MINUTES OF COUNCIL MEETING

Status:	FINAL
Present:	Jamie Baddeley (President), Joy Liddicoat (Vice President), Amber Craig, Dave Moskovitz, Brenda Wallace, Sarah Lee, Richard Wood, Rochelle Furneaux, Hayden Glass, Keith Davidson, Kelly Buehler, and Richard Hulse
In Attendance:	Jordan Carter (Chief Executive), Kimberley Ford (minute taker), Andrew Cushen (InternetNZ), Vanisa Dhiru (InternetNZ), Ellen Strickland (InternetNZ) (*in part*), Jay Daley (NZRS CE, *in part),* Richard Currey (NZRS Chair, *in part*), David Farrar (DNCL Chair, *in part*), and Debbie Monahan (Domain Name Commissioner, *in part*)
Meeting Opened:	09:00

Nicole Ferguson from REANNZ presented to the group and wider INZ staff from 09:00 – 09:30.

The two main points covered were:
- Enabling big data science
- Emphasise the Government and Ministers the key coordinating role and unique business model.

Council was in Committee from 09:30 to 10:00 for Council only time and Council and CE alone time.

1.3. Register of Interests
The President pointed out that he was no longer a trustee at NZNOG.

Keith pointed out that the last line in this report should have read "the register was last updated in November 2017" not August 2016.

2.1. Industry Scan
Councillors offered comments about the Commerce Commission's decision on the Vodafone/Sky merger.

Richard Currey (NZRS Chair) joined the meeting at 10:08.

Jordan talked about having an election year brainstorm collectively, noted that a group of tech sector organisations, including ITP, NZ Tech, TUANZ and NZ Rise, is pulling together a manifesto of shared policy priorities to use during this general election year. He will talk through a draft of this next week and will share with Council. This is all consistent with our policy positions, but will amplify an industry perspective in the policy debates to come.

2.2. Organisation Review Update

Kelly talked to this paper firstly saying that Jordan had decided to step aside from supporting the project at the meeting on 13 February. So they have agreed to work with MartinJenkins to come in and take over some of that project management as well as offering a bit of advice and experience. What that has done to the schedule means that we don't have the paper here today that they would have liked to have had, which would be a case for change paper, principles and so forth.

The group believes that it is very important that the information gathering part of this process is done well and properly. And while they want to make this process as short as we can due to the discomfort caused to people, they also need to make sure that they don't short-change the part of the process of gathering information needed to have the best information possible. So they are continuing the information gathering, and going to have a revised work plan next week.
They are hoping to try and find a way to re merge with the work plan that is in the paper by the meeting in April.

RN01/17:   THAT Council receive the report of the Organisational
                      Review Working Group dated 16 February 2017.

(Cr Craig/Cr Furneaux)
CARRIED U

2.3. Strategic Partnerships
Hayden left the meeting at 10:17 due to a conflict of interest.

Vanisa began with saying that there are currently three partnership commitments (NetSafe, 20/20 and Figure.NZ). Vanisa recommends that the current partners continue their relationship. There is one new partnership recommendation which will be advised at a later date.

On the World Internet Project with AUT – this project has now been moved to a different part of the organisation, and the recommendation is for a 2-year partnership. Vanisa thinks it would be good to keep the level of partnership of investment, and propose an extra $5k for next year. Some additional changes will be made while it is in the new department.
The second current partner is Creative Commons Aotearoa. They have and will receive great support from MBIE over the next 2-years. It makes sense for InternetNZ to help give them support to enable them to have their distance from government funding and for them to have the ability to do advocacy work. Funding is tagged from MBIE, and they are not helping support some of their other operations. They are in the middle of recruiting the Project Lead.

The third partnership is a new partner, NZ Centre for ICT Law. David Harvey is no stranger to InternetNZ as we have funded him before. Dave has a great vision around what he is trying to achieve. Initial conversations around potential partnership this week were held focusing our investment around sustainability. $10,000 up front, check ins, and then $40,000 in the next year. How can we help the centre get going and then be there to ensure that over the next few months he has things planned and underway.

