

FINAL MINUTES OF COUNCIL MEETING

Status: Final

Present: Jamie Baddeley (President), Joy Liddicoat, 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), Maria Reyes (minute taker), Kimberley Ford (InternetNZ), Andrew Cushen (InternetNZ), Ellen Strickland (InternetNZ), Angela Ogier (NZRS Chief Operating Officer, *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: 9am

Council was in Committee from 9am to 9.35am for Council only time and Council and CE alone time.

Angela Ogier (new NZRS Chief Operating Officer) joined the meeting at 9.35am.

1.3. Register of Interests

Richard Hulse advised his employment with Radio New Zealand can be removed from his register of interest.

Section 2: Strategic Priorities

2.1. Industry Scan

Discussion held on issues and opportunities for InternetNZ. Council were advised that for any further comments, they can send it or discuss it with either Jordan or Andrew.

One of the topic discussed was the future of Kiwicon, who have announced that they are taking a break and will not hold a Kiwicon conference next year. Council asked whether there's an opportunity for InternetNZ to support a similar event. Jordan advised that the Community Programme Director has a meeting scheduled with Kiwicon organisers regarding this and will discuss how / whether InternetNZ can support them, and the wider tech community. (InternetNZ has MOUs with Kiwicon and with NZNOG.)

The President suggested inviting REANNZ to present an update to Council on their recent work at the next meeting. Jordan suggested that we can also

invite them to participate in the NZ Internet Research Forum which will be held later next year.

AP28/16: Jordan to contact REANNZ and invite Nicole Ferguson (Chief Executive of REANNZ) to the next meeting as part of the Industry Scan item.

2.2. Follow-up Strategy Day

Jordan gave a summary on his paper which distilled “next steps” following the Council Strategy Day in September. He highlighted the proposal, which is to conduct a review of the InternetNZ group, with a focus on the structure. The paper proposed a Working Group to own this review, with the CE being the project manager working with the Working Group.

Council decided to change the focus of the review slightly and frame it as an “Organisational” Review – that, consistent with discussions with subsidiaries, it shouldn’t be pre-judged that structural changes are necessary to deliver the best possible performance of the InternetNZ group. The Review might recommend structural changes, or operational or strategic changes.

Council decided that there would be five Council members appointed to the Working Group (i.e. Keith, Kelly, Richard H, Dave and Rochelle), and to invite NZRS and DNCL to propose a director each to be members, and to select an independent member.

The proposed review timeline was considered and a comment was raised that the proposed timeline seems to be a bit ambitious, however Jordan advised that there is some flexibility in the timeline and therefore can still be adjusted – this will depend on what the Working Group thinks. He said he felt it better to be ambitious and take more time if needed than to deliberately move more slowly than necessary.

Councillors also noted that if the review began developing changes that affected the Chief Executive’s job, an independent project manager would be brought in to manage that as required.

Ellen Strickland joined the meeting at 10am.

AP29/16: Jordan to revise the paper setting up the Review and its proposed structure, incorporating the feedback received from Council at this meeting and circulate it to the Council list for approval.

AP30/16: Jamie, Joy and Jordan to provide options for an independent member for the Review Working Group and send it to Council list for decision.

RN56/16: THAT a Working Group be established to review the structure of the InternetNZ Group consistent with the approach, steps,

process, ownership and time frame set out in this paper, comprised of the following individuals: Kelly Buehler, Keith Davidson, Richard Hulse, Dave Moskovitz, Rochelle Furneaux, 2 subsidiary Directors, and an independent member (to be advised).

(Cr Craig/Cr Wood)
CARRIED U

RN57/16: THAT the Chief Executive be the project manager for the Review, working with the Working Group, AND THAT he be authorised to commission necessary external advice (with the agreement of the WG) to help the review take place.

(Cr Lee/Cr Davidson)
CARRIED U

2.3. Financial Strategy

Council had a brief discussion on the nature of InternetNZ's overarching financial strategy. Some Councillors see that as a gap, and that clarifying or establishing such a strategy would help staff in making decisions that are consistent, and help Council guide the direction of these decisions.

It was suggested that perhaps Adam Hunt, a member who is also a director of DNCL and has financial expertise, could provide some informal advice on this.

AP31/16: Deputy Chief Executive and Cr Kelly Buehler to talk to Adam Hunt regarding drafting a paper that can be included in the new Councillor's induction pack that provides a background around the financial strategy – to be put forward to Council for review/comments, or to advise Council of any further recommendation if further work required.

