policy settings as to whether InternetNZ and the Domain Name Commission need a wider set of potential responses to these harms in the .nz space.

The previous independent review of .nz policy considered some of these issues in their work. At that time, we did not see the need to change our settings away from issues of “no concern for use,” and to have very circumscribed powers to act in removing content from the .nz domain space. These have been long standing principles in how we manage the .nz domain space, and have been kept because they clearly place responsibility for content management outside of our role.

.nz is also foundational to who we are and what we are able to accomplish — but risks undermining our strategy and values if we do not consider how to respond to these issues. If we are perceived as doing nothing about harmful content that is hosted on .nz websites, then our ability to lead and work in this space could be undermined.

Considering the issues and consulting fulsomely and widely, including with our membership, on appropriate settings is an essential component of undertaking this work.

This changes some of our expected work on phase 2 of the .nz policy review work, which we would rephrase and reprioritise.

## Rei tura: a Te Tiriti o Waitangi centric organisation

### Our strategy:

We believe that as an organisation of this land, and as guardian of .nz on behalf of Aotearoa, Te Tiriti o Waitangi should be central to how we operate.

We work to be recognised as kaitiaki of .nz, and as a Te Tiriti o Waitangi centric organisation, by developing relationships and working in partnership with Māori, and by embedding Te Ao Māori into our core work.

### Our strategic goal: we are a Te Tiriti o Waitangi centric organisation

We change our organisation so that Te Tiriti o Waitangi is central to how we work, infusing our relationships with others, in choosing the work we do and in how we go about that work. Over time, we realise our aspiration of being a kaitiaki for the .nz domain name space.

### Our work in 2022/23

To honour this rei kura and progress to achieve this goal, in 2022/23 we will:

#### **Address systemic racism in our governance and membership structures**

InternetNZ Council committed to conduct a review to examine claims of systemic racism within InternetNZ going back many years. InternetNZ acknowledges the following outcomes of our current governance and membership arrangements:

- under participation of Māori in the development of the Internet
- under representation of Māori in InternetNZ membership and governance
- under appreciation of te ao Māori, te reo Māori and tikanga in .nz policy and other governance instruments, and in the use of .nz.

InternetNZ has committed to becoming and being a Te Tiriti o Waitangi centric organisation, and therefore wishes to resolve these three acknowledged outcomes of our current governance and membership structures.

Through an independent review, we will invite our staff, members, partners, stakeholders and the reviewer to consider how best InternetNZ may resolve these issues to appropriately centre the organisation and our work in a Te Tiriti o Waitangi context.

## **Establish a range of Māori engagements and partnerships**

We will develop and maintain future and existing relationships with Māori people and communities (whānau, hapū, and iwi), and the Māori specialist communities — through the work that we do with the Māori Design Group.

By developing this range of relationships, we will strengthen participation of Māori in InternetNZ; understand and be able to assist in delivering to Māori aspirations in using the Internet in New Zealand, and be better able to incorporate perspectives from Te Ao Māori in the work we do.

Engagement and partnerships with Māori communities is an important, tangible step in building toward our commitment of being a Te Tiriti o Waitangi centric organisation.

# Rei kura: an Internet that benefits

## Our strategy:

We believe in an Internet that benefits all the people of Aotearoa.

We work towards the empowerment of all New Zealanders to use, create and innovate on the Internet in a way that keeps them and others safe. We work to shape developments affecting the Internet, both domestically and internationally, to make the Internet better for people.

## Our strategic goal: responses to harms

InternetNZ drives effective responses to the harms people experience, and the negative impacts on society, from an Internet dominated by big online services.

## Our work in 2022/23

Under this rei kura, our focus this year will be to:

### **Convene and advocate for systemic responses to the challenge of mis- and dis-information in Aotearoa.**

There is rising public attention and governmental interest in effective responses to the proliferation, and rising impact, of dis-, mis- and malinformation in the New Zealand information ecosystem. Public concern has been rising on this, as evidenced in InternetNZ market research.

InternetNZ's updated strategy sets out a goal to drive effective responses to online Internet harms to people and society. One of the particular challenges with that is the domination of the Internet by large Internet platforms. Much of the challenge of this problem occurs on these platforms, and in the broader information ecosystem which is a subject of interest.

This is a wicked problem. There is no simple response to this challenge. A broad combination of actions and adjustments by governments, Internet platform providers, citizens, the media and communities themselves will be needed to tackle it.

The government cannot solve the challenge of mis- and disinformation on its own. We are uniquely placed to utilise our experience in convening multi stakeholder dialogues on the Christchurch Call, and our capabilities and capacity in engagement, Te Ao Māori and policy, to work alongside government and others to help generate and support a multi stakeholder dialogue on this subject. With this

multi stakeholder approach, we can begin to understand perspectives and help develop solutions.

We will help to develop and support a process that convenes diverse voices and enables shared dialogue to identify, iterate and implement effective systemic responses to mis- and disinformation.

As a contribution to this process, we will articulate and push for effective systemic responses that support a free, open and secure Internet that is better for people.

# Rei kura: an Internet for everyone

## Our strategy:

We believe that everyone in Aotearoa should be empowered to make the most of an increasingly digital world, in a way that works for them.

We work to enable all the people of Aotearoa to access and effectively use the Internet to equitably participate in and benefit from our society, democracy and economy.

## Our strategic goal: digital equity and inclusion

InternetNZ drives meaningful efforts across Aotearoa to address current problems of digital equity and digital inclusion, with our efforts focused on access (people being able to get online) and accessibility (all people being able to make the most of the digital world).

## Our work in 2022/23

For the next financial year our focus will be on:

### **Working through DECA towards digital equity**

We will continue to support the structure and core mahi of the Digital Equity Coalition Aotearoa (DECA) as a community grounded, collaborative ecosystem of parties working towards digital equity.

We will work towards affordable connectivity in collaboration with others and within the framework of DECA through the Affordable Connectivity Constellation.



# Budget 2022/23

---

**AUTHOR:** Andrew Cushen, Interim Chief Executive and Catherine Fenwick, Organisational Services Director.

**PURPOSE:** To set out the strategy, summary and detail of the proposed 2022/23 Budget and seek Council Approval.

## Introduction

This paper sets out the strategy for the 2022/23 Budget and provides background information on key assumptions used in preparation. The purpose is to seek Council agreement to the budget and the paper should be read alongside the 2022/23 Plan.