Dave asked a question around the funding level for Strategic Partnerships vs Grants. He said 62.5% of the budget is dedicated to Strategic Partnership. Dave asked if this was the right balance between the two. Is this the right percentage going forward?

Vanisa said her point of view was that working towards a more partnership-focused approach makes sense. How do we get impact on the things that we think are important means that we need to have strong partnerships and be able to do that in a way that makes sense. Vanisa feels it makes sense to do this through people and organisations that we know already.

Jordan also addressed this by saying that we are operating on the assumption that Council will revalidate the high level 3-year budget plan for the framework for this year. The community funding envelope is bigger in 2017/18 than this year. Jordan's view is once we have the impact issues sorted, and some conclusions, we can then relook at the balance between Strategic Partnership and Grants on the basis of evidence we just don't have today.

The President said looking at Strategic Partnerships and Council, there are 7 of them if you include potentials. He wonders whether of all the organisations out there in the country there are only 7 entities as possible partnerships? There have got to be more opportunities for partnership – we need to case out net wide and be creative, and think about how and who we could partner with.

There is a great opportunity, different set of opportunities and contacts out there. The President would encourage a wider scope to be having conversations with. Amber added that maybe we could think about some Maori initiatives.

RN02/17:   *THAT the Chief Executive be authorised to execute strategic partnership agreements with AUT, CCANZ and New Zealand Centre for ICT Law with the purposes and spending caps as outlined in this paper.*

THAT Council approve a funding package for AUT as part of a strategic partnership for the amount of $40,000 for 2017-18.

THAT Council approve a funding package for CCANZ as part of a strategic partnership for the amount of $35,000 for 2017-18 and $40,000 in 2018-19.

THAT Council approve a funding package for New Zealand Centre for ICT Law as part of a strategic partnership for the amount of $10,000 for 2016-17 and $40,000 for 2017-18.

(P Baddeley/Cr Craig)
CARRIED U

Hayden returned the room at 10:33 along with Mary Tovey and Ben Creet.

2.3.   2017-18 Activity Plan

Andrew requested feedback from Council on the paper regarding the focus areas, goals, initiatives and membership.

Council discussed and provided detailed feedback noting more work required around the Trust goal, State Surveillance, the digital divide, diversity and device health checks.

It was agreed any further feedback would be circulated via a council-discuss email thread.

Jordan also confirmed that the membership met-ups this year will take place towards the end of March.

AP01/17:   *THAT Jordan and Andrew work with Richard Wood as the Head of Grants on focus area three (Creative Potential).*

AP02/17:   *THAT a feedback thread on council-discuss be created around list of initiatives.*

Morning tea break at 11:20

Re convened at 11:38 (including Mary Tovey)

2.3   Review of Governance Policies

Reports were taken at read.

Amber asked that if there are any policies in future relating to the Audit & Risk Committee, that these be given to the Committee before the Council meeting. This goes for all Committees going forward. Council agreed to this approach.

Andrew spoke about making an amendment to the Contracting for Councillors and Directors Policy and whether to do this now or at the next meeting. Or could close it out via an evote. In point 4, there is an obligation to declare those particular engagements – terms of existence and dollar value – should this be recorded? It was decided that Andrew will re-draft the policy and send it out to Council via an evote.

Regarding the Remuneration of Council and Boards Policy, Jordan asked that the note saying the policy only applies to DNCL and InternetNZ be deleted, as it does apply to all three units.

AP03/17:   *THAT the note excluding the NZRS Board from the policy be removed from the Remuneration Council and Boards policy.*

AP04/17:   *THAT the Audit Services Tender Policy is not approved until the Audit & Risk Committee has reviewed.*

AP05/17: *THAT the Audit Services Tender Policy and Contracting for Councillors and Directors Policy be approved via evote at a later date.*

RN03/17: *THAT Council approves the Product and Services Development Policy, and the Remuneration Council and Boards policy (subject to the removal of the note that says NZRS is not covered by it).*

(P Baddeley/Cr Craig)
CARRIED U

Mary Tovey left the meeting at 11:44

3.2 Conference Attendance Grants Round

Council considered and approved the recommendations of the Grants Committee.