Section 3: Matters for Decision

3.1. Framework: 2017-18 Activity Plan & Budget

Andrew spoke to his paper and highlighted the proposed focus areas for the Activity Plan – which are the same focus areas from this year. He mentioned that focus areas have been a great way of representing on what InternetNZ is working on. He also highlighted the three proposed activity plan concepts for planning the projects that contribute to the focus areas:

- building on the internal research resource (NZRS and more broadly) and focus on driving change in our environment through external engagement with our stakeholders;
- integrate our work together through collaboration and utilising the skills and specialties in the organisation;
- and lastly, to focus on efficiency to ensure that we keep what works well and not building too much work in maintaining status quo.

If Council are happy with the proposed framework for the Activity Plan, staff will then start on the draft 2017/18 Activity Plan with more details on the

projects as well as budget to support this and will be tabled at the next Council meeting for review.

Council suggested that the language used to describe the focus areas can be tweaked – such as access for the Internet can be more about quality of access as well as equitable access, rather than just providing access to the Internet.

Overall, Council was happy with the proposed framework for the Activity Plan and a comment was raised that it would also be good to note and have visibility on what activities did not make the cut during the process for member's transparency.

Jordan emphasised that both for the Focus Areas broadly, and for specific projects, the 2017 Activity Plan will set out clear goals that are the aim of the work. This will help focus the work the organisation does, and make it clear what we can be held accountable for – a clearer and simpler measure of success.

RN58/16: THAT Council approves continuity of the Focus Areas as the basis for the 2017/18 Activity Plan, and the Approach proposed for the plan.

(Vice President/Cr Craig)
CARRIED U

RN59/16: THAT Council notes and agrees the proposed timeframe and stages for developing the 2017/18 Activity Plan.

(Vice President/Cr Craig)
CARRIED U

RN60/16: That Council notes the adjusted three year budget forecast as the basis for constructing the detailed budget for the 2017/18 year.

(Vice President/Cr Craig)
CARRIED U

3.1.1. 2016/17 Budget Update

Jordan spoke to this paper and highlighted that some of the excess from the NetHui budget will be reallocated to the Māori Engagement Committee's project work.

It was noted that the budget for the Organisational Review (as discussed at this meeting) should have a separate line in the 2016/17 Budget to make it clear and transparent.

RN61/16: THAT Council note this mid-year financial update for the 2016/17 year.

(Vice President/Cr Craig)
CARRIED U

3.2. Review of Governance Policies

Andrew gave a summary of his paper and highlighted the proposed changes in the Policy Development Policy which seeks Council's approval to change the review cycle to a 3-year review (instead of bi-annually).

Jordan mentioned that the first tranche of policies for review (included in the Council papers) were reviewed and there were no substantive changes made to it – just to the review dates scheduled. He also suggested that for the following tranches of policies for review, they will be notified to Council 6 weeks prior to the Council meeting so that staff can get Council's comments and suggested changes to the policies, consider these and do any necessary drafting before the meeting.

The President noted that if there are any policy that requires to be reviewed urgently, that this can still be raised by or with Council for discussion.

AP32/16: InternetNZ staff to send next set of policies for review six weeks before the February Council meeting for comments.

AP33/16: Jamie to forward and discuss with subsidiaries Chairs whether they can adopt the Document Information Disclosure as well.

RN62/16: That the changes to the following policies be adopted:

- Policy Development Policy
- Treasury Policy (final)
- Code of Ethics
- Councillor Role Description
- Council Role and Functions
- Conflicts of Interest
- Document Information Disclosure

(Cr Furneaux/Cr Hulse)
CARRIED U

NOTE: the changes to the PDP (which are substantive), and the new Treasury Policy, will enter the PDP consultation process.

RN63/16: That Council adopts the proposed tranches of review findings for the Governance Policies as per the proposed changes to the Policy Development Policy.

(President/Vice President)
CARRIED U

Group Policies – Planning & Reporting Timetable and Annual Planning Cycle

Jordan advised that since the last time Council saw the proposed Planning & Reporting Timetable and Annual Planning Cycle (at the August meeting), that there haven't been any other changes included and therefore would now seek Council approval to finally adopt this policy.

RN64/16: THAT the revised Group Policies – Planning and Reporting Timetable and Annual Planning Cycle – be adopted and brought into effect as of today.

(President/Cr Furneaux)
CARRIED U

Draft Governance Policy: Information Sharing

After Jordan gave an overview of this paper, Council had a short discussion regarding the ‘exceptions’ section and a comment was raised whether the term “may not be shared” should be changed to “might be shared” instead to make it more clear. Jordan has noted and agreed with the suggested change.

RN65/16: That Council adopts the Information Sharing Policy as amended.