## 1. Budget Strategy 2022/23

This proposed 2022/23 Budget is based on the following key points:

- Our prioritised work is directly linked with the revised Strategic Plan and the Annual Plan shared as part of these papers.
  - **Rei Ora: Our foundations**
    - People, Partnership, Membership and .nz
  - **Rei Kura: .nz for All of Aotearoa**
    - Goal: .nz is a good product
      - Complete the replacement of the .nz registry
      - .nz policy that responds to increasing concern on harm

- **Rei Kura: A Te Tiriti o Waitangi Centric Organisation**
  - Goal: We are a Te Tiriti o Waitangi centric organisation
    - Address systemic racism in our governance and membership structures.
    - Establish a range of Māori engagements and partnerships
- **Rei Kura: An Internet that Benefits**
  - Goal: Responses to harms
    - Convene and advocate for systemic responses to the challenge of mis- and dis-information in Aotearoa.
- **Rei Kura: An Internet for Everyone**
  - Goal: Digital equity and inclusion
    - Working through DECA towards digital equity
- The following **assumptions** are the foundations of our annual plan and are key to understanding our Budget for the year.
  - Internet Registry System (IRS)
    - We estimate that the project to replace the registry systems (planned to go live in August) will consume 50% of the capacity of the organisation during the first half of the year.
    - .nz domain name registrations are projected to grow by 2% over the 12 months this is in line with growth over the last 12 months and the effect of the price increase as long term domain renewals is still a factor in year on year growth
    - The cost of the new registry has been built in from August and costs are in line with the business case presented last year.
    - Direct costs of supporting .nz are based on running two sets of infrastructures during part of the year.



- Non .nz products
  - The plan and budget is based on refocusing on products that have a public good impact rather than commercial returns first.
- Staffing
  - 2021/22 has been a year of change for us and has seen a high level of turnover in staff. The budget has been prepared based on recruitment of staff to support our new proposed structure and annual plan therefore has a high level of costs in areas such as recruitment. There are also additional costs that we will incur as we move to the new structure.
- A Te Tiriti o Waitangi centric organisation
  - As we move the organisation forward toward our goal we have included a budget allowance to support work in developing relationships and working in partnership with Māori, and also embedding Te Ao Māori into our core work. This level of investment is new for Internet New Zealand.
- Funding - Grants and Partnerships
  - Investment in Community Funding planned at \$1m.
  - We continue to support organisations such as DECA, CCAN, with resources and financial support
- Investment Income
  - We have reduced the expected returns on our current portfolio based on the volatile nature of the markets and returns at present.

## 2. 2022/23 Budget: Summary (incl 2021/2022 year-end forecast)

This section shows the overall Budget proposal and includes comparisons to the current year's financial forecast and the Year 2 of the Budget we presented to Council last year.

|                        | 2021/22      | 2021/22                            | 2022/23      | 2022/23                              |
|------------------------|--------------|------------------------------------|--------------|--------------------------------------|
|                        | YE Forecast  | Budget Presented to Council in Dec | Budget       | Budget reported for Y2 in March 2021 |
| Description            |              |                                    |              |                                      |
| Total Revenue          | \$13,049,324 | \$12,953,309                       | \$13,655,013 | \$13,586,903                         |
| Direct Costs           | \$2,777,721  | \$2,697,279                        | \$3,522,327  | \$3,286,555                          |
| Employment Costs       | \$6,232,132  | \$6,573,609                        | \$6,775,854  | \$6,849,477                          |
| Operational Costs      | \$1,906,178  | \$1,965,436                        | \$1,531,607  | \$1,426,931                          |
| Policy                 | \$223,582    | \$215,000                          | \$95,000     | \$71,000                             |
| Governance             | \$335,349    | \$344,820                          | \$370,993    | \$321,800                            |
| International          | -\$7,065     | \$50,000                           | \$20,000     | \$90,000                             |
| Communication          | \$143,166    | \$168,067                          | \$40,000     | \$0                                  |
| Commercial             | \$67,036     | \$52,817                           | \$30,000     | \$0                                  |
| Funding                | \$1,058,831  | \$1,050,015                        | \$1,062,000  | \$1,000,000                          |
| Engagement             | \$209,877    | \$215,000                          | \$145,000    | \$145,000                            |
| Membership             | \$9,758      | \$10,000                           | \$10,000     | \$10,000                             |
| Depreciation/Write Off | \$279,786    | \$308,688                          | \$297,429    | \$377,305                            |
| Total Costs            | \$13,236,350 | \$13,650,731                       | \$13,900,210 | \$13,578,068                         |
| Work Funding Pool      |              |                                    | \$500,000    | \$400,000                            |
| Investment activity    | \$302,913    | \$493,983                          | \$394,881    | \$421,165                            |
| Surplus/Deficit        | 115,887      | (203,439)                          | (350,316)    | 30,000                               |

You will note that based on our Forecast above we are currently expecting to finish 2021/22 with a surplus of \$115k (This is a \$300k improvement on the December Budget we presented). Of note is the underspend on Employment costs due mainly to staff turnover and delays in recruitment.

We would like to highlight some significant one-off costs in 2022/23 in the Financial information laid out above. Total one-off estimate \$340k to \$365k

- As previously mentioned staff turnover has been high at many levels within the organisation and as we build a new structure and recruit the cost in the budget

that could be considered once off for recruitment is \$145k - \$150k and structural changes \$85K - \$100k.

- We have also reviewed our work to align with the change in strategy to non commercial product developments and estimate costs of this change to be approximately \$80k- \$85k.
- The contribution that Investment income can make to our surplus/deficit has been reduced by \$30k.

You will also note that we have capped the spend on work this year beyond the registry replacement and available internal resources to an available financial pool of \$500k. The drawings on this pool will be prioritised to support our annual plan activities.

As we continue on our journey of strategic review with another milestone in June when the Council workshop on .nz for Aotearoa is due to take place and in August we will have passed the go live milestone on the registry replacement project - we believe that the budget should be reviewed at half year to ensure it aligns with the goals we are setting.

We have also included below some indicative numbers for future years (year 2 & 3) that is based on the following information

- Growth in .nz estimated at 1% (2% for next year only)
- The IRS costs - 12 months of costs
- We retain the work funding pool to align work in each annual plan.

|                        | 2021/22      | 2022/23      | 2023/24       | 2024/25       |
|------------------------|--------------|--------------|---------------|---------------|
|                        | YE Forecast  | Budget       | Year 2 Budget | Year 3 Budget |
| Description            |              |              |               |               |
| Total Revenue          | \$13,049,324 | \$13,655,013 | \$13,774,674  | \$13,912,415  |
| Direct Costs           | \$2,777,721  | \$3,522,327  | \$3,737,455   | \$3,605,896   |
| Employment Costs       | \$6,232,132  | \$6,775,854  | \$6,576,658   | \$6,869,769   |
| Operational Costs      | \$1,906,178  | \$1,531,607  | \$1,466,376   | \$1,484,165   |
| Policy                 | \$223,582    | \$95,000     | \$25,000      | \$25,000      |
| Governance             | \$335,349    | \$370,993    | \$373,126     | \$375,301     |
| International          | -\$7,065     | \$20,000     | \$50,000      | \$50,000      |
| Communication          | \$143,166    | \$40,000     | \$40,000      | \$40,000      |
| Commercial             | \$67,036     | \$30,000     | \$30,000      | \$30,000      |
| Funding                | \$1,058,831  | \$1,062,000  | \$1,062,000   | \$1,062,000   |
| Engagement             | \$209,877    | \$145,000    | \$150,000     | \$85,000      |
| Membership             | \$9,758      | \$10,000     | \$10,200      | \$10,404      |
| Depreciation/Write Off | \$279,786    | \$297,429    | \$323,367     | \$279,718     |
| Total Costs            | \$13,236,350 | \$13,900,210 | \$13,844,182  | \$13,917,253  |
| Work Funding Pool      |              | \$500,000    | \$500,000     | \$500,000     |
| Investment activity    | \$302,913    | \$394,881    | \$470,016     | \$470,016     |
| Surplus/Deficit        | 115,887      | (350,316)    | (99,492)      | (34,822)      |

