

AGENDA

Council Meeting: February 2019

Thursday 13 and Friday 14 February 2020

InternetNZ, Level 11 Boulcott Street, Wellington

Thursday: Workshop on Values & the Governance Policy Fmwk (3pm start)

Friday: Ordinary Council Meeting

Thursday 13 February

2:45pm	Refreshments on arrival
3:00pm	Workshop with BoardWorks - Values and the Governance Policy Framework
5:00pm	Comfort Break
5:30pm	Members Meet Up - Wellington
7:30pm	Dinner - location TBC

Friday 14 February

8:45am	Refreshments on arrival
9:00am	Meeting start
10:45am	Morning tea
12:30pm	Meeting closed followed by lunch

Section 1 – Meeting Preliminaries

9:00am	1.1	Council only (in committee)
9:10am	1.2	Council and CE alone time (in committee)
9:20am	1.3	Karakia, apologies, interests register and agenda review
9:25am	1.4	Environment Scan

Section 2 – Strategic Priorities

9:30am	2.1	Draft Financial and Investment Strategy
9:50am	2.2	Goals and Key Projects: 2020-2022
10:10am	2.3	Approach and context for Budget 2020/21

10:30am	2.4	Annual .nz Pricing Review (commercial in confidence)
11:00am	-	Morning tea

Section 3 – Matters for Decision

11:15am	3.1	.nz Registry Replacement Project: Decision on next steps (commercial in confidence)
11:45am	3.2	Updated Strategic Framework
11:50am	3.3	Appointed Council Member Process

Section 4 – Matters for Discussion

12:00pm	4.1	President’s Report <ul style="list-style-type: none"> 4.1.1 APTLD visit
12:10pm	4.2	Council report-back from ICANN Montreal (Nov 2019)
12:20pm	4.3	Management Items for Discussion <ul style="list-style-type: none"> 4.3.1 Security Update

Section 5 – Consent Agenda

12:25pm	5.1	Confirm Minutes – 6 December 2019
	5.2	Actions Register
	5.3	Membership Update
	5.4	E-vote Ratification
	5.5	Health and Safety and Wellbeing Update
	5.6	Operational Reports <ul style="list-style-type: none"> 5.6.1 .nz Quarterly Reports 5.6.2 DNCL Quarterly 5.6.3 Group Financial Report 5.6.4 InternetNZ Financial Report 5.6.5 Measures of Strategic Goals 2019/20 5.6.6 Council Committee Reporting 5.6.7 Activity Report
	5.7	Outreach and Engagement - Grants <ul style="list-style-type: none"> Community Grants Reporting Update

Section 6 – Other Matters

12:25pm	6.1	CONTINGENCY (for any overflow)
	6.2	Matters for communication – key messages
	6.3	General business <ul style="list-style-type: none">• October Council Meeting to be moved.
	6.4	Meeting review
	6.5	Meeting close (waiata), followed by lunch
12:30pm - 1.00pm		Lunch

COUNCIL MEETING - February 2020

Financial and Investment Strategy: Draft

ITEM NO:	2.1
AUTHOR:	Jordan Carter, Catherine Fenwick
PURPOSE:	Propose a draft Financial and Investment Strategy and associated Policy for Council feedback and approval.
DATE:	7/02/2020

Introduction

For some time, the need for a financial strategy has surfaced at Council meetings. Staff and some Council members have worked to consider the issues such a Strategy would cover, and at the December meeting the views of Council on some key underpinning assumptions for a possible Strategy were tested.

In this paper, we develop the Council's shared assumptions on those underpinning matters into a proposed Financial and Investment Strategy.

The Strategy would be the main instrument by which Council gives direction to the organisation in its financial planning cycle. It would set medium term financial targets for the group, and a separate Investment Policy will set out the approach to investing our financial assets.

The following sections would form the basis of the Strategy, suitably amended and presented with less context in some areas.

The draft Investment Policy is also attached.

We welcome feedback on this approach and are more than happy to re-work it so that it meets the needs of Council and the wider organisation, following the discussion at the Council meeting.

Consultation: Council could opt to consult members on this strategy. Given that it is intended to reflect the status quo in its core assumptions, except for the higher

risk profile and investment flexibility being proposed, specific may not be required. For discussion at the meeting.

Purpose of this Strategy

The Finance and Investment Strategy sets out InternetNZ’s financial goals, and the principles which underpin its financial and investment decisions. It is the key document by which Council guides the financial aspects of the annual planning and budgeting process - the Strategic Framework and Goals guide the operational parts of that planning process.

Guiding Principles

The following key principles guide all our financial and investment decisions, as agreed by Council in December 2019.

Principle / Issue	Position
Organisational Longevity	InternetNZ’s role is long term. For financial purposes, we assume the organisation has a role at least for the next decade and probably longer. This affects our investment time horizon and risk appetite.
Risk appetite	Our risk appetite is varied. For prepaid domain name fees it is low/conservative, and for other assets it is medium/moderate.
Boundaries	We will take an ethical investment approach. The returns on average are comparable if not better to an unrestricted approach.
Specific risks or boundaries	We will not invest in .nz connected entities or assets, to avoid a conflict of interest (e.g. buying a registrar or reseller). We prefer general investment strategies to sector specific ones, and we do not use investment of our reserves to mitigate business risks. Investments will be in New Zealand and offshore, but will always comply with all applicable laws and regulations.
Angel investor	We will not engage in any angel investment. If we change this in future, we will consult members and stakeholders.

We also aim to be efficient and prudent in the work we do or fund, and to apply appropriate competitive and due diligence processes and tensions so as to maximise the impact of the money we spend.

Financial Targets

Consistent with the above objectives, we propose setting the following targets - for Council discussion and deliberation.

Target / Limit	Description
Target: Net Equity \$9.0m	<p>The balance sheet should show net equity around \$9m, on average.</p> <p>A net equity measure has been proposed because it nets out changing levels of domain name registration fee pre-payments, and because it incorporates both operating and capital budgets.</p> <p>Note: this compares with forecast at 31/3/20 of \$10.1m, and two downward pressures in the 2020/21 year:</p> <ul style="list-style-type: none"> • a likely deficit in 2020/21 • known but unquantified costs for the registry replacement project
Limit: Net Equity \$7.0m	<p>The balance sheet must not show net equity of less than \$7m at any point.</p> <p>Note: current forecast and issues in row above.</p>
Target: Portfolio return 3.5%+ per annum	<p>The annual average return on the cash invested of InternetNZ should equal or exceed 3.5%.</p> <p>Note: The current investment portfolio includes bank term deposits and managed funds with two providers and average return is around 3%.</p>

The implications of these assumptions are that we are neither seeking to significantly increase nor significantly erode the current level of financial reserves.

Our logic for this is that the current level of reserves provides a very reasonable cushion against both unexpected events, and against temporary costs such as the registry replacement project. In our view, a higher level of reserves cannot be justified as it defers the benefits the community would enjoy from our work and our funding projects for no necessary reason. Similarly, a significantly lower level of assets would reduce our security, without any strong drivers to do so.

To run down reserves, a deficit (one off or ongoing) would be required.

To increase reserves, a surplus would be required.

Either goal can be achieved over time, but based on the underlying assumptions in the previous section, the staff recommendation is that the targets above are prudent and appropriate.

Note that this does not suggest changing any of the limits for various forms of reserves in current policy. We could incorporate those within this Strategy if that was helpful.

Investment approach

The key aspects of the investment approach are as follows:

Operational Reserves - short term availability - would be held at bank on short term deposit or savings / current accounts, as we do today.

Funds held on trust - domain name prepayments - would be held in a cash-based investment fund. We currently invest all such funds in short-run term deposits.

Discretionary Reserves - all remaining funds - would be held in a growth-based managed fund. We currently (31 Dec 2019) have around \$3.1m invested in such funds.

These are detailed in the Policy, attached.

Note: Possible Gains on our reserves

Because of the current financial environment, with very low interest rates, the gross return available for financial assets is relatively low.

That said, compared with the status quo approach, following this Strategy should see a higher rate of return **on average**, in recompense for the higher risk profile enabled by the longer investment horizon.

It may be that in a given year, we can boost the return by approximately 1-2% across the current portfolio. In some years, given the greater risk, the accounts could show a loss, too. That is the downside of adopting a higher risk position.