(Cr Craig/Cr Buehler)
CARRUED U

NOTE: this Information Sharing policy will now enter the PDP process.

Council took a short break from 11.10am until 11.30am.

Angela Ogier left the meeting at 11.10am.

3.3. Community Funding – Projects Grant Round

Jordan noted that the paper for this agenda item was published by mistake in the public Council papers pack but later deleted. It should have been circulated to Council in confidence as the applicants were yet to be notified once Council have approved the proposed recommendations from the Grants Committee. He apologised for the mistake.

After Ellen spoke to her paper, Richard Wood, Chair of the Grants Committee added that it was a clear cut on the applications for this funding round and process have been easy especially with a much-improved software used for processing the applications.

Council also noted that none of the Councillors are involved or related to any of the applicants for this funding round.

RN66/16: THAT Council approve the Grants Committee recommendations for funding as detailed in this paper, with the additional \$3535.50 in funding coming from the On-Demand Grants line of the Community Grants Budget (which has extra funds available due to a roll over from last year unused funding for this line) and from a Conference Attendance grant unable to be accepted by an applicant earlier in this round.

(Cr Wood/Cr Craig)
CARRIED U

3.4. NetHui Activities: 2017 and onwards

Ellen gave a brief update on the recent NetHui Roadtrip and advised that overall there were 300 participants for this event and feedback has been great from all three locations – i.e. Nelson, South Auckland and Rotorua. Out of third of the participants who have provided their feedback through the post-event Survey, 89% were highly satisfied and around 70% would recommend it to others. The team were also pleased with the conversations that took place at the event in each of the locations.

Councillors who attended some of the sessions also provided their feedback and were pleased that the event went well, and acknowledged all the team's hard work to make this event a success.

A comment was raised that it was a good idea to have the local Council involved as well as the local community as they could hear their perspective as well as hear the issues relevant to that community. Localisation of the event leads to opportunities for collaboration on projects after the event.

Ellen advised that for future NetHui, the project team will add an option during registration whether they are happy to share their contact details to others so people can stay in contact after the event to work on projects or continue any collaborative work that arises from the NetHui sessions.

Discussions were held on having 1-day NetHui regionals versus a 3-day NetHui 'classic' event. One comment raised is that for the 1-day regional event, participants do not have enough time to network with other participants. Council then suggested whether InternetNZ can come up with a micro-NetHui meetup and set it up with the local communities. InternetNZ can have a role in this by providing the resources and/or tools should the local community be keen to continue with a similar meet-up.

Ellen advised that the team will prepare a proposal for discussion and consultation with the community and are preparing documentation for a 'NetHui-in-a-box' that could include most of the suggested options raised by Council.

Jordan added that it needs to be clear though as to what our goal is for the NetHui programme, what are our objectives and make sure that we also meet the community's expectations.

RN67/16: THAT the staff proposal for NetHui 2017 as a national event in late 2017 be agreed, and the next steps regarding staff consultation on the event's details and other potential regional/local activities in 2017 be noted.

(Cr Lee/Cr Davidson)
CARRIED U

Section 4: Matters for Discussion

4.1. President and CE Briefing

Jordan advised that the CE report is included in the Council papers and can be discussed later in the meeting should there be any issues or question raised about the report.

Key highlights he noted from his CE report are:

- Financial reporting: Jordan has discussed this with the subsidiaries (including a more useful level of detail in the quarterly group-wide financial reports, including functional as well as activity based financial reporting). After meeting with the accountants, there will be more functional breakdown in the reports, with activity-based reporting still a topic for discussion. Work is currently in progress, and he is hopeful that a proposed new approach can be shared with Council in February and implemented from the start of the new financial year.
- Team day held end of October: 3 internal project work have been developed which includes the review of the Team Charter; getting clarity on the purpose/goals of the InternetNZ team; and developing a process for working remotely for resilience, flexibility and building a good work-life balance. Project teams are currently working on these and once this have been finalised, Jordan will bring it to Council in a collective way. There's a great team vibe and spirit.

The President advised that the Chairs and CEs usually meet prior to the Council meeting to have informal discussion on any issues that may arise in the meeting. However due to time and availability constraints, Jamie was only able to meet with the Chairs of the subsidiaries in advance of this meeting. He advised that he found it very useful and therefore, proposed having a Chairs and Officers meeting in place of Chairs and CEs in future.

AP34/16: Jordan to draft a paper regarding Council and a possible subsidiaries committee, and/or alternative options for the Chairs & CEs meeting prior to Council – for discussion at the next meeting.