Below we have also calculated the projected net equity position for each year. This will allow us to monitor our actual position to the targets set in the Finance and Investment Strategy.

| Forecasts                                 | 2021/22    | 2022/23    | 2023/24   | 2024/25   |
|---|------------|------------|-----------|-----------|
| Surplus/(deficit)                         | 115,887    | (350,316)  | (99,492)  | (34,822)  |
| Forecast opening equity                   | 10,171,189 | 10,287,076 | 9,936,760 | 9,837,268 |
| Forecast closing equity                   | 10,287,076 | 9,936,760  | 9,837,268 | 9,802,446 |
| Reserves                                  | 3,723,420  | 3,723,420  | 3,723,420 | 3,723,420 |
| Forecasted Equity Position after reserves | 6,563,656  | 6,213,340  | 6,113,848 | 6,079,026 |
| Target equity position                    | 5,500,000  | 5,500,000  | 5,500,000 | 5,500,000 |
| Equity lower limit                        | 3,500,000  | 3,500,000  | 3,500,000 | 3,500,000 |

### 3. 2022/23 Budget: Capital Expenditure

The proposed Capex budget is set out below, showing divided in the following categories:

- .nz Investment
- Other capital activities to support the business

The Project Mimosa capital investment aligns with the Business case as presented last year.

The other significant investment is in -

- Replacing our CRM system that will be no longer supported in 2022
- Refresh of aged staff and office equipment.

| Forecasts                | 2022/23   |
|--------------------------|-----------|
| .nz Investment           |           |
| Mimosa                   | 1,587,175 |
| Infrastructure/Other     | 40,000    |
| Other                    |           |
| Staff computer Equipment | 111,500   |
| Web Development/CRM      | 100,000   |
| Broadband Map            | 50,000    |
| Misc                     | 20,000    |
| Total                    | 1,908,675 |

### Recommendations

That Council **approve** for 2022/23 an operational expenditure budget limit of \$14m and capital expenditure of \$1.9m

That Council **note** the Revenue target of \$13.65m

Andrew Cushen

**Interim Chief Executive**

Catherine Fenwick

**Organisational Services Director**

# Health Safety Wellbeing Report

---

**AUTHOR:** Health, Safety and Wellbeing Committee

**PURPOSE:** To provide the Committee with an update on Health Safety and Wellbeing (HSW) for the InternetNZ Group.

This report is prepared for InternetNZ Group and all information is based on group Staff (INZ and DNCL) and activities of a Group HSW Committee.

| <b>Period</b>             | <b>Number of Near Misses reported/or identified</b> | <b>Number of Incidents reported/or identified</b> | <b>First Aid Incidents reported/or identified</b> |
|---------------------------|---|---|---|
| Feb 2021 - 18 June 2021   | 2   | 0   | 1   |
| 19 Jun 2021 – 8 Sep 2021  | 0   | 0   | 0   |
| 9 Sep 2021 - 9 Nov 2021   | 1   | 0   | 0   |
| 10 Nov 2021 - 27 Jan 2022 | 1   | 0   | 0   |
| 28 Jan 2022 - 9 Mar 2022  | 0   | 0   | 0   |

## Summary

### Incidents and Hazards

- Since the last report, two hazards have been reported and identified. One was some damage to the stairs in the office which presented a tripping hazard and the other was a small gap on the floor near the stairwell. We have contacted the building owner regarding these hazards and they have now been resolved. There were no incidents or near misses reported.

With our continued low risk approach to COVID, during the red setting of the protection framework, the COVID group has reviewed the stance. Our stance remains unchanged as below.

|               | <b>Working remotely</b> | <b>Office status</b> | <b>External visitors in the office</b> | <b>Domestic travel</b> |
|---------------|-------------------------|----------------------|--|------------------------|
| <b>GREEN</b>  | Available               | Open                 | Permitted                              | Permitted              |
| <b>ORANGE</b> | Available               | Open                 | Permitted                              | Permitted              |
| <b>RED</b>    | Encouraged              | Open                 | Not permitted                          | Not permitted          |

### HSW Committee update

The INZ and DNCL Health, Safety & Wellbeing Committee met on 17 February 2022 and again on 2 March 2022. Key topics discussed are as follows:

- A potential hazard of staff driving whilst attending online meetings was raised. As per the HSW Policy we have reminded staff about ensuring they have a safe working environment and that driving whilst attending a meeting is not seen as a safe space. We have requested that they re-organise the meeting or pull over to attend. This has now been added to the Hazard Register.
- There has been a call for new members of the committee and we have communicated the Together Working Better policy and the lone worker guidelines.
- Three members of the committee are being trained as H&S representatives
- There was increased levels of stress across the organisational team identified by the committee.
- Based on feedback in a recent survey we have
  - recommunicated the organisational COVID stance for clarity.
  - promoted ways for individuals and teams to support their own well-being.
  - approached specific groups for more regular communication about the work they are doing.
- Identified areas for concern for staff were workload concerns especially as we are down several staff currently. SLT have prioritised reviewing the work programme and BAU activities to reduce workloads.

At the time of writing, it is also evident that there is uncertainty with the change in CE. Andrew is doing regular updates with staff and has been specific with priorities to allay this.

### **Recommendation**

THAT the Health, Safety and Wellbeing Report be received.



# Chief Executive Appointment

---

**AUTHOR:** Joy Liddicoat, President and Chief Executive Review Committee

**PURPOSE:** To report to Council on the CE Appointment Process

## Introduction

Following the resignation of the Chief Executive, Council has appointed an Interim Chief Executive. The purpose of this paper is to seek Council views on the appointment process for a new Chief Executive.

## CEO Appointment Process

Council appoints the InternetNZ Chief Executive and may determine its own process for doing so. In 2017, Council agreed to recruit externally, established a Council Appointment Panel (including an independent member), and engaged Jackson Stone to run the recruitment process. The recruitment ran over a 3 week advertising and search programme and then provided the Appointment panel with a long list (15-20) of candidates for consideration. The Appointment panel interviewed short listed candidates and agreed those that would present and be interviewed by Council.