RN04/17: *THAT Council approves the Grants committee recommendations for funding.*

(Cr Wood/Cr Hulse)
CARRIED U

4.1 President and CE Briefing

The President began by saying at the beginning of March the team will be going to the ICANN meeting in Copenhagen. There is a regular convention of Board members from various CCTLDs that get together. The last one was held in Dublin, Ireland. The President will not be attending the event this year.

Richard Currey (NZRS Chair) and David Farrar (DNCL Chair) will be attending in March and the agenda will be circulated once it comes to hand. Two issues that will be discussed are Diversification and Business Development.

Jordan said it is election year this year and and has been in the United States as we all know. The appointment of Donald Trump has the potential to shift a few things both regionally and globally. We will be doing some due diligence and careful analysis on this issue but it is still too early to know how it will play out, and if this will have any negative impact on the Internet.

Separately, Jordan has reached out to the Senior Leadership at MFAT to create a closer relationship with them given the range of relationships we have internationally – he hopes there can be some mutual benefits from closer sharing of perspectives and information.

AP06/17: *THAT Richard Currey and David Farrar be invited to the next Council meeting to provide an update on the ICANN meeting in Copenhagen.*

4.2   Financial Strategy

Andrew noted that at the last meeting he and Kelly were asked to work with Adam Hunt on preparing a guide to new Counsellors for induction about financial strategy, and if necessary to come back and recommend further steps. Both of these things have been completed. The paper sets out work in both areas.

Getting this far wasn't as easy as originally anticipated. The key thing is that none of the material available actually represents a financial strategy - this is a short coming that this organisation has at the moment. Are we consistent in how we are approaching financial strategy?

The President and Amber will have a discussion offline about whether the mandate of the Audit & Risk is broad enough to look at the Financial Strategy.

RN05/17: *THAT Council asks Cr Buehler and the Deputy Chief Executive to continue to work on financial strategy questions, in consultation with the Chief Executives of InternetNZ and the subsidiaries, and present at the May 2017 meeting of Council.*

(Cr Buehler/Cr Lee)
CARRIED U

4.3   Membership to Engagement

Jordan explained that we wanted to find out what members thought about membership with InternetNZ and how we could improve this process. We engaged Katherine Hall from PieComms who spoke to 85 members and then a final report was produced with results.

The results are summarised in the paper presented to the meeting. There are a list of positives and negatives of what those members who were spoken with thought. Nothing in the report felt like a shock. She then developed a number of characters to represent different types of members we have. Katherine's final recommendations asked InternetNZ to consider changes to the approach to membership taken by the organisation to modernise it.

The second aspect of the paper was why are we doing the stuff we do with our members, and how do we see members as being more than simply a constitutional obligation? By building a model that is about the community we are part of, that understands different levels of engagement, and analysing our activity from the point of view of asking how it engages people, we can have a more structured approach to our engagement.

This would help drive membership and better connections between InternetNZ and the internet community.

AP07/17: *THAT Jordan circulates the full membership engagement report from Katherine Hall.*

RN06/17: *THAT Council receive the paper on membership and engagement and endorse linking the two concepts in the operations of InternetNZ.*

(Cr Moskovitz/Cr Buehler)
CARRIED U

5.1 Confirm Minutes – November 2016 Meeting

RN07/17: *THAT the minutes of the meeting held on 25 November 2016 be received and adopted as a true and correct record.*

(President/Vice President
CARRIED U

5.3 Membership Update

RN08/17: *THAT the new members be approved.*

(President/Vice President
CARRIED U

5.4 Media Monitoring Update

Dave mentioned that it would be good to track year by year in this report – this will start happening.