The way we would measure the gains we make from this changed approach over time is by monitoring the third target set above (the return on the whole portfolio) and contrasting it by the outcome that would have happened if the current investment mix had been retained.

This is an appropriately future-focused approach. Historic returns, unfortunately, provide no useful guidance for us given the unusual economic circumstances we find ourselves in.

Interaction with the Budget process

As noted above and in other papers at this meeting, we are suggesting that Council's main control over the organisation's budget process will come from this Strategy.

By setting the net equity target and limit, there is flexibility for staff to manage operational and capital expenditure over time.

Council would scrutinise the budget, assisted with appropriate reporting, to make sure that the financial trajectory of the organisation was in keeping with the decisions made in creating this Strategy.

This strategy would be reviewed, probably on a three-yearly basis.

Recommendations

THAT Council adopt the matters in the paper, including the financial targets and limits, and ask staff to develop a Financial and Investment Strategy document.

THAT Council adopt the Investment Policy attached.

Jordan Carter

Group Chief Executive

Catherine Fenwick

Organisational Services Director

Investment Policy (draft)

POLICY: Investment Policy

VERSION: 1.0

DATE IN FORCE: 1 March 2020

PLANNED REVIEW: 31 March 2022

Purpose

InternetNZ endeavours to hold investments which generate consistent returns while carrying prudent levels of risk.

InternetNZ therefore outlines below an appropriate framework to monitor and manage investments, to ensure returns are maximised whilst avoiding any threat to financial security.

Financial Guidelines

InternetNZ financial strategy is based on the following guidelines/principles

- InternetNZ's role is long term. We should assume the organisation has a role at least for the next decade and possibly longer.
- Our risk appetite is varied - for prepaid domain name fees it is low/conservative, and for other assets it is medium/moderate.
- we take an ethical investment approach.

Investment Framework

InternetNZ has defined its investment framework as follows



<i>Investment Category</i>	Type	Performance reporting period	Management
<i>Operational Reserves</i>	Cash at bank	Monthly	Internal
<i>Funds Held on Trust</i>	Cash Fund	6 months	Single Product Basis
<i>Discretionary Reserves</i>	Growth Fund	Annual	

Investment Categories

1. Operational Reserves - funds set aside to stabilize a nonprofit's finances by providing a "rainy day savings account" for unexpected cash flow shortages, expense or losses.
2. Funds held on Trust - funds INZ holds fees for pre-paid services (a registration of up to ten years). It recognises the income as the service is consumed in accordance with standard financial practice.
3. Discretionary Reserves - funds that INZ have available to investment that are not allocated to Operational Reserves or Funds in Trust. As these funds are no direct

Types of Investment

Cash at Bank - funds that have been placed on deposit with a financial institution. Cash at bank is considered a highly liquid form of current asset, and can be accessed easily.

Cash Fund - A cash fund is an investment fund that is managed professionally by an expert fund manager who invests in a variety of investments. Your money is pooled together with that of other investors to create a single fund and the focus is on short term investment and low risk.

Growth Fund - this fund's objective is to provide an enhanced return over the long term through capital gains and again managed by expert fund manager.

Reporting and Management

1. The Audit & Risk committee will receive periodic reporting against objectives .
2. The reporting should include
 - a. updates that funds are available to meet obligations as set out in the operating reserves policy .
 - b. The professional manager must provide regular reporting against the parameters agreed at the outset.
 - c. Reporting should be compared against benchmarks for the period relevant to the risk profile.

Strategic Goals and Key Projects 2020-2022

ITEM NO: 2.2
AUTHOR: Jordan Carter
PURPOSE: Refined Strategic Goals and Key Projects, for Council noting, as part of preparing the 2020/21 Plan and Budget.
DATE WRITTEN: 7/02/2020

Introduction

This paper builds on the paper presented to Council in December 2019 “Strategic Framework and Goals: Proposed Updates”. It presents revised content on the five Goals and their measures, and highlights key projects that staff are developing for each, as well as key BAU work that relates to these Goals.

Our expectation is that these goals have a two year time horizon. They would apply 1 April 2020 to 31 March 2022. As such, the key projects highlighted (as developed to date) are not by themselves intended to achieve the goals - they are contributions to them for the coming business year.

The development of this material has been informed by ongoing staff deliberation and by input from members and the public solicited by means of a survey, through dotNews and through the members’ email list.

Council should approve the goals and the draft measures as presented or with agreed changes, and note the currently proposed key projects. The projects need to be further assessed and developed as part of the planning process. That work, alongside Council’s input on financial parameters at these meetings, will lead to staff bringing a full Plan and Budget to the March meeting for review.

A separate paper confirms the Strategic Framework changes outlined in December, and others deal with financial matters.

These are ambitious goals for our organisation and for New Zealand. Achieving them will be a stretch for us, but it is an effort worth making.

Jordan Carter, Group Chief Executive
February 2020

Strategic Goals 2020-2022

This table shows the proposed Goals in detail. The explanation of the goal is given, proposed measures for Council to hold the organisation to account is set out, key projects for 2020/21 that would contribute are noted, and BAU work that contributes are also noted.

In summary the Goals are:

1. Grow .nz
2. Sell new products
3. Develop the Internet for Good
4. Improved digital inclusion
5. Improving InternetNZ's performance

<p>Goal 1: Grow .nz To fund increased public good investment, grow the use, value and revenue from .nz domain names.</p>	
<p>The .nz domain name space is our premier product. It offers huge value to New Zealand. This goal is about increasing the value it provides to the country through greater use and new features. We will reinforce its reliability and security through new systems and an up to date policy framework.</p> <p>We will capture some of that value through flexible pricing approaches that recognise the market stage .nz is in - a mature product in a low- to no-growth situation.</p>	
<p>Our approach focuses on:</p> <ul style="list-style-type: none"> ● Pricing reform ● New sustainable growth from marketing ● New registry system ● A new policy framework and updated policies and procedures for .nz <p>New Projects 2020/21</p> <ul style="list-style-type: none"> ● Marketing for term and retention increases ● Price changes - level, flexibility ● New features - registry lock ● New .nz policy implementation and awareness raising. 	<p>Measures</p> <ul style="list-style-type: none"> ● increased revenue from domain name registrations. <ul style="list-style-type: none"> ○ More than 15% in the two year period to 31/3/22. ○ Flexible between registration numbers and price. ● active use of domain names is increased, improving retention and registration term.
<p>Continuing projects commenced in 2019/20</p> <ul style="list-style-type: none"> ● .nz Policy Review (06/2020) ● Registry Replacement Project (03/2021) ● .nz threat assessment (06/2020) ● New website to be launched, transitioned to BAU. 	<p>Contributing BAU</p> <ul style="list-style-type: none"> ● Operation of .nz across functions.
<p>Goal 2: Sell new products Develop new sources of revenue through ongoing investment in and sales of new products.</p>	
<p>Rationale InternetNZ's vision is broader than the domain name system. By developing new products and services</p>	

we can reduce our financial dependence on .nz, introduce products that help achieve our vision, and raise more funds to invest in public good work.

In the current year we have begun to prove that new products can be done in a commercially successful way. By the time these goals are agreed, we'll have solid evidence in the form of a new product and a developing sales pipeline of potential customers. .

This is about growing the portfolio and ensuring that the products we offer are making a business return, to help fund our public good investment.

Our approach focuses on:

- “Fast follower” product collaborations.
- Growing the customer network.
- Product portfolio refinement and pipeline development.

New Projects 2020/21

- Product 2 (starting 2019/2020) - Registry Lock
- Pipeline (Prods 1 & 2 for 2020/22)
 - BMap Map Service
 - Digital Identity
 - DNS services
 - Name monitoring/security

Measures

- Registry Lock is for sale in the 2020-21 financial year.
- The Broadband Map is covering its costs by 31 March 2021.
- Defenz reaches net profit in the 2021-22 financial year.

Note for discussion with Council: last year we signalled a goal of new products reaching net profitability within 24 months of first sale. Discussions with peer CEOs indicate this is very aggressive, and we propose 36 months is more appropriate.