Council will need to take advice on the appropriate recruitment plan in the current environment and employment market, including when seeking interest from overseas. However, an indicative timeline for a generic CEO appointment process would include:

|            |  |
|------------|--|
| Week 1     | Council approve appointment panel and appointment process  |
| Week 1     | Council approval of CEO Position Description and CEO compensation parameters (i.e. salary range, relocation package) |
| Week 1     | Council approve search/advertising strategy (i.e. NZ only or some international?)                                    |
| Week 1     | Council seek proposals and agree on recruitment agency   |
| Week 2-3   | Engagement of recruitment company and formal briefing  |
| Week 3     | Recruitment process begins – advertising on relevant platforms and search process                                    |
| Week X     | Applications close   |
| Week X +1  | Meeting of recruiter and appointments panel to review long list and select candidates for recruiter to interview     |
| Week X +2  | Recruiter interviews of long list candidates   |
| Week X +2  | Meeting of recruiter and appointments panel to select short list of candidates to be interviewed                     |
| Week X + 2 | Appointments panel interviews of short listed candidates   |

|            |  |
|------------|--|
| Week X + 3 | Council meeting where top candidates are interviewed |
| Week X + 4 | Reference checking and psychometric assessment       |
| Week X + 4 | Offer to preferred candidate                         |

## Recommendations

That Council agree to:

- (a) Establish a Chief Executive Recruitment Committee comprised of: the President, Vice President, 1 other Councilor and an independent member
- (b) The options for an independent member to be provided and agreed by e-vote at the appropriate time.
- (c) Review a draft of the Position Description for the InternetNZ CEO and agree to provide any changes to the President by email.

## DRAFT: Appointed Council Member

|                       |                                   |
|-----------------------|-----------------------------------|
| <b>Policy</b>         | CNL-APT: Appointed Council Member |
| <b>Version</b>        | 1.0                               |
| <b>Date in force</b>  | Feb 2020                          |
| <b>Reviewed</b>       | N/A                               |
| <b>Planned review</b> | Feb 2022                          |

## Introduction

This Policy sets out the following matters:

- Key principles for an Appointed Council Member
- Terms of appointment
- The Appointment Panel
- Appointment process

## Key principles

1. Council must undertake a skills and diversity gap assessment following the annual Council election at the AGM
2. Council has the option to appoint up to two Council Members to fill skills or diversity gaps identified in the assessment. One may be appointed following the 2018 AGM and a second one following the 2019 AGM
3. An Appointment Panel will be convened to bring a recommendation of an Appointed Council Member to Council for a vote. If Council does not vote to approve an Appointment Panel recommendation it may request that the Appointment Panel conduct the process again
4. The Appointment Panel will consist of five panellists and must have a majority of non-Council Members
5. A vacancy for an Appointed Council Member must be advertised to members of InternetNZ as well as more generally, to help create the widest possible pool of potential applicants
6. An Appointed Council Member will have the same rights and obligations as an Elected Council Member except that they may not vote on the appointment of another Appointed Council Member
7. An Appointed Council Member must become a member of InternetNZ and must maintain that membership throughout their appointment term

8. An Appointed Council Member will generally be appointed for a two year term
9. The appointment (and removal, as the case may be) of Appointed Council Members requires six of the nine Officers and Elected Council Members to vote in favour of the appointment (or the removal as the case may be).
10. Where a vacancy of an Appointed Council Member position arises Council is not obliged to fill it. If it wishes to fill the vacancy, Council will first update the skills and diversity gap assessment (if the Council's composition has changed since the outgoing member was appointed), and may choose either to appoint for a new two-year term, or appoint for the remainder of the term.
11. At the conclusion of the two-year term the Appointed Council Member may be re-appointed for additional two-year terms subject to a vote by Elected Council Members. If an Appointed Council Member resigns or is removed by Council during their term, then Council should instigate the assessment and appointment process.

## **Terms of Appointment**

- An Appointed Council Member will be appointed for two-year terms
- The maximum consecutive term for appointment is four two-year terms

## **Appointment Panel**

- A standing committee of the Council
- Five members
- Standing members will be the President or Vice President and one other Officer or Elected Council member
- Additional members will be:
  - Two InternetNZ Fellows, who are not currently employed, contracted, or volunteering in a governance or staff capacity within the InternetNZ Group
  - an independent, experienced governance practitioner who is remunerated on a consultancy basis
- Will be supported by InternetNZ staff

## Appointment Process

A four stage process

1. Council considers the diversity and skills gap assessment conducted following the AGM, and then recommends to the Appointment Panel the skills, experience and other attributes it believes are desirable in the appointee. If a current Appointed Council Member is being considered for reappointment, the President should also provide confidential advice to the Appointment Panel about the performance of the Appointed Council Member.
2. The Appointment Panel conducts a search, shortlisting, interview and due diligence process to select a single candidate for each vacancy, and provides substantive documentation on recommended candidates to enable an informed decision to be made by Council.
3. The Council accepts or rejects the nomination(s). In the event that it rejects a nomination, the Council will instruct the Appointment Panel to conduct the process again – the Council does not short-cut the process by making its own selection.
4. Notification to the successful appointee, notification to unsuccessful candidates and public announcement of the appointment.

Further details for some of the stages are set out below.

### Stage 1

Stage 1 should generally commence at least one month prior to the expiry of the current term of an Appointed Council Member and following the skills and diversity gap assessment. This means the term of an Appointed Council member will generally start, and end, more than a month after an AGM.

### Stage 2

#### The Search Process

- The widest possible canvassing for high quality candidates should be undertaken.
- Potential appointees can be identified in various ways including:
  - advertising the vacancy to members on the InternetNZ website
  - advertising the vacancy publicly in other relevant publications/websites
  - advertising the vacancy with the Institute of Directors
  - seeking suggestions from current Council Members
  - seeking suggestions from the Institute of Directors

- seeking names from professional networks or personal contacts
- All candidates' expectations should be carefully managed throughout any personal contact so that there is no implication or expectation of appointment.

### Information from Candidates

- It should be clear to all candidates the information that is sought from them so that there can be a consistent review of the qualities and skills of all candidates.
- Candidates should be asked to identify whether they (or a partner, child or other close family member or friend) have or are likely to have any financial, personal or professional interests that might create a conflict if they were to be appointed.

### Shortlisting

- All candidates should be assessed against the same critical requirements for the role. The potential for conflicts of interest should also be considered at this stage.

### Interviews

- Interviews should be handled in a consistent way and against clear criteria, so that fair comparisons can be made of all short-listed candidates.
- The membership of the panel for an appointment should remain the same, unless exceptional circumstances arise.
- An objective record should be kept of all interviews.

### Recommendations to Council

- The Appointment Panel will provide appropriate documentation to the Council to enable it to make an appointment to each available Appointed Council Member role.
- The Appointment Panel may choose to rank appointable candidates and make recommendations on its preferred candidate (or candidates when there are two Appointed Council Member positions available) for appointment.
- The Appointment Panel will be clear where applicable which of the available Appointed Council Member roles it recommends a specific candidate for, and the reasons for this.