4.2. Strategic Partnership Options for 2017/18

Ellen spoke to her paper and highlighted that this includes a recommendation to Council to retain the current Strategic Partnership Framework unchanged, and includes possible Strategic Partners for 2017-18 onwards.

She gave a brief update on existing partnerships that are coming to term, but can be re-selected again, as well as the prospective partnerships identified by staff. She added that it would be good to get ideas from Council for other potential partnerships that staff can consider and talk with.

Councillors asked that in future, this paper include an outline of existing financial commitments to strategic partners and what money is available for new partnerships.

A detailed proposed Strategic Partnership paper will be presented at the

February Council meeting. The President asked for that paper to be very clear about the expectations from both parties, what are the expected outcomes, and what are the benefit for these strategic engagements. Staff agreed with this and will ensure the paper delivers this.

RN68/16: THAT the Chief Executive present a recommended slate of Strategic Partnerships to the February 2017 Council meeting from among those organisations agreed in this paper/discussion.

(Cr Davidson/Cr Furneaux)
CARRIED U

4.3. Council representation on DNCL/NZRS Board

Jamie led this discussion and noted that at present the policy around Council representation to the subsidiary boards is that a Council member gets appointed by Council for a three-year term. They face the same term limit as other directors (three 3-yr terms).

Council discussed whether this term needs to be extended or shortened and whether the appointment of Councillors for the subsidiary boards should be by the same process as the appointment of Directors.

The President noted the variety of views raised and noted the suggestion to place a 2-term limit for the appointments. Council agreed with the suggestion that Jordan draft a revision to the Appointments policy limiting the term limit for Councillor directors to two terms, and present that for consideration at the February meeting.

Council also agreed that in future the appointment of Councillor directors will follow the same process as used for other directors.

AP35/16: Jordan to draft a paper regarding the process for Councillor's appointment process for the subsidiary boards

Council took a lunch break at 12.37pm and reconvened at 1.05pm.

Council went into committee between 1.05pm to 1.15pm.

David Farrar, Debbie Monahan, Richard Currey and Jay Daley joined the meeting at 1.15pm.

4.4. 2017/18 Statements of Expectations – DNCL and NZRS

Paper was taken as read.

Discussions held on the specific projects noted in the to the Statement of Expectation for the coming year and whether an additional project can be included around developing and implementing a Māori Engagement Strategy (similar to what InternetNZ have been working on).

The President noted that DNCL are already doing Māori engagement, and Richard Currey, Chair of NZRS advised that they are happy to support this

initiative.

RN69/16: That the draft Statements of Expectations for NZRS and DNCL for the 2017/18 year be approved as amended.

(President/Cr Craig)
CARRIED U

4.5. Subsidiaries Reports

Joint .nz 2nd Quarterly Report

David Farrar gave a brief update on WHOIS around implementing (with the assistance of NZRS) the ability for registrants to mask their personal/private address. This service started on 1 November 2016. This is the interim approach before changes to the policy are finalised.

For the WHOIS policy review, David advised that the 4th consultation has now closed and that DNCL has received good submissions that have different and diverse views. These submissions will be considered and discussed at the next DNCL Board meeting which is scheduled for early December. A further consultation, this time on a draft policy, is likely early in 2017.

David also updated Council that they have released a draft policy on the process for dealing with Conflicted Names proposing a number of changes. DNCL will be communicating directly with all potentially affected registrants as well as via the normal channels.

RN70/16: THAT the .nz Joint 2016/17 second quarter report be received.

(Cr Buehler/Cr Wood)
CARRIED U

DNCL 2nd Quarter Report

Report was taken as read.

RN71/16: THAT the DNCL 2016/17 second quarter report be received.

(Cr Buehler/Cr Wood)
CARRIED U

NZRS 2nd Quarterly Report, Technical Research Report, and Product & Services Development Report

Reports was taken as read.

RN72/16: THAT the NZRS 2016/17 second quarter report, Technical Research report, and Product and Services Development report be received.

(Cr Buehler/Cr Wood)
CARRIED U

A question was raised regarding the Financial Summary in the Product & Services Development Report and in response Jay advised that there will be a Profit and Loss (P&L) report produce and will be made available soon, however this will need to be done in a manner that protects the privacy of individual customers.

Council went into committee at 1.46pm-1.57pm.

4.6. Group Consolidated Financial Report (QE Sept 2016)

Report was taken as read and there were no further comments received from Council.

The President and Council thanked the subsidiary Chairs and CE for all their hard work this year and wished them well for the new year.

David Farrar, Debbie Monahan, Richard Currey, and Jay Daley left at 1.59pm

Section 5: Consent Agenda

5.1. Minutes of the previous meeting

Minutes were taken as read.