Continuing projects commenced in 2019/20

- Broadband Map v2.0 Roadmap

Contributing BAU

- Defenz - DNS Firewall
- Broadband Map API

Goal 3: Develop the Internet for Good

Work in Aotearoa and globally to help develop an Internet for Good.

The Christchurch attacks in March 2019 opened up a debate about the gap between the Internet we have today and the Internet we need. This debate was happening before the attacks but the effect of Christchurch has raised the stakes in Aotearoa.

The country needs to make a contribution to shaping the Internet the world needs for the 2020s and beyond. The world needs an Internet for Good, built with the public interest at its core.

This goal is about the tangible impact we can make by helping to define what the Internet for Good looks like, and then in rallying NZ’s Internet and policy community to act here and overseas to change and improve the Internet in line with that shared vision.

Our approach focuses on:

- Getting clear about what an Internet for Good looks like, and what needs to change to achieve it (thru 09/2020)
- Driving new participation by new Kiwi voices.
- Build the local Internet community’s commitment to acting in line with the vision.
- Using our international work to drive change and inform our other work, not just participate.

New projects 2020/21

- Explaining what an Internet for Good would be like, and how it would be different to what we have today (publications, engagement, events

Measures

- Engagement with relevant national and international stakeholders to develop a shared vision of what an Internet for Good is.
- Stakeholder awareness and engagement with the vision for an Internet for Good increases over time.
- Action taken by us and by other stakeholders, nationally and internationally, changes and improves the Internet in line with

<p>and research)</p> <ul style="list-style-type: none"> ● Regulation and social media - exploring the options ● Promoting an Internet that's good for New Zealand during Election 2020 - misinformation, inclusion, and other issues ● Supporting NZers technical, policy, Internet Governance participation globally ● Promote healthy technical practices to reduce bad behaviour on the Internet, such as MANRS or domain security practices. 	<p>our shared vision.</p>
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<p>Continuing projects commenced in 2019/20</p> <ul style="list-style-type: none"> ● Influencing Government domestic policy response to the Christchurch mosque attacks (including work on violent extremist content online, media regulation and hate speech) 	<p>Contributing BAU</p> <ul style="list-style-type: none"> ● NetHui 2020 ● Community funding approaches - a funding round in this area. ● Technical, policy and Internet Governance engagement by InternetNZ group.
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Goal 4: Improved digital inclusion
New investment and community-driven action drives significant improvements to digital inclusion across Aotearoa.

Digital inclusion is essential if the Internet is going to be for everyone. To assure the wellbeing of individuals, families and communities in the 2020s, digital inclusion needs to be universal - everyone needs the chance to participate in the online world.

The challenge with digital inclusion is that no one actor, sector or community can achieve it on their own. Action is needed by a broad coalition of actors, and investment is needed by government and the private sector. So are changes in how we do things, so that digital inclusion is built in from the ground up.

Building on the foundations and understanding developed in 2019/20, we will continue to work on digital inclusion in collaboration with the broad community of actors interested in or influential about it.

<p>Our approach focuses on:</p> <ul style="list-style-type: none"> ● Linking the communities. ● Driving consensus on practical changes. ● Getting government to invest. <p>New projects 2020/21</p> <ul style="list-style-type: none"> ● Launching and utilising the online home for digital inclusion to better connect, support and encourage collaboration and investment in this ecosystem. ● Investing in digital inclusion initiatives: <ul style="list-style-type: none"> ○ promoting government investment ○ through our community funding rounds ○ unlocking private sector investment in this area ● Work with the digital inclusion community to drive action and improvement in digital inclusion. 	<p>Measures</p> <ul style="list-style-type: none"> ● Digital inclusion investment by government and others reaches \$20m/year, and directly affects 50,000+ people <ul style="list-style-type: none"> ○ Measure at 30/9/20 from previous goals. <p>Note - may not be able to measure impact on # of people at that time.</p> ● The Online Home for Digital Inclusion is attracting use and positive stakeholder feedback.
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<p>Continuing projects commenced in 2019/20</p> <ul style="list-style-type: none"> ● Online home for Digital Inclusion ● Hosting an expert advisory capability to build a toolkit for evaluating digital inclusion initiatives. 	<p>Contributing BAU</p> <ul style="list-style-type: none"> ● Community funding - invest in digital inclusion
<p>Goal 5: Improving InternetNZ's performance Develop InternetNZ as a high performing organisation and an excellent place to work.</p>	
<p>We can make the biggest contribution to our vision and mission by being a high performance organisation - individually, as teams and together across the group. And we can attract and retain staff by being a great place to work.</p> <p>We will build on the work done so far in founding the organisation following the 2018 structural changes to understand drivers of performance and promote pride in our work and its impacts. We will do this by developing a high level of trust and innovation within the organisation and embracing diversity to grow</p>	
<p>Our approach focuses on:</p> <ul style="list-style-type: none"> ● Growth and development of our people ● Connecting everyday work of staff to our group strategy ● Enabling our people to make a difference ● Ensuring that all staff can effectively contribute to our work from any Internet connected location <p>New Projects 2020/21</p> <ul style="list-style-type: none"> ● Develop and implement a People Strategy to enable forward-thinking about our people and work. ● Structured training and development programmes to support all Strategic Goals. ● Update our Internal Communication strategy to deliver a clear and forward thinking plan. ● Building on the Impact project, establish excellent resource planning and BAU/Project Management processes and tools across the organisation. ● Develop a Quality Network across the group (H2 2020/21) 	<p>Measures</p> <ul style="list-style-type: none"> ● Staff baseline feedback from March 2020 is improved by March 2022 <ul style="list-style-type: none"> ○ Perceptions on high performance and great place to work ○ Improvements in areas such as <ul style="list-style-type: none"> ■ Internal Communications ■ Staff development ■ Organisational Learning ● Resource planning and BAU/Project Management tools established and drives demonstrable changes
<p>Continuing projects commenced in 2019/20</p> <ul style="list-style-type: none"> ● Employee engagement / feedback tool ● Embed the Impact project management framework ● Office refit ● Continued development of capability in Te Ao Maori and te reo 	<p>Contributing BAU</p> <ul style="list-style-type: none"> ● Strong recruitment and induction processes ● Investment in Training and Development of all staff ● Focus on health, safety and wellbeing

Approach and context for Budget 2020/21

ITEM NO: 2.3

AUTHOR: Jordan Carter, Catherine Fenwick

PURPOSE: Share thinking on the context for the 2020/21 Budget for Council feedback and input.

DATE WRITTEN: 7/02/2020

Introduction

This paper shares context and high level assumptions for Council's feedback in the preparation of the full 2020/21 Budget and Activity Plan. The sections work through:

- The updated budget and planning approach staff recommend
- The strategic and operational context for the 2020/21 Budget
- A focus on value for money
- Key budget numbers for 20/21

Budget and planning approach

In the past, InternetNZ has not had a specific financial strategy. This means that each year's Budget process has happened in isolation, with no clear guidance for staff or for stakeholders about the organisation's financial goals.

This has led to a default preference for roughly balanced budgets, and a slow accumulation of assets over time.

In 2020 we are updating this to a more strategic approach.

This meeting sees Council presented with a draft Financial and Investment Strategy. It is explained in paper 2.1 and this paper does not repeat that explanation.

To give best effect to the separation between governance and management, our proposal is that Council's focus in a financial sense is on setting the key financial targets and investment approach, through deliberation and decisions on that Strategy.

Once those targets are set, the Budget process becomes much simpler. Council simply tests whether the Budget, including outyear projections, is consistent with the Strategy or not, and notes it.

This leaves responsibility for the budget with the Chief Executive rather than with Council. This is a better approach than Council owning the budget, because it is the CEO and staff who spend the funds. It is right they should also be responsible for the plan and making sure it meets Council's strategic requirements, rather than Council making detailed decisions on various line items etc.

In specific terms, this approach means that:

- Council **approves** the Financial and Investment Strategy, including the financial targets.
- Council **notes** the annual Budget, assuring itself that it is consistent with the Strategy.
- The management team is required to keep to the budget, or if it changes, inform Council promptly. Management is accountable for ensuring that the financial targets are met or exceeded.

This is a different approach, and should lead overall to Council having greater control over InternetNZ's financial direction, and staff having greater flexibility year-to-year within the Budget process.