## **Stage 4**

### Letter of appointment

- A letter of appointment should be sent from the President of InternetNZ to the new Appointed Council Member setting out as a minimum:
  - the position being appointed to and a role description
  - the term of appointment
  - the fees relating to the appointment
  - a clear indication that there is no guarantee of appointment for a further term
  - termination reasons and procedures.
- Existing Appointed Council Members being re-appointed should be sent a similar letter though the level of detail required would be less.

### Unsuccessful candidates

- Advising unsuccessful candidates should be left until after Council has made the appointment decision in respect of the vacancy. The notification should then be done promptly and sensitively.
- Where a person has been interviewed the President or another nominated member of the Appointment Panel should speak to the unsuccessful nominee. In all cases, a letter should be sent notifying the unsuccessful candidates of the decision of non-appointment.
- The notification of unsuccessful candidates must occur prior to any public announcement of an appointment being made.

## **Re-appointment of Appointed Council Members**

- Appointed Council Members should not be given any expectation that they will be offered a subsequent term of appointment.
- There is a balance between the benefits derived from continuity of service on Council, the value of Council gaining new ideas and perspectives, and the need to avoid Council losing experience. Council's goals, its overall skills needs, and/or an Appointed Council Member's performance may have changed since their term began.
- Where a reappointment is being considered, the following points should be considered by the Appointment Panel:
  - The number of terms already served

- Is the current Council Member role description, the mix of skills within Council and the contribution made by the incumbent still relevant to the work of Council?
- How well does the current composition of Council match the current and future work programme, governance requirements and general needs of InternetNZ?

## **Induction**

Induction of new Appointed Council Members is the responsibility of Council and InternetNZ staff.

Council must have a comprehensive induction programme to help new Appointed Council Members contribute confidently to the work of Council.

## **Conflict of Interest**

Council places importance on making clear any existing or potential conflicts of interest for its Council Members. Appointed Council Members should not have a conflict of interest that could give rise to challenges of conflicts of interest.

Details of the Conflict of Interest policy are provided in the InternetNZ governance policy CNL-COI-Conflicts-of-Interest.



COUNCIL - APRIL 2021

# Appointed Councillors

---

AUTHOR: Joy Liddicoat, President

PURPOSE: To report to Council on the Appointed Councillor positions

## Introduction

Council comprises nine elected Councillors and up to two appointed Councillors. This paper recommends reappointment of Anthony Bow as an Appointed Councillor and seeks Council views on the other position.

## Background

As a result of the organisational restructure of InternetNZ in 2017, constitutional changes were made in 2018 for Council appointment of up to two 'appointed Councillors' with one able to be made following the AGM in 2018 and an additional appointment able to be made following the AGM 2019. In 2018 council decided that an additional appointment was not necessary and in 2019 following the AGM council decided to begin with a Council Skills and Diversity Assessment to identify gaps.

As a result, Council agreed to appoint two appointed Councillors, using an Appointments Panel to provide a recommendation to the Council on who it should appoint. The process was interrupted twice during 2020, firstly when the President decided to change the recruitment company that had been hired to assist (before the roles were advertised), and then secondly and more significantly by the COVID-19 global pandemic and subsequent lockdown.

Anthony Bow and Melissa Davies were appointed in July 2020 for a period of two years (ending 20 July 2022).

## Policy

The Appointed Councillor policy is attached as an appendix. The policy provides that where a vacancy arises, Council is not obliged to fill it. If it wishes to do so, Council must first update the Skills and Diversity matrix. Council may then choose either to appoint an existing person for a new two-year term, or appoint for the remainder of the vacated term (see clauses 10 and 11 of the attached policy).

## Current Positions

The two appointed Councillors have been excellent, both making substantial contributions, bringing skills and perspectives quite different from elected Councillors and filling skills gaps. Since Melissa Davies resigned in late 2021, Council has not filled her position, instead waiting to consult informally with the newly established Māori Design Group. The term of that position ends on 20 July 2022 and it would be impracticable to conduct an appointment process for the remainder of that term.

Following Council elections in 2021, the Skills and Diversity assessment was updated. Council received this at its December 2021 meeting and agreed to discuss in more detail at its May meeting, ahead of the annual elections. The results of this most recent assessment show Council is weakest in the area of financial skills, with only two Councillors indicating high level of skills in this area:

“The ability to read and comprehend the organisation’s accounts and the financial material presented to the board. Financial literacy at a level consistent with minimum expectations placed on directors under the law.”

As one of these two Councillors, I consider it appropriate to reappoint Councillor Bow. In addition to providing much needed financial literacy skills, Anthony has made a significant contribution to Te Komiti Whakauru Māori, bringing the benefit of his extensive involvement with iwi. Reappointment would also ensure continuity and stability, particularly as Council works through the process of appointing a new Chief Executive. Anthony’s most recent CV is attached.

I therefore recommend Anthony Bow be reappointed for a further period of two years.

The second Appointed Councillor position is vacant. Council has several options including: leave the role vacant; fill the role before the 2022 election; fill the role after the election in light of a newly constituted Council and an updated Skills and Diversity matrix. Should Council decide to fill the vacancy, the policy should be reviewed in time to recommend any improvements before the process gets underway.

## Recommendations

- (a) Agree that Anthony Bow be appointed as an appointed Council for a further period of two years; and
- (b) Agree whether and, if so, when to fill the second Appointed Councillor role.

# President Report

---

AUTHOR: Joy Liddicoat, President

PURPOSE: To provide a report back to Council on the President's activities.

## Introduction

The big news in March was the resignation of our long-standing Chief Executive, Jordan Carter. Jordan's near 20 year contribution to InternetNZ is impossible to summarise concisely. Jordan has been an integral part of who we are and a warm, engaged, intelligent and powerfully articulate advocate for .nz and InternetNZ both in New Zealand and on the global stage. On a personal note, having known Jordan for more than 15 years, I will miss him enormously, but I also wish him well with his next endeavours.

## Comment

A major focus since my last report has been working with Jordan and Andrew to ensure a smooth transition following Jordan's resignation. InternetNZ is in a good place and we have had time to plan for this change. I'm very grateful to Andrew for stepping into the role of Interim Chief Executive and to Jordan for ensuring continuity through to the end of June. My strong hope is that our May Council meeting will be able to be held in person and, if so, that I will be able to invite InternetNZ members and stakeholders to join us in farewelling Jordan in person at suitable events around that time.

Change presents challenges and opportunities. I am confident InternetNZ is managing the challenges well. To make the most of the opportunities, we must come together, regather our efforts and renew our focus on our purpose. I am delighted to be able to start our financial year with a clear vision and refreshed strategic purpose: to be the home of .nz working for an Internet that benefits everyone. With a clear vision, supporting strategy, plan and budget, we will be ready to get on with fulfilling the society's objects in the years ahead.

That brings me to our external focus in 2022: delivering on our charitable and society objects. As we all re-emerge from the global pandemic it is more important than ever that we ensure our services are fit for purpose and meet the needs of the local Internet community. We will be completing a once in a generation registry replacement, a registry which services hundreds of thousands of registrants and ensuring we enable a competitive market of registrars supported by an enabling set of .nz policies. This must go smoothly to ensure we retain the confidence and trust of the local Internet community.