RN73/16: THAT the minutes of the meeting held on 27 August 2016 be received and adopted as a true and correct record.

(Cr Wallace/Cr Craig)
CARRIED U

5.2. Actions Register

Noted actions still requiring attention were:

- AP08/15: Health & Safety policies and Register for Council and staff functions [Risk Register is currently being developed and discussed by the Audit & Risk Committee – most likely will be ready by early next year]
- AP04/16: Staff to examine the “competition test” suggestion presented at the February 2016 meeting and find out what .uk has done [Have not heard back from .uk but Jordan advised that Jay will do a follow-up]

The remaining actions were complete or superseded.

5.3. Membership Report

Report was taken as read.

Jordan gave an update to Council on the Membership project and advised that PieComms (who we commissioned to do the member research phase of the project) are preparing a report on the feedback received from members. As soon as this is received, the report will be circulated to Council for review, and published as part of Council papers for the next meeting.

RN74/16: THAT the new members be approved.

(President/Cr Mozkovitz)

CARRIED U

5.4. Evote Ratification

Report was taken as read.

RN75/16: THAT the evotes noted as at 28 November 2016 be ratified.

(Vice President/Cr Lee)

CARRIED U

5.5. Health and Safety Updates

Andrew spoke to his report and noted that it doesn't include the recent earthquake, however there will be a separate report on this to be circulated to Council for discussion.

Andrew also highlighted in the report that the need for an audit on the Health & Safety compliance has not been completed yet, but it is on track and managed by the Health & Safety Officer.

Amber Craig, Chair of Audit & Risk Committee, added a comment that the Audit & Risk Committee have added Health & Safety on the agenda for all their meetings to check-in..

Jordan highlighted that in connection with the Kaikoura earthquake, InternetNZ responsibilities as a PCBU under the Health and Safety at Work Act 2015 regarding staff of subsidiaries in InternetNZ premises have been clarified, and there's shared understanding of how these operate.

5.6. Chief Executive's Report

Report was taken as read.

Jordan responded to a question regarding the plans around the group culture and advised that there is no concrete end-game in mind – but that culture is improving and that he felt he is getting the value from the engagement with a contractor.

Council thanked the NetHui team especially Ellen and Yvonne who led the project team, for all their hard work in delivering another successful NetHui event.

RN76/16: THAT the Chief Executive's report for the three months to 31 October 2016 be received.

(President/Vice President)

CARRIED U

5.7. Council Committee Reports

Māori Engagement Committee

Sarah Lee, Chair of the Committee advised that the Committee have completed all actions in this year's workplan. They are working on a follow-up day for staff and Council to complete the Te Pumaomao course started in August, as well as planning the Māori Engagement strategy consultation

process proposed for 2017.

AP36/16: Māori Engagement Committee to come up with a proposed dates/times for the follow-up training for discussion at the February Council meeting.

Audit & Risk Committee

Amber Craig gave an update on behalf of the Committee which includes completion of the induction of the new members of the Committee, review of the Treasury Policy, and building relations with Crowe Horwath by having meetings with them regularly. After a scheduled review of our previous audit, we have received as a committee a new letter of engagement for our next audit.

Membership Committee

Kelly Buehler, Chair of the Committee advised that it has been decided that the Committee be disestablished as it has achieved its objective and purpose and that staff can pick up the operation of the membership project.

Council have acknowledged and supported this recommendation and thanked Kelly, Hayden and the rest of the Committee for their work.

RN77/16: That the Membership Committee be disestablished, and membership operations turned over to staff.

(Cr Buehler/Cr Furneaux)
CARRIED U

Grants Committee

Chair of the Committee, Richard Wood, advised that the team are still working on the Grants Policy Framework and that this will be put forward at the May Council meeting for discussion and decision. He also gave an update on the Internet Research funding round and Conference Attendance grant round that is currently open until 16 January 2017. Recommendation for the Conference round is most likely going to Council either at the February Council meeting or after for decision.

Section 6: Other Matters

6.2. Participation by members in Council meetings

Discussions were held on the points raised regarding remote participation by members in Council meetings (i.e. pros and cons of remote participation). It was noted that this was also brought up and discuss prior to the Annual General Meeting in July, hence Council would like to consider and look for possible solution or options to address the issue.

In summary, Council agreed to the suggestion to trial Adobe Connect for the next meeting and see how it goes.

AP37/16: Staff to set-up Adobe Connect for the February Council meeting, allowing real-time and after-meeting access to audio and video of the meeting.

Next Meeting: The next scheduled Council meeting is 24 February 2017

Meeting Closed: 2.55pm