Strategic and operational context for the Budget

In developing our thinking for the 2020/21 Budget, alongside the bigger picture matters in the Financial and Investment Strategy, we have had regard to the following contextual matters.

At the big picture level, we face a situation where:

- Our role is increasingly important, given the challenges the Internet is giving rise to and its importance to New Zealand.
- We and the country need to do more to achieve our vision of an Internet for Good that is also an Internet for All.
- The cost of doing our work effectively is increasing.
- Registration numbers and therefore revenue on our core product is falling.
- New product revenue takes time to build.

At a more specific operational level:

- The ongoing end of growth in .nz, with revenue based on current prices forecast to be lower in 2020/21 than in 2019/20

- Slower than anticipated uptake of revenue for Defenz, our new commercial product in 2019/20
- Rising costs on a number of fronts, including:
 - Skilled staff in a wide range of roles
 - The more proactive compliance approach adopted by DNCL
- Ongoing investment in new capabilities and in structuring our operations more effectively, including:
 - Security
 - IT operations and technology strategy
 - Product development
 - Community and membership engagement
- Ongoing development of the organisation to support the strategic goals, in particular through developing our high performing team and being an excellent place to work.

The project to replace the .nz registry is off-budget and is currently at a point where we cannot plan future costs. Once the procurement phase of the project is over, budgets for the implementation will be prepared for Council consideration.

These factors mean that 2020/21 is shaping up as a tight year financially for the organisation in developing the Plan and Budget for the year.

Value for money in all that we do

In 2019/20, Council approved a budget with a notional planned \$1.1m deficit, and a \$300k efficiency saving to be found. We did that saving, and presented after Q2 an updated budget planning for an overall deficit of \$800k in the current year.

Through ongoing tight management of costs, our current forecast suggests an overall year-end deficit of around \$475k, and a year end net financial position (equity) of around \$10.5m. This is around \$350k ahead of the updated plan, and around \$650k ahead of the original plan.

Each year as part of the planning process, the management team scrutinises the requests that various teams make for funds, and the staffing structure of the organisation. We continue to assess and look for efficiencies in the operation of the organisation, while maintaining and developing the capability to do our work effectively.

I welcome any comments from Council about this approach, and how we can showcase it effectively to you and to other stakeholders.

Key metrics proposed for 2020/21

The following are looking like the key metrics we will present in the full 2020/21 Budget at the March meeting:

	2020/21 (plan)	2019/20 (forecast)	2019/20 (budget)
.nz registration revenue	\$10,600,307	\$10,743,777	\$10,820,001
Other revenue	\$1,674,902	\$1,124,207	\$1,217,187
Total income	\$12,275,209	\$11,867,984	\$12,037,188
Cost of Sales	\$1,128,452	\$874,715	\$1,048,412
Domain Name Commission funding	\$1,449,699	\$1,340,004	\$1,340,004
Employment	\$6,130,653	\$5,419,150	\$5,520,010
Operating/Governance	\$2,247,647	\$2,305,830	\$2,260,118
Project related	\$1,345,117	\$1,548,638	\$1,781,369
Community funding	\$705,065	\$855,000	\$895,000
Total expenditure	\$13,006,632	\$12,343,337	\$12,844,913
Surplus/(deficit)	(\$731,423)	(\$475,353)	(\$807,725)
Forecast opening equity	\$10,525,687	\$11,001,040	\$11,001,040
Forecast closing equity	\$9,794,264	\$10,525,687	\$10,193,315

We welcome your comments on the overall position.

Note that the .nz registration revenue shown is at current prices.

Recommendations

THAT Council note and agree the updated Budget planning approach, with the overall financial goals of the organisation being set out in the Financial and Investment Strategy, and the Budget key metrics flowing from that Strategy.

THAT Council note the context for the preparation of next year's Plan and Budget, and note that staff will prepare the 2020/21 Plan and Budget consistent with the key metrics set out.

Jordan Carter

Group Chief Executive

Strategic Framework Update

ITEM NO: 3.2
AUTHOR: Jordan Carter
PURPOSE: Proposing updates to the Strategic Framework as first suggested in December 2019.
DATE WRITTEN: 5/02/2020

Introduction

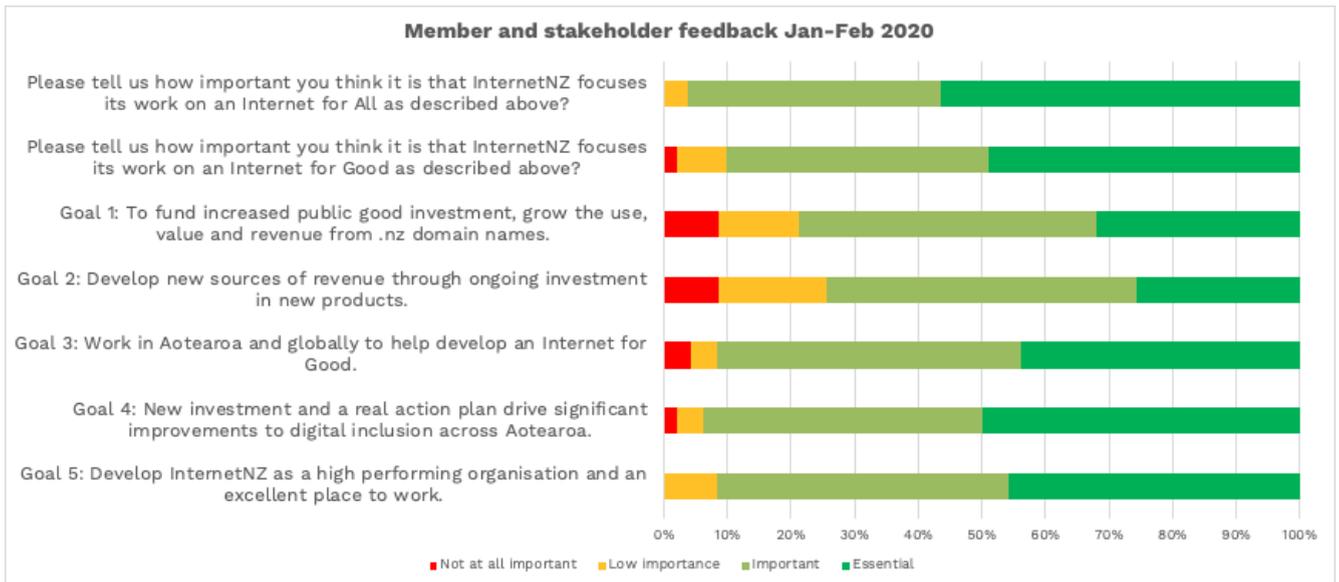
Our strategic framework sets out our vision and mission, the areas of focus for all our work (our WHYs), the work that we do to achieve our goals (our WHATs), and the ways we work (our HOWs).

In December, Council responded favourably to a proposal from staff based on the experience of the year, to simplify the Strategic Framework.

In the current framework, our WHYs are about Internet for All, Security and Trust, and Openness. We proposed reducing this to two WHYs. These would be an **Internet for All** and an **Internet for Good**.

Staff asked the public and members for feedback on these changes, and the response has been warm. Compared to the previous categories, these concepts are easier to get to grips with, and the simplification for us in explaining what we are about is seen as helpful too.

The chart below summarises the feedback received:



Responses were received from 69 participants, of which over 70% were InternetNZ members. Further free-text comments are also available.

Detail of the Change to the Framework

The following two statements would replace the three statements on WHYs currently in the Strategic Framework.

Internet for All

The Internet is for everyone. When this ideal is made a reality by the community working together, all the people of Aotearoa-NZ will be able to make the most of the Internet. An Internet for All has:

- an element of **access and accessibility** - being able to readily use good quality Internet and access services and content.
- an element of **skills and motivation** - being knowledgeable about what you can do and inspired to do new things.

We will work for full digital inclusion, to help New Zealanders harness the power of the Internet.

Internet for Good

Today's Internet no longer meets society's needs, given the vital importance of the online world. The world needs an updated Internet for the 2020s and beyond, designed with the public interest at its core. This Internet will boost the good things today's Internet offers while tackling the harms it allows.

An Internet for Good has:

- An element of **change** - reform and evolution of the Internet's technologies, architecture and governance so that they are working for our common good.