We will also focus charitable grants to the needs of community groups and individuals, deepen engagement with Maori and contribute to the global Internet community through our engagement in appropriate international forums. A review of our international strategy at our May meeting will be an opportunity to ensure this has the right external focus.

## **Membership and Engagement**

Member discussions in the past few months include: promoting smartphone ownership, affordability and recycling, the implications of a suggestion that .ru be removed from the DNS in response to the invasion of Ukraine, whether .schools.nz should be a moderated space, the digital industry transformation plan, and concerns over cultural appropriation of Maori culture in the rapidly developing non fungible token market. Discussions take place over a range of channels and it's great to see members actively discussing new and emerging issues or areas of concern.

A deeper issue, one that has been a part of global domain name system and root server regulation for decades, is the role of top level domain managers in regulating online content. This is an abiding issue and while it does not go away, the context in which it is debated is always changing. Most recently, in the .nz context, debate about the role of InternetNZ and the regulator, the Domain Name Commission, in online content regulation has again re-surfaced. For example, members have been considering the abhorrent online content connected to anti-vaccination, anti-mandate, the extreme misogyny and other vile content that is causing distress to many, with commentary on the relevance, if any, to .nz policy.

We should never shy away from this debate. In a multi-stakeholder environment there will always be very different perspectives from academics, business, government, civil society and the technical community. In a heated and confrontational environment, calm heads and strong hearts are needed. InternetNZ can support community debate in a number of ways: by ensuring it is well informed and evidence-based and that misconceptions about our role and the limits of .nz policy are clear. We can also offer an important contribution to the government review of online content regulation which is currently underway, including the role of those with expertise in content regulation and harm based laws (such as the Classification Office, NetSafe and the Privacy Commissioner).

Changes in .nz policy are a different matter: these must follow clearly prescribed rules, including proper community consultation. As is proper for any decision-maker, our plan for .nz policy reviews will follow these rule-making processes without any predetermination of outcomes. Members and other stakeholders will be able to engage in these processes as these roll out in the year ahead. On that front, I am looking forward to a mid-year discussion about the future of .nz, which will take place in June.

Finally, I have had a number of engagements since our last Council meeting including with members, government agencies, DNCL Board members, and the Māori Design Group.

# Independent Review of Systemic Racism

---

**AUTHOR:** Jay Daley, Vice-President and Sarah Lee, Chair Komiti Whakauru Māori

**PURPOSE:** To commission an independent review of systemic racism within InternetNZ.

## Introduction

In October 2021, Council considered options for a review of systemic racism in InternetNZ. Council sought more work and this paper seeks Council agreement to the proposed review.

## Background

Systemic racism is the concept that the ways things are done in a society or an organisation disadvantages groups of people based on their race. It is a form of discrimination. Council regards it as a basic a priori principle that racism in any form is unacceptable to InternetNZ. Council acknowledges the reality of systemic racism in Aotearoa and the clearly expressed concerns that it exists within our organisation. Systemic racism within our organisation at any level needs to be brought to light, and the systems involved changed so that they protect and promote the human rights of all.

## We acknowledge these areas of concern

InternetNZ Council committed to conduct a review to examine claims of systemic racism within InternetNZ going back many years. As a precursor to that review, we have carefully considered the feedback received and issues raised and have identified three key ways in which InternetNZ has inadvertently discriminated against Māori and te ao Māori:

1. Much of the early development of the Internet took place at a time when racism was embedded in NZ society and this resulted in the exclusion of Māori and other indigenous peoples, from free and equal participation in the development of the Internet. This has led to an under-participation of Māori in the development of the Internet.

2. The voting system used by InternetNZ, which followed colonial democratic principles, delivered a result that for many years excluded Māori from being InternetNZ Councillors and no attempt was made to redress that through other means. This has led to an under-representation of Māori in InternetNZ membership and governance.
3. The policy framework used by InternetNZ, which was built around NZ law and colonial consultation principles, for a long time prevented Māori from using te reo in domain name registration, and to this day provides lesser protection of Māori taonga than it does for the colonial concept of intellectual property. This has led to an under-appreciation of te ao Māori, te reo Māori and tikanga in .nz policy and other governance instruments, and in the use of .nz by Māori.

InternetNZ also recognises the need to address these issues to fulfil our strategic goal of becoming a “Te Tiriti o Waitangi centric organisation”.

### **Commissioning an Independent Review**

To examine, and add to if required, these identified issues, we wish to commission an independent review. The goal of the review will be to address the issues outlined above, and any others that the reviewer may identify, with the goal of strengthening our work and our organisation. We propose the following terms of reference for the review.

### **Terms of Reference for the Independent Review**

The Council of InternetNZ have commissioned an independent review with the following Terms of Reference:

1. To review the claims of systemic racism, the areas of concern identified above and any further areas identified by respondents, and to give a view on them.
2. To make recommendations for improvements in policy and practice at InternetNZ in relation to these matters, those recommendations to be consistent with advancing the objects of InternetNZ and the resource constraints under which InternetNZ currently operates.
3. The Reviewer will be provided with full access to any information that they deem necessary, subject only to unavoidable legal, fiduciary and privacy constraints, to complete a rigorous review of the issues raised. The Reviewer may receive written or oral evidence, receive or request documentary evidence in support of submissions and request that individuals or groups meet with them. Members of InternetNZ (current and former) are encouraged to speak with the Reviewer.

4. The Reviewer may find it helpful to consider the report in two parts, with a report on (a) above as soon as practicable and a report on (b) by 30 June 2022.
5. Individual complaints are not formally within the scope of the review but the Reviewer will be provided with full access to information on matters that have sparked the review.
6. The reports authored by the Reviewer will be provided to the President and the Chief Executive of InternetNZ and will be made publicly available. It will be the Council's responsibility to prepare any version of the report that will be made publicly available, but the Reviewer will be consulted about the public release of any versions of the reports.
7. The Reviewer will be supported by the Chief Advisor Māori, the Māori Sector Partnerships team, Legal Counsel, and by other functions as required.

### **Timing**

The review will be completed by a written report to Council by 30 June 2022.

In meeting this completion date, the Reviewer will also need to have:

- met with Council and members of staff suggested by management.
- provided opportunity for members to make a submission to the Reviewer (either in support of or as an alternative to written submissions).

### **Recommendations**

We recommend that Council:

- (a) Agree to commission an independent review of systemic racism in InternetNZ; and
- (b) Ask the Interim Chief Executive to commence the review as soon as practicable.

# MINUTES

## COUNCIL MEETING

---

**Status:**

Draft

**Date**

Friday 11 February 2022

**Present:**

*Council:* Joy Liddicoat (President), Jay Daley (Vice President), Don Stokes, Sarah Lee, Richard Hulse, Kate Pearce, Jeff Montgomery, Anthony Bow and Potaua Biasiny-Tule.

