

MINUTES

COUNCIL MEETING

Status:

Final

Date

27 March 2020, 9:00am - online meeting

Present:

Jamie Baddeley (President), Joy Liddicoat (Vice President), Don Stokes, Sarah Lee, David Moskovitz, Richard Hulse, Kate Pearce, Amber Craig and aimee whitcroft

In attendance:

Jordan Carter (Chief Executive), Catherine Fenwick, David Morrison, Dave Baker, Kim Connolly-Stone, Andrew Cushen, Dane Foster, Brent Carey (Domain Name Commissioner) and Diane Robinson (minute taker).

Apologies :

None.

Meeting opened:

The meeting started at 9:00am
Staff joined the meeting at 9:57 am

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 Lee opened the meeting with a Karakia.

The following updates were made to the Interests Register:

- Cr whitcroft advised that she is an investor in the 3 mile coworking community space, Wairarapa
- Cr Moskovitz advised that he is a Director of Metservice

Section 2 - Matters for Decision - Plan and Budget 2020/21

2.1 2020/21 Plan

Jordan introduced the paper outlining the plan and talked about interim changes to the senior leadership team operating model, and the reduced expectations on the productivity of staff during these difficult times arising from the COVID-19 pandemic.

Council commented:

- There was support for the plan and budget, including:
 - the firm priorities around .nz and InternetNZ looking after its people.
 - the way the strategic goals had been updated, incorporating feedback from the last meeting.
 - The importance of prioritisation.
 - Ensuring staff feel safe, stable and have as much certainty as possible.
- Jordan's leadership and the work that has been done to support and lead the organisation was acknowledged.
- The support by Ellen Strickland in leading the Covid-19 working group and the great work undertaken by the group to prepare the organisation was acknowledged.
- Progress on the registry replacement project was encouraged.
- The discussion on the Council email list about Internet access during this time, and where this sits in the organisation's priorities, was noted.
- InternetNZ was asked to continue to work on ways that we can support community funding.

RN21/20 THAT Council note the 2020/21 Plan, noting further the uncertain operating conditions under which it has been prepared.

RN22/20 THAT Council note and endorse the short term goals set out in this paper, guiding our focus in the initial part of the year in responding to the COVID-19.

RN23/20 THAT Council adopt the Strategic Goals and Measures in the Annex.

Block Consent - Section 2.1 Cr Pearce / Cr Lee
CARRIED U

2.2 2020/21 Budget

Jordan advised that the budget was largely set before the COVID-19 situation evolved in New Zealand. There will be subsequent savings - including from the international travel budget which is now halved - and future recruitment has been frozen. The following items were discussed:

- .nz pricing increase and reconsideration of timing.
- An increase in community funding and further support in this area.
- Movement on investments.
- The likelihood that renewal rates may fall.

Council Commented:

- Encouraged management to plan for negative growth.
- Ensure that external suppliers are being paid (noting the constraints on the finance team in the current environment).
- Review the budget each quarter and report back on budget impacts to Council at the meeting in August 2020.
- Thanked staff for the work on the budget papers.

RN24/20 THAT Council receive this paper and note the strategy and high level composition of the expenditure.

RN25/20 THAT Council note that the 2020/21 Budget is consistent with the requirements in the Finance and Investment Strategy regarding net equity, but that the attainment of investment target goals is likely to be compromised by the COVID-19 pandemic's impact on the economy and markets.

RN26/20 THAT Council approve for 2020/21 an operational expenditure budget limit of \$13,442,192 and capital expenditure of \$1,681,112.

RN27/20 THAT Council note the Revenue target of \$12,812,031.

Cr Craig joined the meeting at 10:25am.

Block Consent - Section 2.2 (Cr Hulse / Cr Pearce)

CARRIED U

Break 10:36am to 10:46am

Section 3 - Domain Name Commission

3.1 DNCL Company Plan 2020/21

RN28/20 THAT the Council notes DNCL's three-year Strategic Plan and focus areas for 2020/21.

RN29/20 THAT the Council agree the DNCL Management fee for 2020/21 of \$1,449,699.

Block Consent - Section 3 (President / Vice President)
CARRIED U

AP11/20 Future company plans should have comparisons against previous budgets incorporated.

Section 4 – Matters for Discussion

4.1 Appointed Council Member Recruitment

The President noted the recruitment for new council members has been on hold. He advised he is keen to progress this when it is possible.