- An element of **security** - systems and processes to enhance the security of users and communities.
- An element of **trust** - openness, transparency and smart regulation sustain trustworthy infrastructure, technology and business models.

Our work, here and overseas, will aim to help bring this Internet for Good into being, so we can help New Zealanders harness the power of the Internet.

Next Steps

If Council approves these changes, staff will come back to Council with some draft “End States” thinking.

This work was done by Council in the previous areas at the September 2018 retreat, and staff can build on that to bring a proposal for the March meeting to consider.

Clarity around end states does not only need to be generated about the “WHYs” in the Framework. We think it would also be helpful to bring some similar thinking about the WHATs that we do (.nz, products, community and insight), so that Council as a whole owns and is guiding the strategic direction.

On this basis, and alongside other papers at this meeting, by the end of March we will have:

- An updated Strategic Framework
- Clarity about the End States we are trying to achieve in our work
- Strategic Goals for 2020-2022 that guide our action
- A financial strategy that sets the parameters for our operational work
- A budget and action plan for 2020/21.

Recommendation

THAT Council approve the proposed changes to the Strategic Framework, and note the Chief Executive’s intention to bring End States work to Council for its consideration at the March 2020 meeting.

Jordan Carter
Group Chief Executive

5 February 2020

DRAFT: Appointed Council Member

Policy	CNL-APT: Appointed Council Member
Version	1.0
Date in force	Feb 2020
Reviewed	N/A
Planned review	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 MEETING - FEBRUARY 2020

MANAGEMENT ITEMS FOR DISCUSSION

ITEM NO: 4.3
AUTHOR: Jordan Carter
PURPOSE: Key items for the Council to know / offer guidance on.
DATE WRITTEN: 07/02/2020

Introduction

This paper is designed to raise key issues for the Council to give advice, input and share understanding with management. It should be considered alongside the quarterly Activity, .nz and Financial reports (which provide broader context).
<https://internetnz.nz/reports>.

From this meeting we have added a new section on Key Risks, to keep the Council apprised of any changes to these. This time we'll outline where work is at on risk management.

This paper is short at this meeting because most focus since December has been on the planning and budget process for 2020/21.

Matters are broadly in order of priority, and there are five sections:

- **Key Risks** - where we update you on any changes to significant organisational risks.
- **Key items** - the matters we'd like a conversation about - which may or may not be covered by other standard reporting.
- **Exceptions / items to note** - significant issues in the general reporting we want to be sure you have seen.
- **Late changes** - any material changes to conditions or issues otherwise covered in quarterly reporting (none in this paper).
- **Key future commitments** - a look forward to some key events over the next six months.

A. Key Risks

Over the last year we have worked to raise risk awareness across the organisation. This work included engaging PWC to help facilitate a review of the risk management policy, risk register and any new risks that our new strategic framework/goals has introduced to the environment.

The high level output of this Risk review has the following 6 Key Focus areas.

- Strategic - Product/Services Strategy, Business Planning
- People - Organisational Capacity, Wellbeing
- Financial - Product/Services Revenue, Financial Management.
- Service - .nz availability, Technology change
- External & Reputation - Stakeholder support
- Legal - Compliance

We have allocated Risk owners to all documented risks and continue to work on mitigation actions.

There has been no material change to these risks over the period and no new material items have been introduced. We will provide regular updates going forward to the Audit and Risk committee in the first instance, and to Council in this part of the reporting each meeting.

Our ask:

That Council note the update and the continued work/reporting that will be shared in future Council papers.

B. Key Items

B1 - Twenty Five Years of InternetNZ

Issue:	<p>2020 will be InternetNZ's 25th Anniversary year. We intend to use this as an opportunity to celebrate the ongoing existence and to launch significant activities aimed at public, community and member engagement.</p> <p>Specifically, with the rebuilt community function now tasked with growing InternetNZ membership, and the deployment during this year of a range of new tools, insights and engagement methods to drive membership, we intend to seek the 1,000 member target from the previous strategy in this next year.</p> <p>Doing that involves utilising this Anniversary as a theme of our work this year, which will be present in the events and engagements we undertake. For example:</p> <ul style="list-style-type: none">- How we incorporate this 25th Anniversary into the AGM.- How we invite fellows, members and other luminaries of InternetNZ to reflect on what the organisation has done and achieved in its time.- How we build the celebration of this organisation into member events. stakeholder events, and NetHui. <p>This proposal is based on our insight that this Anniversary is primarily of interest to the organisation, its members and its stakeholders - not necessarily to the wider public and Internet Community.</p>
Our ask:	We invite Council to share any other ideas and perspectives on how to mark the 25th Anniversary of the organisation.

B2 - Post-Christchurch update (Goal 4)

Issue:	<p>International engagement has been light since the last Council meeting around this work, due to the summer break. There has however been stronger engagement between MFAT and the Advisory Network, which is welcomed, and we hope continues to improve. We understand a Christchurch Call follow-up event is expected in New Zealand in April 2020, details forthcoming soon, with another global event likely in the United States expected in July 2020.</p> <p>Our engagement with government on the domestic policy response has focused on proposed changes to the Films, Videos and Publications Classification Act that are intended to deal with violent extremist content online. We are one of a small number of organisations invited to comment on an exposure draft of the Bill. Our main concern is the proposed web filter.</p>
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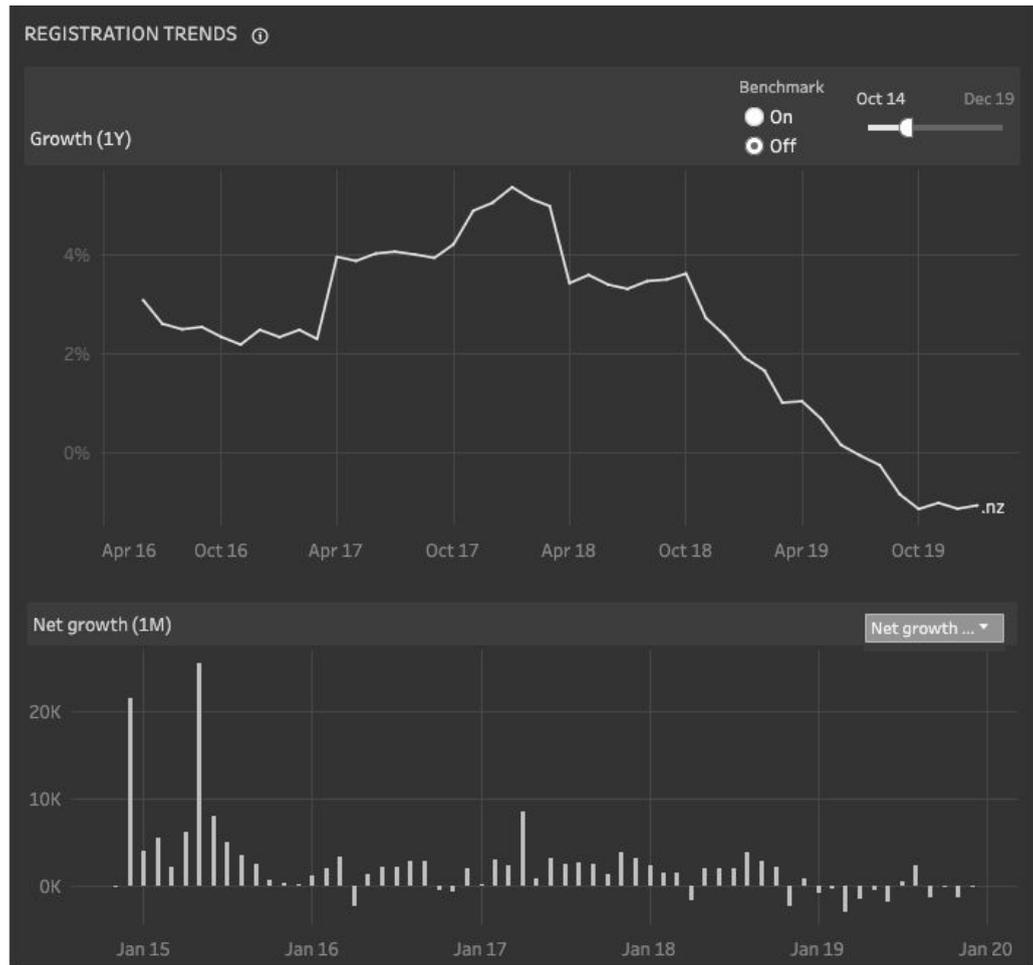
	InternetNZ participated in a crisis response event led by YouTube in December with a range of public stakeholders, and participated in planning other such events for 2020.
Our ask:	We would continue to appreciate Council's intelligence as to additional stakeholder perspectives.