**In attendance:**

*Staff:* Jordan Carter (Chief Executive), Catherine Fenwick, Dave Baker, Jodi Anderson, Andrew Cushen, Raniera Albert, Dane Foster, Brent Carey and Diane Robinson (Council Secretary)

**Meeting opened:**

The meeting opened publicly at 11:35am.

### Section 1 - Meeting Preliminaries

**1.1 Council only (in committee)**

**1.2 Council and CE alone time (in committee)**

**1.3 Karakia, apologies, interests register, and agenda review**

Cr Montgomery opened the meeting with a Karakia.

Apologies for aimee whitcroft.

The following updates to the Interest Register were advised:

Name: Don Stokes

Position: Council Member

Declaration Date: 2 February 2022

Update: Knossos Networks Limited to Rumsey Stokes Limited

**1.4 Action Items and Agenda Review**

The President worked through the action items and the following items had amendments to them:

- AP07/21 - Digital Identity online webinar - Andrew to confirm a time with Council.



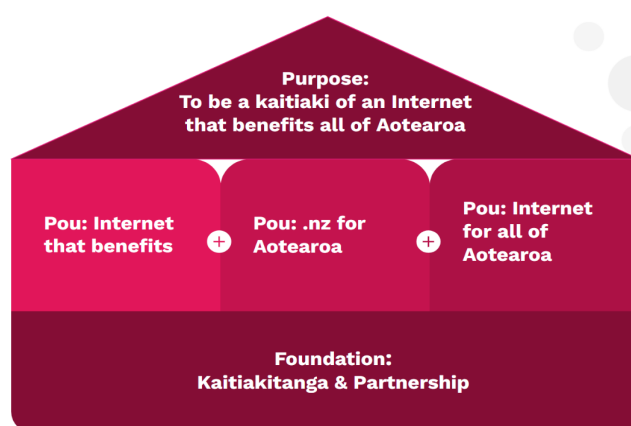
- AP19/21 - Quarterly Reporting and alignment with Council meetings - Catherine provided an update that there continues to be a misalignment due to having 6 Council meetings a year and the completion of the financials at the end of the quarter around timing. The President advised that there is a broader issue with the type of financial reporting required and that this action should remain on the list.

## Section 2 - Strategic Priorities

### 2.1 Strategy Update - purpose and goals

Jordan provided a brief overview of the draft strategy.

Council discussed and provided detailed feedback to staff on the draft strategy - the draft purpose statement is **To be a kaitiaki of an Internet that benefits all for Aotearoa**. Kaitiakitanga and kaitiaki correspond to 'guardianship' in English, and these te reo Māori terms would require active participation of tangata whenua and mana whenua in the organisation.



A summary of the feedback:

- The commitment to being a Te Tiriti o Waitangi honouring organisation to be incorporated as part of the strategy.
- To be Kaitiaki of the .nz domain name space. Also the word Partnership, replaced with a Te Reo word. Suggested the Kaitiakitanga & Partnership to be a sentence to clarify the meaning.
- Council reflected on 'the home' visual of the strategy and the majority of Council liked it. Council asked that the ordering of the Pou be reconsidered.
- Internet that Benefits - the need to consciously acknowledge the 'online harm' in our Pou and associated goals, and that we need to ensure we can clearly measure our impact in this area.
- Championing the new world of work - this goal needs to be reprioritised to a lower priority. This might be achieved as an outcome through other goals.
- Other Potential Goals:
  - Democracy - Misinformation voting, information. This needs to be a higher priority and included in the Goal: Improved services from big Internet platforms.
  - Shaping of the Internet was not supported.

- Tech for good - building brand around .nz - this potential goal to be moved under the Internet platforms goal.
- The draft .nz goals were noted as being for further discussion at a meeting in June.
- Ensure that all of our work is externally focused.

Council asked staff to further refine the draft strategy from the detailed feedback received.

**AP01/2022** Staff to prepare and further refine the draft strategy based on feedback from Council.

**AP02/2022** Council to discuss the draft Strategy at a pop up session and provide further feedback to staff on the revised strategy.

### Section 3 – Matters for Decision

#### 3.1 Council Work Plan 2022/23

That Council **approve** the Council Work Plan 2022/23, with amendments.

(All Council)  
**CARRIED**

#### 3.2 CE Review Terms of Reference

That Council **approve** the CE Review Terms of Reference.

(Cr Biasiny-Tule/Cr Hulse)  
**CARRIED**

**AP03/2022** - Staff to review all of the Council committee Terms of Reference templates and reformat to a common approach, for inclusion in the governance framework document.

### Section 4 – Matters for Discussion

#### 4.1 President's Report

That the President's report be **received**.

#### 4.2 2021 Election Review

Council received a draft report on the technical aspects of the elections. The report will be finalised and published once the returning officer has sought feedback from candidates. In future, this report will be done after each election period to support continuous improvement.

Council had a discussion about the report:

- Council confirmed their expectation that the Returning Officer's Report should be focused on the "mechanical" aspects of the election in accordance with the Constitution, akin to the Electoral Commission. As such it will not include

analysis or discussion of political elements.

- Council reflected on the tone and tenor of the last elections. There were claims of structural racism, accusations of misconduct and claims of inaccurate representation of operational matters. At the May Council meeting a discussion will take place ahead of the annual elections on any additional steps that may be useful to be taken.
- It was suggested that it would be helpful to have two reports: a Returning Officers Report (technical) and one from the President/Council on the more political aspects of the process.
- The role definition for Returning Officer was discussed and an action was agreed to clarify the role and expectations - to also happen at the May meeting.
- An issue was raised about the role of non returning officer members of staff during the election process and for this to be considered prior to the next election.
- Guidance for Council and Members during an Election process to be developed.

The Council thanked the Returning Officer, Andrew Cushen for the report.

**RN01/2022** That Council **receive** this report and note the next steps planned by staff as part of the preparation for the 2022 elections process.

(Cr Pearce/Cr Lee)

**CARRIED**

**AP04/2022** Propose a Role Definition for the Returning Officer by next Council meeting.

**AP05/2022** Feedback to be collected from past election candidates before the next meeting.

#### **4.3 Management Items for Discussion**

It was noted that the Risk Register will be discussed at the next Audit and Risk Committee.

Council commented on the Risk section:

- Red traffic light setting risk in relation to the premises currently being closed and domestic travel being not permitted. Council recommended that it is important that the settings are kept under constant review in terms of the changing environment and when INZ needs to change stance with the pandemic likely to be to be an ongoing risk. Noting the cost of the fit out for new office premises and ways of working for staff, their health and wellbeing to be able to access office space in Wellington and Auckland. *Response: The Covid-19 Committee meets frequently to review the settings and to make changes in response to the pandemic. The office was opened to staff again from 16 February 2022.*
- International travel - For staff to travel internationally there would need to be a very strong case to proceed. *Response: Discussions internationally have*

*been to resume in person or hybrid meetings, this is a signal to start to consider international travel and our role in the international arena.*

- New Offices and costs - The cost of the new offices in Wellington were outlined in the financial reporting as a significant investment. Concerns raised that we have a duty to ensure the new offices are well used for the investment. *Response: Catherine Fenwick explained that the cost of the premises were just under \$1m and the rest related to the flexi first project and staff costs into many areas e.g. new intranet, change management.*

That the Management issues paper be **received**.