The President advised that he, Jordan and Andrew have spoken and it is a possibility that The President will, at some point in the future, spend some time working through some techniques that would improve this report.

5.5 Evote Ratification

RN09/17: *THAT the evotes be ratified.*

(President Baddeley/Cr Wood)
CARRIED U

5.6 Health & Safety Update

Joy raised that it would be a good idea to prepare an Earthquake Response Report. Andrew advised that a report had been created following the November 2016 Kaikoura earthquake, and that it was distributed, and also that it may be May 2017 before further work in this area will be reported on.

5.7 Chief Executive's Report

Jordan spoke to his report outlining summaries on various programmes.

The priorities over the next period are on pages 143-144 which include getting the Activity planning completed as well as the membership renovation.

More work will take place on the Organisation Review as well as some international issues.

Jordan asked the Councillors if they had any feedback or thoughts on the priorities? The President noted an event called RightsConf. Jordan noted that this involves 100 or so sessions on the linkage between human rights and the internet. He has thought about attending this before. The President reminded that this is an event which can help show international activities convert to domestic benefits.

Jordan advised that the membership meet ups will likely take place the week of 20 March 2017.

Amber asked Jordan about the latest earthquake damage information, and Jordan advised that our building was one of those that needed a deeper assessment and that that had now been done. A report is due with the landlord soon after which a copy should be shared with the tenants. He further advised that the structure has more or less been checked the same way already so we are not overly concerned.

Jordan also apologised for the error in not having the AGM reappoint the auditors last year, as detailed further in the report.

RN10/17: *THAT the Chief Executive's report for the three months following the last council meeting be received.*

(President /Cr Craig)
CARRIED U

David Farrar, Debbie Monahan & Jay Daley joined the meeting at 13:26

4.4   Subsidiary Reports

Quarterly Reports

There were no questions on the quarterly reports.

RN11/17:   *THAT the Joint .nz Quarterly Report be received.*

(President/Vice President
CARRIED U

RN12/91:   *THAT the DNCL and NZRS 3rd Quarter Reports be received.*

(President/Vice President
CARRIED U

2017-2018 Statements of Direction & Goals for DNCL

Joy raised security in the environment, noticing an increase in engagement with law enforcement. Are they coming to DNCL? Debbie advised that she has started doing a few courses and then word of mouth had requests coming in. Debbie and Barry go off-site and speak at a lot of Industry Security meetings. They are not actively promoting this.

RN13/17:   *THAT the 2017-2018 Statement of Direction & Goals for DNCL be received, and the budget for the coming financial year be approved.*

(President/Vice President
CARRIED U

2017-2018 Statements of Direction & Goals for NZRS

Jay advised that they have changed the process this year so it comes as a draft and then as a presentation at the May 2017 meeting.

Dave requested that the expenses in each Statement of Direction & Goals be broken down to the next level. Jay advised that some of this will be included in the updated, more detailed Group Financials.

As the paper was provided late, Council will take the opportunity to have any discussion on its email list before noting the draft SoD&G – a final draft will come to Council for decision at the May meeting.

Product & Service Development Report

The President requested a format change in this policy document. At the moment it is difficult to track what has actually changed. A summary at the top of the document outlining what has changed that would be welcome. Jay agreed to look at the format to highlight changes more clearly.

RN14/17:   *THAT the Products & Services Development Report for February 2017 be received.*

(President/Vice President
CARRIED U

Technical Research Report

RN15/17:   *THAT the Technical Research Report for February 2017 be received.*

(President/Vice President
CARRIED U

4.6   Evaluation of Products & Services Development

Jordan advised that as set out in the paper, the assessment looked at the criteria and targets agreed by Council in August. NZRS provided a confidential paper with the information required to make the assessment.

His overall assessment is that progress is satisfactory and should be encouraged to continue.

Jay noted that there were some false starts at the beginning of this process and things were slightly out of sequence but that there is now some momentum.