C. Exceptions / Items to Note

C1 - Ongoing reduction in names under management

Issue:	<p>We have now seen three consecutive quarters of just under 0% growth. Current 1 year rolling growth is at -1.1%. Market share remains steady at 69%.</p> <p>The contributing factors for the current state continue to be:</p> <ul style="list-style-type: none"> • consolidation in the registrar market, resulting in less focus on customer acquisition and discovery of orphaned names. 2020 looks to be another busy year in this space. • increased compliance activity by DNCL to strengthen the .nz space and develop further as a trusted name space. The strategy by DNCL is continue an approach of increased compliance activity to protect security and trust in the name space • a gradual decline annually of new domain names, potentially a sign of market maturity. <p>The marketing experiments conducted this year have not had a desired impact in driving anticipated growth and have led to the following key lessons to take forward:</p> <ul style="list-style-type: none"> • direct marketing by InternetNZ sought to interrupt the buying process and promote .nz at the point of sale. Conversion rates were very low for generating leads to registrars and converting to a successful sale of a .nz name. The proposed future approach is to spend our efforts driving preference for .nz and building an authoritative narrative about developing an online presence. This will leverage the new website as a key platform and seek to influence demand over time. • co-fund marketing, whilst still active, has also not been as successful as hoped. Key lessons for any future co-fund activity are to control and provide structured guidance for marketing concepts and to more tightly align objectives to
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term length and use of names. Whilst some registrars have sought to try new approaches to generating business these have ultimately not been successful.



Source: data.aptld.org (InternetNZ shares monthly data with APTLD for market analysis)

Our ask: That Council note the declining growth and staff efforts to determine which levers we can effect change with.

D. Late Changes

None for this paper.

E. Key External Commitments to June 2020

The table below sets out key external commitments over the next two quarters.

Note this meeting does not include an international update among the papers, as there has been no activity since reports provided last year.

17-21 February	APTLD meeting and AUDA bilateral (also APRICOT and Oceania Cybersecurity Summit)	JC, BC, DM, ES, SS plus Jamie and Joy
February (TBC)	Facebook Civil Society update on post-Christchurch changes	KCS
7-12 March 2020	ICANN 67: Cancún, Mexico	JC, BC, DM, ES, SC
March (TBC)	Recognition of the anniversary of the Christchurch Attacks.	TBC
April (TBC)	Potential Global Internet Forum to Counter Terrorism event in Christchurch	TBC
April to June 2020	<p>Likely International commitments include:</p> <ul style="list-style-type: none"> ● CENTR Jamboree in Prague in May, ● APriGF in Nepal in May, ● RIPE meeting in Berlin in May, ● ICANN Global Domains and DNS Industry Summit in May, ● DNS-OARC in May in Paris, ● RightsCon in Costa Rica in June, ● ICANN68 Kuala Lumpur in June. <p>These will be signed off by SLT as part of business planning, consistent with the Budget.</p>	TBC

Jordan Carter
Group Chief Executive

7 February 2020

COUNCIL MEETING - 14 February 2020

Security Update

ITEM NO: 4.3.1
AUTHOR: Sam Sargeant, Chief Security Officer
FOR: Council
PURPOSE: Provide security update and forecast
DATE WRITTEN: 03/02/2020

Executive Summary

There is a strong commitment to security outcomes from governance, management, and staff. Complex threats are driving us to improve our risk management capability and technical measures to monitor for security incidents. A significant amount of work lies ahead of us to lift our performance.

We have stood up a new internal group to steer our security efforts. Chaired by the Chief Security Officer, the new governance group also includes the Group CEO, IT Operations Director, Organisational Services Director and the Domain Name Commissioner.

There have been no new critical incidents or unmanaged risks that require the attention of Council.

Council should expect to see over the coming year::

- A group security strategy
- A security assessment of the .nz eco-system
- Regular security risk reporting to the Audit and Risk Committee & council
- Improved security risk management, including strategic decisions about risk sensitivity and appetite
- Improved detection capability for Internet-borne threats

Report

The new role of Chief Security Officer includes three main areas of responsibility::

- Organisational security
- Security of the wider .nz eco-system and domain-name space
- Public representation for the group on security issues

This report focuses on the first two topics.

Organisational Security

The awareness of security threats is high across all parts of the organisation. Governance and staff all have a clear picture of the importance of our work, and that we face significant security risks that may threaten that work.

However the nature of these threats are highly complex and inter-related. The ability to make meaningful improvements is dependent on a framework that enables us to understand and grapple with this challenge. A strategy is required that articulates the security outcomes sought and lines of action to improve our management of security risks.

Since joining I have considered our current capability along these dimensions of organisational security:

- Security Governance
 - Risk management, information management, authorities and mandate
- Protective security policies and procedures
 - Proactive measures to mitigate security risks, minimum requirements, approval processes and escalation
- Defensive monitoring
 - Situational awareness of current activity and recording information for incident response purposes
- Incident response capability and readiness
 - Clear roles and responsibilities, awareness and capability exercises, procedures and plans.

These are based on standards such as the NZ Protective Security Requirements and the Australian Information Security Manual – both publications of NZ/AU governments.

While all four dimensions require improving, SLT agreed to first prioritise efforts to improve governance and monitoring.

Governance

Building upon the Risk Radar work completed in 2019, we intend to drop-down into the detail for security-specific risks. This will require a clear understanding of our information assets, and their value to the business. For example, the impact of a confidentiality breach of the .nz zone file would be undesirable but not catastrophic. Whereas if an attacker were to compromise the integrity of the zone the impact could be very serious for InternetNZ and all .nz registrants.

The Security Governance Group (SGG) has been created to consider our security risk posture across the group, the efficacy of risk mitigations, and investment in building new capability. The second SGG meeting is scheduled for February 2020.

Monitoring

At the other end of the spectrum from governance is the day-to-day monitoring of what is happening on our information systems. Ensuring that operational teams are alerted to an intrusion as soon as possible is key. The industry average “dwell time”

where an attacker is left undetected is hundreds of days. Actors use this time to establish deeper access into organisations and hide their presence. If an intruder is left undetected for significant periods of time, it becomes impossible to provide any assurance they have been evicted from the network after discovery. This would then lead to significant expense to rebuild infrastructure to a known-good state. By investing in additional detection capability, the group can be alerted and work to remediate the problem before the actors have become entrenched.

Security of the .nz ecosystem

The architecture of the .nz market means that registrars have a critical role regarding security. Given this fact, in 2019 we began work to conduct an assessment of the security of the .nz ecosystem. This work has completed interviews with four registrars and early results show high-variation across all. We are interviewing four more registrars and aim to complete this work this financial year.

Recommendation

THAT Council note the February 2020 update from the Chief Security Officer.

Sam Sargeant
Chief Security Officer

MINUTES

COUNCIL MEETING

Status:

Draft - To Be Ratified

Date

6 December 2019, 8:45am

Present:

Jamie Baddeley (President), Joy Liddicoat (Vice President, Video), 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 (Video), Ellen Strickland (Video) and Diane Robinson (minute taker)

Apologies :

None.

Meeting opened:

The meeting started late due to a fire drill evacuation. The official start time was not recorded.

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

Don advised that he had been acting as a consultant to Liverton Security.

1.4 Environment Scan

The Environmental Scan was carried out in the Council and CE alone time.

AP29/19

Jordan to provide feedback regarding the environment scan, discussed in the CE alone time to the Senior Leadership Team after the meeting.

Cr Whitcroft arrived late to the meeting.

Section 2 - Strategic Priorities

2.1 .nz Registry Replacement Project

Dave provided an update on the .nz registry replacement project, he advised Council that everything was going well and that the panel were very pleased with the quality and quantity of the responses. He advised that there are quite a range of potential providers that can assist with the next phase of the project.

RN92/19 THAT Council acknowledged and confirm the project update given the REOI market engagement phase.