AP12/20 Catherine to organise a meeting with panel members Jamie Baddeley and Richard Hulse to discuss next steps.

Section 5 – Consent Agenda

5.1 Confirm Minutes of the Meeting

RN30/20 THAT Council approved the minutes of 14 February 2020, with amendments to section 2.3.

(Cr Moskovitz / Cr Hulse)
CARRIED U

5.1 Actions Register

The actions list was reviewed and no further actions were added.

Section 6 – COVID-19 Response

6.1 Covid-19 Response Briefing

Jordan provided a briefing regarding the organisation's response to the Covid-19 pandemic as follows:

- The four key short term goals are set out in “Our Plan” paper (item 2.1) to manage the situation.
- SLT will be using an interim formed operating model, which has two sub-groups:
 - **Covid-19 group** - managing our response, and the first two short-term goals - assuring the wellbeing of our people and operating .nz.
 - **Adjustment group** - how we adjust the rest of our work for the year, and the progress on the second two short-term goals - helping people use the Internet in this situation, and targeting our investments - as well as broader strategic goals and the projects outlined for these in Our Plan.

Council was asked to discuss:

- The letter from the Domain Name Commissioner under section 6.1a requesting an extension of the interim policy provisions under clause 11.8 of the Operations and Procedures.
- A deferral of .nz price increase from 1 June to 1 October 2020.
- An increase in the community funding pool of \$0.5m for the 2020/21 year, to assist with the response to COVID-19. (Note: this will be incorporated in the Budget for its August revision noted above.)

It was noted that Cr Stokes would abstain from any vote or decision about a price increase.

6.1a COVID-19 response and Emergency Powers Letter from Domain Name Commission

Council reviewed the letter sent to the President from the Domain Name Commissioner on Thursday 26 March 2020 and agreed on the resolutions:

- RN31/20** THAT Council note the information shared in this paper.
- RN32/20** THAT Council extend the interim policy provisions of the .nz Operations Procedures Policy (clauses 11.8-11.10) for a further six months, to 15 October 2020.
- RN33/20** THAT Council note and welcome the letter from the Domain Name Commissioner to the President setting out the Commission's approach to COVID-19, and how it intends to make use of the emergency powers in clause 11.8 of the .nz Operations and Procedures Policy in the current situation.

Block Consent - Section 6.0 (Cr Pearce / Cr Lee)

CARRIED U

6.1b .nz Pricing Increase Deferral

Council discussed in Council alone time the deferral of the .nz domain name registrations price increase that was due to take place on 1 June 2020. In light of the COVID-19 situation, Council agreed with the CEO's suggestion that a deferral was the right thing to do. The estimated cost will be around \$0.5m, if other aspects of registration behaviour do not change too much.

RN34/20: THAT Council resolves to defer the price increase for .nz domain name registrations to 1 October 2020.

(President / Cr Lee)
Abstain Cr Stokes

CARRIED

AP13/20 Registrants will be advised today 27 March and InternetNZ will communicate to the public, the week of 30 March 2020.

Section 7 – Other Matters

7.1 Update on Community Funding

Andrew provided a summary of discussion from the Community Funding Panel meeting:

- The Panel will continue to progress the digital inclusion and general research rounds.
- The Panel started the conversation on how to support the COVID-19 efforts. There is design work to do. Working at pace will present some risk; we still want to be sure we are making the right investments. InternetNZ will make some recommendations to the Panel on the areas we could invest in.

Council commented:

- There may not be a need to move with haste, as this situation will be with us for some time.
- But we should support staff to be able to make quick decisions when needed. A number of suggestions were discussed for staff to take into account in revising the plan.
- We should continue to focus on our iwi and Maori initiatives.
- Jordan commented membership activation is a focus as we move into a new approach.

AP14/20 Staff to work on support for some sort of emergency funding mechanism and share back with Council asap.

7.2 Matters for communication - key messages

7.3 General Business

The Vice President advised that she spoke with the Chair Sue Chetwin regarding the work of the .nz policy panel. Great feedback was received from the Chair regarding the excellent support to the panel from the InternetNZ policy team Kim Connolly-Stone, Kate Townsend and Nicola Brown.

7.4 Meeting review

Section 8 – Online Only Items

8.1 Financial and Investment Strategy

Item 8.1 to be completed by evote online.

8.2 Reporting framework - high level outline

Item 8.2 to be completed by evote online.

Next meeting:

The next scheduled Council meeting is 15 May 2020.

The meeting closed at 11:35am.