MINUTES COUNCIL MEETING

Status:
Final

Date
14 August 2020

Present:
Jamie Baddeley (President), Joy Liddicoat (Vice President), Don Stokes, Sarah Lee, Richard Hulse, Kate Pearce, aimee whitcroft, Hiria Te Rangi, Melissa Davies and Anthony Bow.

In attendance:
Jordan Carter (Chief Executive), Catherine Fenwick, David Morrison, Dave Baker, Kim Connolly-Stone, Andrew Cushen, Dane Foster and Diane Robinson (minute taker).

Apologies:

Amber Craig.

Meeting opened:
The meeting started at 9:00am
Staff joined the meeting at 9:35am

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

Sarah Lee opened the meeting with Karakia.

The President, Jamie Baddeley welcomed the new Council members Hiria Te Rangi, Melissa Davies and Anthony Bow.

Apologies were received from Councillor Amber Craig.

The register was updated to include the new Conflict of Interest declarations from Hiria Te Rangi, Melissa Davies and Anthony Bow. Cr Te Rangi added that she also has a contract as an Advisor to the Spark Foundation.

1.4   Environment Scan

Nothing flagged.

Section 2 – Strategic Priorities

2.1   Induction of New Council Members

Jordan Carter, Chief Executive talked through a one-pager on the strategic goals and provided an update on the key projects as outlined below:

Internet for Good
Defining how an Internet for Good is different and how to move to it, and engaged Kiwis in the work locally and globally. Underway, slightly delayed due   to the pandemic.

Internet for All
Current focus is on leading the community of interest to instigate stronger investment in solving these challenges.

Internet for Good / All
Council had previously agreed to increase the funding pool this year to $1.5m and to defer the price increase for .nz until 1 October 2020.

Projects
Grow .nz: New Policy Framework is underway and currently in progress is the consultation on the Options paper. Recommendations from the .nz Panel Committee is due at the end of 2020. Progress is good, but there may be some risks to timing.

Grow .nz: New Registry System. Request for Tenders closes
1 September 2020. Dependency on the new policy framework to be completed slight risk on implementation timeframe.

Grow .nz: Redefining the service and the market - seeking to change the value proposition for .nz so that we can massively expand the use of the service. This project is in the kick off phase.

New products: DEFENZ sales are delayed (COVID) free trial strategy is in place. Registry Lock is delayed due to clash with .nz review for policy consultation. The portfolio is developing. The model being used is a reseller model.

Great place to work: Flexible First - Work underway to re-engineer business processes and systems where required.

Break Scheduled for 10:15 - 10:30am

Section 3 – Matters for Decision

3.1   Council Work Plan

The Council discussed the Work Plan and suggested the following amendments:

- .nz Policy Review Decisions for Council - include when Council needs to make decisions for each phase.

- Registry Replacement Project - February - note the dependency on the .nz Policy Review and include other times Council needs to consider this.

- Council Meeting 13 August 2021 - change the meeting date to 20 August 2021.

- Diversity Skills and Matrix Review 2021 - the Council acknowledged the recent feedback received from members from the disability community. . The president asked for an action plan to be developed for governance and operations to address the points made by the disability community to further support accessibility/inclusivity.

RN48/20   THAT Council adopt the work plan, subject to inclusions and amendments above.

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Cr Lee / Cr Hulse
CARRIED U

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AP18/20   Develop an action plan at a governance and operational level to support and address points raised by the disability community (training and initiatives) - for review at the Oct Council Meeting.

AP19/20   Health and Safety Policy to be sent to Cr Davies.

3.2   Budget 2020/21 : Recut following COVID-19

Jordan and Catherine presented the paper to Council and talked through the following revisions to the Budget:

- The $0.5M deficit relates to changes made by Council in March to:
  - Defer the .nz price increase from 1 June to 1 October that added $0.5m.
  - Increase to the $0.5m to the community funding pool from $1m to $1.5m.

- The Year to Date Position at the end of June is approx $600k surplus:
  - An increase on .nz domain names creates and revenue from registry fees up by $294k.
  - Investment income performed well in the quarter. Our return for the first quarter was $250k up.

- ○ An increase to the .nz Policy Review budget of $62,400 has been added to fund the costs of delays experienced in the running of the project (due to COVID-19).

- The deficit reported in March 2020 has been reduced by $270k in the revised budget presented in August 2020.

RN49/20   THAT the Budget review and update be noted.

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(Cr Pearce / Cr Hulse)
CARRIED U

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3.3.   Council Committees

Council discussed the size and composition of each of the committees.
Cr Lee proposed Council establish a forum for Māori Councillors to discuss issues relevant to Māori , like a Māori caucus. There was discussion about this and Cr Lee agreed to include this as an agenda item at the next Komiti Whakauru Māori hui, for further discussion and development.

The President advised that he would like to have further discussion with the new Councillors on the compositions of committees and which committees they might like to be considered for. It was agreed to withdraw the motion to decide on the committees at this meeting and defer and confirm at the next meeting or by evote between meetings.

The Vice President advised that there was further work to be carried out by Council on the Governance Policy Framework and that we should consider adding a Governance Committee.