RN93/19 THAT Council acknowledged the cost spent to date and the cost estimates for the EOI market engagement phase.

Block Consent (Cr President / Cr Lee)

CARRIED U

2.2 Financial Strategy

Jordan presented the paper and advised that it was based on work that Adam Hunt had undertaken, to assist the Audit and Risk Committee to begin considering the basis of a financial Strategy. The key insight is that before a full financial strategy can be developed, we need to test and agree some key underlying assumptions. Key questions were extracted from Adam Hunt's paper for discussion and today's answers were also set out in the paper, on the current status quo assumptions.

RN94/19 THAT Council noted the assumptions and suggestions discussed at the meeting as the basis for developing a future financial strategy.

RN95/19 THAT Council noted that staff will follow up the discussions at this meeting with the next iteration, for Council or broader consideration, by February 2020.

The President left the meeting at 10:27am and the Vice President chaired the meeting.

(Cr Craig /Cr Whitcroft)

CARRIED U

2.3 **Annual .nz Pricing Review (commercial in confidence)**

Cr Stokes left the meeting for the .nz pricing review discussion, due to his declared relationship with a .nz registrar.

The President returned to the meeting at approx 11:45am. The Vice President left the meeting at Noon.

There was a discussion on .nz pricing and no decision was made. The topic will be on the agenda in February 2020.

THAT the Council noted the paper.

AP30/19 The President to work with the Chief Executive on the topic.

2.4 Updated Strategic Framework and Goals 2020-2022

Cr Stokes returned to the meeting at Noon.

Jordan talked to the strategic framework and goals paper. Staff propose a change to the “WHYs” part of the strategic framework and to revise the goals to have a broader focus to align and be consistent with the changes to the framework.

The current framework, our Why’s are about Internet for All, Security and Trust, and Openness. The proposed change is to reduce to the framework to two WHY’s, set out below:

- Internet for All
- Internet for Good

There are elements of openness, trust, security and inclusion on both of these areas. The purpose of the change is to allow InternetNZ to change the conversation, In particular, our current Openness area often gives rise to confusion.

The current Strategic Goals are time bound to 18 months. The proposed change is to adjust the set to a slightly higher level than the current set and increase the term to apply to two years, to 31 March 2022.

The brief titles of each of the goals are:

1. Grow the use, value and revenue from .nz domain names
2. New sources of revenue through investment in new products.
3. Work in Aotearoa and globally to help develop an internet for good.
4. New investment and an action plan to drive significantly better digital inclusion.
5. Develop InternetNZ as a high performing organisation and an excellent place to work.

Comments from Council:

- General support for the changes overall, and agreement they represent an appropriate response to our changed environment.
- Agreed that under the security part for Internet for Good include safety, so that it is changed to ‘security and safety’.
- Under Internet for All can the language be changed around “all the people of NZ’ to acknowledge the Tangata whenua and Te Tiriti.

RN96/19 THAT Council noted the proposed changes to the Strategic Framework.

RN97/19 THAT Council noted the proposed Strategic Goals for 2020-22.

RN98/19 THAT Council invite staff to engage members and other stakeholders to offer feedback, particularly on the Framework changes.

RN99/19 THAT Council noted that final decisions on the Framework and Goals will be made at the next meeting of Council, in February 2020.

(President / Cr Lee)

CARRIED U

2.5 2020-2021 Plan - Initial Briefing (verbal update)

This item was deferred to the February 2020 meeting, due to the meeting running late.

2.6 [InternetNZ's Response to the Pickens Review](#)

THAT Council note the Response to the Pickens Review.

3.1 Council Skills and Diversity Matrix (confidential)

Council discussed the self-assessment results of the survey, where individual Council members rated themselves against the skills and diversity aspects in the Matrix. They agreed that the information should be made public, and it will be posted on the website.

RN100/19 THAT Council noted the skills and diversity analysis set out in this paper, and management's recommendation that Council consider appointing Council member/s to deal with gaps in terms of finance/investment and youth.

RN101/19 THAT Council agreed to recruit Appointed Council Members for the identified skills and diversity gaps.

RN102/19 THAT Council agreed to release the Council Matrix survey paper (the paper for this item) to the public.

(Cr Craig / Cr Lee)

CARRIED U

Cr Pearce left the meeting at 12:45pm.

3.2 [Policies Update - Managing Stress](#)

Council confirmed their support to ensuring that stress is recognised as a Health and Safety issue and acknowledged the importance of identifying and managing stress within the workplace.

RN103/19 THAT Council approved the Managing Stress Policy.

(President / Cr Craig)

CARRIED U

3.3 Council Work Plan 2020

RN104/19 THAT Council adopted the Council Work Plan 2020.

(President / Cr Craig)

CARRIED U

3.4 Community Funding

This paper was to agree the Skills Matrix for the Community Funding panel, and to select Council members of the panel. A short discussion was held on how much time would be required for Councillors on the funding panel. Cr Lee and Cr Moskovitz agreed to join the funding panel.

RN105/19 THAT Council:
Approve the Skills Matrix for the Funding Panel
Approve Cr Lee and Cr Moskovitz will join the Funding Panel.

(Cr Craig / Cr Hulse)

CARRIED U

Cr Moskovitz left the meeting at 12:47pm.

4.1 President's Report

There was no report.

4.2 Management Items for Discussion

Jordan advised Council that in 2020 InternetNZ will celebrate its 25th Anniversary.

THAT Council noted the Management Items.

4.3 NetHui 2019 - how it went, what we learned

There was a brief discussion on Nethui. Nethui dealt with some heavier topics this year and Council discussed the feedback received around being safe and being able to voice thoughts and opinions. The President acknowledged the bravery of the staff in developing a programme that tackled tough issues. The President advised that he will acknowledge this to the members as part of the communications that are sent out after the Council meeting.

THAT Council noted the paper.

Section 5 - Consent Agenda

5.1 [Confirm Minutes of 11 October 2019](#)

5.2 **Actions Register**

5.3 [Membership Update](#)

5.4 **E-votes Ratification**

There have been no Evotes since the last Council Meeting.

5.5 [Health and Safety and Wellbeing Update](#)

Catherine provided an update on Health and Safety and Wellbeing. All staff will be trained on entitlements and responsibilities under the act. A focus will be on mental wellbeing to ensure InternetNZ staff are supporting each other to address the potential hazard of stress within the organisation.

Council was very happy with the approach of the Health and Safety Committee, actively seeking initiatives around wellbeing. They were concerned that the lifts are still causing issues. Catherine advised that JLL the property managers have been replaced by Colliers and regular meetings have been set up to talk through issues.

5.6 **Operational Reports**

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 [Measures of Strategic Goals 2019/20](#)

5.6.6 [International Engagement Update](#)

RN107/19 THAT Council approve the minutes of the 11 October 2019.

RN108/19 THAT Council note the Membership Update.

RN109/19 THAT the Health and Safety and Wellbeing Update be received.

RN110/19 THAT the Operational Reports be received.

Block Consent Agenda - (President / Cr Craig)

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

6.3.1 DNCL Board Appointments Update

The Council went into committee to discuss the two potential board appointments. A decision will be made subsequently by evote.

6.3.2 ISOC and .Org

The Council went into committee to discuss.

6.3.3 .nz Policy Committee verbal update

The Council went into committee and the Chair of the .nz Policy Committee provided a verbal update.

6.4 Meeting review

Next meeting:

The next scheduled Council meeting is 14 February 2020.

The meeting closed at 1:10pm.