**AP06/2022** Paper on International Strategy (key issues, and INZ contribution) to be prepared for discussion at the May meeting.

**AP07/2022** A breakdown of the flexible first project costs (premises) to be provided to Council between meetings.

## **Section 5 - Consent Agenda**

### **5.1 Health, Safety, Wellbeing Update**

That the Heal, Safety, Wellbeing Update be **received**.

### **5.2 Minutes of the Meeting of 3 December 2022**

That Council **approve** the minutes of the meeting held on 3 December 2021.

### **5.3 E-votes Ratification**

### **5.4 Quarterly and Operational Reports**

- 5.4.1 Membership Update
- 5.4.2 InternetNZ Activity Report (Q3)
- 5.4.3 InternetNZ Financial Group Consolidated Report
- 5.4.4 InternetNZ Financial Report (Q3)
- 5.4.5 Project Mimosa Update
- 5.4.6 DNCL Quarterly Reporting (Q3)
- 5.4.7 Committees update
  - 5.4.7.1 Update from Komiti Whakauru Māori
  - 5.4.7.2 .nz Policy Review Committee Update

The Chair, .nz Policy Review Cr Pearce provided an update that .nz policy recommendations tranche 2 have been prioritised, but there is no decision paper for this meeting.

**RN02/2022** That the quarterly and operational reporting be **received**.

## **5.5 Māori Design Group Update**

Cr Lee provided an update to Council and advised she was appointed as the Chair of the Komiti Whakauru Māori; other Council members include Cr Biasiny-Tule and Cr Bow. Two half day wānanga for the Māori Design Group (MDG) have been planned for 16-17 February 2022. The wānanga will be to work on and understand the parameters around He Pou Whenua and He Pou Tangata strategy, relationship with Council and MDG aspirations for 2022/2023. The MDG will come back to Council with a work programme.

The President thanked Chief Advisor Māori, Raniera Albert and the Māori engagement team for their work on the MDG papers.

That the Māori Design Group Update be **received**.

Section 5 Block Consent - (Cr Bow/Cr Biasiny-Tule)

**CARRIED**

## **Section 6 - Other Matters**

### **6.1 CONTINGENCY**

### **6.2 Matters for communication – key messages**

#### **6.2.1 Communications in general**

#### **6.2.2 Upcoming events**

### **6.3 General business**

### **6.4 Meeting review**

#### **Next meeting:**

The next scheduled Council meeting is Friday 1 April 2022.

The meeting closed at 1:23pm with a karakia by Cr Biasiny-Tule.

## E-Vote Ratification

There has been one e-vote conducted since the last Council Meeting:

| Evote:       | Motion:   | For:  | Against: | Abstain: |
|--------------|---|---|----------|----------|
| 010320<br>22 | <p>That Council</p> <p>1. note the resignation of the Chief Executive Jordan Carter and thank him for his service; and</p> <p>2. agree to the appointment of Andrew Cushen as Interim Chief Executive of InternetNZ and to the Board of the Domain Name Commission Limited with effect from 5 March 2022; and</p> <p>3. agree to appoint the Interim Chief Executive as the Interim Chair of the Board of the Domain Name Commission Limited.</p> | <p>President<br/>(Moved)</p> <p>Cr Hulse<br/>(Seconded)</p> <p>Vice President<br/>Cr Lee<br/>Cr Montgomery<br/>Cr Pearce<br/>Cr Bow<br/>Cr Stokes</p> | None     | None     |

Note. Cr Biasiny-Tule and Cr Whitcroft did not vote.

### Recommendation

THAT the e-votes be ratified.

COUNCIL MEETING - March 2022

# Update on Māori Design Group

---

**PURPOSE:** To update Council on the last Māori Design Group meeting

**Date Written:** 22/03/2022

## Background

The Māori Design Group (MDG) met online on the 16th and 17th of February 2022. This hui was meant to have taken place in Taupō however due to the COVID-19 restrictions under Red, staff are not permitted to travel domestically for work.

## MDG's hui (February 16th and 17th)

The following topics were discussed:

- Key policy issues facing all of Aotearoa that may impact Māori communities
- the proposed MDG engagement plan for their consideration;
- Key issues relating to Ipurangi Aotearoa, and the work Council would like their involvement on (co-governance model development,
- Ipurangi Aotearoa becoming a Te Tiriti o Waitangi centric organisation, and;
- Ipurangi Aotearoa's draft strategy refresh (our goals and purpose)

## MDG's work with Ipurangi Aotearoa

The MDG has signalled that they would like to wānanga amongst themselves how they best add value to Ipurangi Aotearoa in regards to providing the organisation with advice, and how they would like to work best with the organisation at both a governance and operations perspective given the organisation is moving at a fast pace.

Once they have had that discussion, they will feed this back to Joy, Sarah, Andrew and Raniera.

## Filling the vacancy (the 6th member)

MDG had a brief discussion about this towards the end of the hui. It was discussed that MDG needed more time to decide whether there is a need to fill this vacancy or not. The final decision will be made once MDG has figured out what industry knowledge gap is missing. They would appreciate that the offer to fill this vacancy remains open to them.

## MDG meeting schedule for 2022

Please note the following dates that MDG is planning to meet on for the remainder of 2022:

- 26 May 2022
- 15 Sep 2022
- 8 Dec 2022

Note that these dates do not include special meetings like community engagements.

## Recommendation

THAT Council:

- **Receive** the updates from the Māori Design Group.

Andrew Cushen

**Group Chief Executive**



# Updating Bank signatures and Directors

---

**PURPOSE:** Confirm signatories for the bank accounts and update directors on NZRS LIMITED

## AUTHORISED BANK SIGNATORIES

The following are authorised signatories to authorise bank transactions such as Monthly Creditors, AP setups, Direct Debits and Fund transfers.

- Joy Liddicoat
- Richard Hulse
- Kate Pearce

For the record, staff signatories who are able to authorise payments as per the Treasury governance policy are:

- Jordan Carter
- Catherine Fenwick
- Dave Baker

## Recommendation

THAT Jordan Cater be removed as a bank signatory.

THAT Don Stokes and Andrew Cushen be added as bank signatures.

## Updating the director of NZRS

We have retained the company's office registration for NZRS Limited over the last few years but as a non active company with one director - Jordan Carter.

We plan to proceed with winding up the company over this Financial year and will update Council on this process in a paper later in the year.

## Recommendation

THAT Jordan Carter is removed as a director of NZRS Limited

THAT Andrew Cushen be added as a director of NZRS Limited