Hayden asked if Jordan took a view on whether we should change any of the objectives? Jordan advised that the only difficult objective was the revenue target. This should be considered as part of the review of the Strategy for InternetNZ due later this year.

RN16/17:   *THAT Council advise NZRS that it considers progress on product and service development to be satisfactory at the assessment date, AND confirms that the fund available to finance this development remains in place at the same limit, extended to 31/3/2018.*

(President/Cr Lee)
CARRIED U

RN17/17: *THAT Council notify intent to amend the Group Policy on Product and Service Development to reflect this rollover, and confirm this decision at its next meeting.*

(Cr Furneaux/Cr Craig)
CARRIED U

Richard Currey left the meeting at 13:51

5.8 Council Committee Reports

Audit & Risk

Amber spoke about the Audit & Risk Register. This is an update paper since July last year. The committee are trying to become more efficient in order to focus on non-financial audits. They are working with Auditors making sure we are establishing a relationship between the Council and the Auditors.

The Committee is also working on building relationships with Subsidiary Boards, and met with the DNCL Board to talk about how we can collaborate more as a group on risk and audit matters, and how we can work together rather than doing things independently.

Amber also advised that the auditors' letter of engagement has been completed.

The President noted that there needs to be a line drawn regarding the Audit & Risk Committee maintaining a level of independence from the subsidiaries' own risk management processes.

Andrew also advised that there was a separate Audit & Risk Framework paper.

Maori Engagement

Sarah announced that an honoured and respected member of the Maori community had given InternetNZ a Whakatauki which is excellent news, and reads as follows:

"Kua raranga tahi tātou he whāriki ipurangi mo āpopo.

Together we weave the mat, in terms of the Internet, for future generations."

Vanisa spoke about the next Marae visit training day. Thanks to Keith, Kelly and Richard for attending this session. Vanisa said that any Counsellors who would like to attend this event to please let her know. The dates are Thursday 25th and Friday 26th May 2017, followed by the next Council meeting on Saturday 27th May.

Vanisa spoke about meeting with BRG and Takawai in January to develop our consultation plan around taking draft strategy out and bringing fresh eyes to the process. We have put the draft strategy on hold in effect because what we discovered was that we were taking a strategy out to Maori and asking them is this how you want InternetNZ to engage with you, while we were doing the engagement – this didn't make sense.

Jordan said the best way is asking the question 'what matters to you'?

Sarah confirmed that this is what they have taken a look at; the draft strategy is more of an internal strategy. We need to focus on building relationships with Maori Stakeholders. Sarah is pleased to see that through membership research, there is affirmation that we need to engage with Maori more.

Audit & Risk Framework

Andrew spoke to this paper and advised there is also the Risk Register attached. This document has been developed on and off over the last year. This is for noting only. It has not been seen by the Audit & Risk Committee but they wanted it given to the Council. This is an active management framework. The Risk Register is not meant to be a static document done once – it needs to be owned as a management team and monitored. Every quarter Council will receive ongoing information about how we are actively controlling and identifying risk.

Regarding the Risk Register Kelly raised that it uses hot, warm and cold but there is no key. Jordan advised that the cover page to the Group Risk Register has a key on it so it can be used from here.

Amber confirmed that this will be sent to our Auditors confidentially so they can re write the terms of engagement and she will work with them on the Audit Strategy.

RN18/17:   *THAT Council receives the Risk Register.*

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(President /Cr Hulse)
CARRIED U

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RN19/17:   *THAT Council receives the Risk Management Framework paper.*

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(President /Cr Hulse)
CARRIED U

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RN20/17:   *THAT Council agree the date of its next meeting be changed to Saturday 27 May 2017, in the Wellington office, to accommodate the marae visit.*

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(President /Cr Hulse)
CARRIED U

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Next Meeting: The next scheduled Council meeting is Saturday 27 May 2017, from 9.00am, in the Wellington office.

Meeting Closed: 2:15pm