The President asked the Vice President to organise a meeting to provide some background on the Governance Policy Framework to the new Councillors.

RN50/20   THAT Council confirms that it will conduct some of its work through these committees: Audit and Risk, CE Review, .nz Policy, Komiti Whakauru Māori.

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(President / Cr Lee)
CARRIED U

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RN51/20   THAT Council approve the recommendations of the Audit and Risk Committee to increase the daily payment limits in the Treasury Policy as follows:

1. where the value of the payment is up to $150,000, and the authorisers are two senior members of staff, or a senior member of staff and a Council Member, that this is increased to $500,000:

2. where the value of the payment is between $150,000 and $300,000, and the authorisers are the Chief Executive, and a Council Member, or two Council Members, that this is

increased to between $500,000 and $1,000,000.

3. where the value of the payment was $ 300,000 and the authorisers were two Council members, that this is increased to over $1,000,000.

4. endorse the increase of the daily online banking authorisation limit of the Chief Executive from $500,000 to $1,000,000.

(Cr Hulse /Cr Pearce)
CARRIED U

AP20/20   The President to confirm with new Council members what committees they would like to be considered. A paper to be submitted at the October meeting to confirm the committee composition.

AP21/20   The Vice President to coordinate meeting with new Council members to provide the background on the Governance Policy Framework.

AP22/20   Cr Lee to add an agenda item to the Komiti Whakauru Māori next hui; to discuss development of a Māori caucus for Māori Councillors to discuss issues relevant to Māori.

3.4   Retreat / Strategy Workshop

The Council discussed the concept of a retreat, and made the following suggestions for planning, subject to pandemic and alert levels:

● Proceed with planning for the event and coordinate the programme (incl end states, team building and an environment scan) and table at the October Council Meeting. Staff should also consider some alternative planning around the pandemic, should the in-person retreat not be able to go ahead.

RN52/20   THAT Council agree to hold a retreat sometime in early November 2020, and that staff report back with logistical and date options.

(President / Cr whitcroft)
CARRIED U

AP23/20   The draft programme for the Retreat to be presented at the October Meeting.

Section 4 – Matters for Discussion

4.1   President's Report

The President will forward his report to Council on the mail list.

4.2   Product profit measurement approach

Council had requested for information to be provided on how products are tracked for financial viability. David Morrison, Commercial Director talked to the paper that covered an overview of the processes and reporting in place to track towards this goal and the guiding principles that have been established to track product related costs and ensure there is a consistent approach to track revenue and cost attribution.

Council commented:
- A need for regular reporting for visibility to be provided to Council on:
  - How the product is tracking and performance
  - How a product is being assessed for success or whether the product needs to be put to an end.
  - Track and trend projections as well as performance. Noting that the projections have been reset due to the environment.
  - Include an arbitrary formula on staffing efforts.

- Ensure we have a good understanding of InternetNZ and public perceptions - are we seen as trusted and valued - this will help us with our digital identity in being stronger.

David advised that product development metrics will mature over time so that we can attribute effort of the team to specific products. It was noted that product financial reporting will be included in the quarterly financial reports, rather than separately.

RN53/20   THAT Council note the information in this paper about tracking the financial performance of commercial products.

(Cr Davies / Cr Hulse)
CARRIED U

AP24/20   A brief cover note and attached paper on public perceptions and current thinking and research to be emailed for Council Discuss. Council to discuss over the list or if needed further discussion can be held at the October Meeting.

4.3   Management Items for Discussion

RN54/20   THAT Management Items for discussion be received.

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(President/Cr Hulse)
CARRIED U

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Section 5 - Consent Agenda

5.1   2021 Meeting Schedule

5.2   .AQ Assumption of stewardship - shares acquisition

The paper on the shares acquisition of .AQ was discussed by Council and they provided feedback to staff. The paper didn't set out the context of what is happening with .AQ comprehensively, and Council preferred not to make any decisions without staff providing a fuller context for the decisions noted in it.

It was agreed that the paper would be rewritten into a decision paper for Council to review either online, or at the October meeting.

AP25/2020   .AQ shares acquisition decision paper - October Meeting.

5.3   Confirm Minutes of August 2020

5.4   Actions Register

5.5   E-votes Ratification

5.6   Quarterly Report

5.6.1   .nz Quarterly Report

5.6.2   DNCL Quarterly Report

5.6.3   Group Financial Report

5.6.4   InternetNZ Financial Report

5.6.5   Council Committees Report

5.6.6   Membership Update

5.6.7   International - ICANN68 Policy Reform Online Report

RN55/20   THAT Council adopt the 2021 meeting schedule.

RN56/20   THAT Council approve the minutes of the 15 May 2020 meeting.

RN57/20   THAT the E-votes be ratified as amended.

RN58/20   THAT the Quarterly and Operational reporting be received.

5.7   Health and Safety and Wellbeing Update

RN59/20   THAT the Health and Safety and Wellbeing Report be received.

Block Vote for Section 5 - (President / Vice President)
CARRIED U

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 9 October 2020.

The meeting closed at 12:33pm.