Item 5.2

Council Actions Register 2019-2020

FROM DECEMBER 2019			
Action No#	Action	Owner	Status
AP27/19	Security Reporting at December meeting -Council would like the new Chief Security Officer Sam Sargent to provide an update on Security Reporting at the December meeting. The Security Reporting has been deferred to the Feb 2020 meeting.	Catherine Fenwick	Completed
AP29/19	Environmental Scan - CE to advise SLT members in attendance at Dec council meeting what was discussed re the Environmental Scan at CE Alone time.	Jordan Carter	Completed
AP30/19	The President to work with CE on .nz Pricing Review	Jamie Baddeley	Completed

InternetNZ Membership Report

Status: Final
Author: Ciara Arnot, Community Advisor

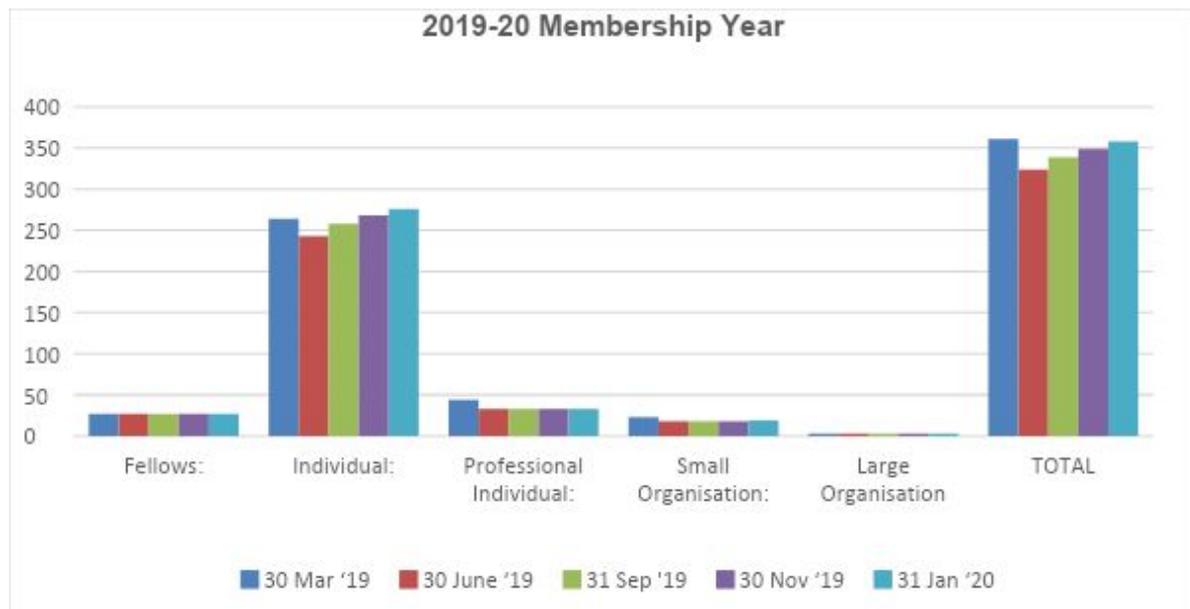
Current Membership *(as at 31 January 2020)*

Fellows	Individual	Individual Plus	Small Organisation	Large Organisation	TOTAL
27	276	33	19	3	358

Note: Membership renewal will be due 31 March, reminders will be sent out on 1 March.

2019 – 20 Membership Year

	30 Mar '19	30 June '19	31 Sep '19	30 Nov '19	31 Jan '20
Fellows:	27	27	27	27	27
Individual:	264	243	258	268	276
Individual Plus:	44	33	33	33	33
Small Organisation:	23	18	18	18	19
Large Organisation:	3	3	3	3	3
Total Membership:	361	324	339	349	358



Recommendation:

THAT the new members be noted.

THAT increased interest in membership during this period may be due to Funding Panel recruitment and grant rounds.

E-Vote Ratification

Author: Diane Robinson, Executive Assistant

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

Evote:	Motion:	For:	Against:	Abstain:
10-12-2019	THAT The following candidates be appointed to the Board of Domain Name Commission Ltd: Anita Killeen Melanie (Mel) Hewitson	Jamie Baddeley Joy Liddicoat Amber Craig aimee whitcroft Kate Pearce Dave Moskovitz Richard Hulse Sarah Lee Richard Hulse Don Stokes		

Recommendation

THAT the e-votes be ratified.

DNCL Board Meeting - January 2020

Health Safety and Wellbeing Report

This report is prepared for InternetNZ Group and all information is based on group Staff (INZ and DNCL) and activities of a Group H&S Committee. The purpose of this report is to inform the InternetNZ Group governance (i.e. Council and DNCL Board) of progress on Health, Safety and Wellbeing process development as well as provide a summary report on any incidents.

Month	Number of Near Misses reported/or identified	Number of Incidents reported/or identified	First Aid Incidents reported/or identified
November 2018 – January 2019	0	3	0
February – March 2019	2	0	0
April – May 2019	0	2	1
June – August 2019	0	0	0
September – October 2019	0	0	0
November 2019 - January 2020	1	1 (Medical Treatment)	0

Summary

- There were two incidents reported for the period of November 2019 to 23 January 2020:
 - Sickness in the office - majority of the Organisational Services team were away sick on the same week with similar symptoms (i.e. sore

throat, cough, colds, and/or headache), and some have had to stay home more than a couple of days and one also had to see a doctor for a check-up. After the incident, the Acting CE sent an email to staff reminding to stay home when sick as well as take the usual hygiene precautions to minimise germ transfer.

- Water spillage on stairs - a staff member reported that they have noticed a water spillage in the exit stairs via the Grand Arcade side of the building as they were leaving the workplace. Property personnel had been contacted so the water spillage can be cleaned right away to avoid any further incidents.
- The Monthly Hazard walk has been completed for January. Hazards identified were exposed loose cables on the floor, a heavy printer and toners left in the trolley by the hallway, and used bath mats left on the floor in the shower room. Actions had been taken immediately to eliminate and / or minimise the hazards identified and avoid future hazards arising.
- The INZ Group Health, Safety & Wellbeing Committee met on 22 January 2020; some of topics that were discussed were around reminding staff of the do's and dont's during an emergency evacuation, dealing with an aggressive person coming onsite and the lack of process in place at the moment, and ideas for group activities promoting social wellness.

Health and Safety System

The Health and Safety policy has been approved by Council at their October meeting and.

They have also signed the Managing Stress Policy Statement which has now been communicated to staff. A copy of this policy is also included in this report.

Wellbeing

The HS&W Committee has been using a Wellbeing matrix which gets added to the HS&W Committee meeting as a standard agenda item. See chart below for reference:



Late last year, the Committee’s focus was around initiating activities to promote Physical wellbeing to staff. Some of the activities initiated were the walking group (where staff go out for a walk during their lunch break), a Nutritionist launching a 30-day Nutrition challenge to those interested to participate commencing with a seminar.

For the first quarter of this new year, the Committee decided to focus on a different section on the matrix and are in the process of looking at organising activities to promote Social wellness. A survey will be sent out to staff soon asking for ideas as well as volunteers who can initiate or lead some of these activities.

Recommendation

THAT the Health, Safety and Wellbeing Report be received.

Appendice 1 - Health & Safety Policy



HEALTH AND SAFETY POLICY

POLICY: HR-Health and Safety Policy
VERSION: 1.0
DATE IN FORCE: 1 October 2019
PLANNED REVIEW: 1 October 2020

Health and safety policy statement

The InternetNZ Group, incorporating InternetNZ, DNCL and its teams, are committed to maintaining a safe and healthy work environment for our workers, contractors, visitors and members of the public.

We are all responsible for ensuring the health and safety of ourselves and others. Every worker is expected to act safely on any work-site and during working hours. We take responsibility to ensure staff safety by:

- providing and maintaining a safe working environment
- providing facilities for health and safety
- ensuring all equipment and plant are safe to use
- ensuring all hazards on site are controlled (eliminated or Minimised)
- developing and implementing emergency and evacuation procedures.

To achieve this, we will:

- ensure all staff complete safety inductions or briefings on tasks
- ensure all staff are aware of hazards and how to report them and control them
- encourage worker consultation and participation in all health and safety matters
- ensure any contractors or visitors to our site are inducted
- ensure inductions will include safe working procedures
- train workers in relevant emergency plans and/or evacuation procedures

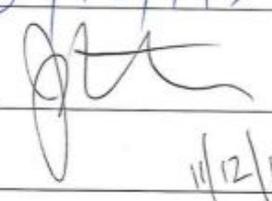
- record any accident, incident, near miss or notifiable events
- investigate any incidents recorded, to prevent reoccurrence
- report all notifiable events to WorkSafe NZ
- ensure all workers are trained and receive instruction and supervision
- ensure all workers participate in health and safety processes
- regularly undertake audits and inspections of our business operation
- set objectives and targets that will continually drive us to improve our health and safety performance, processes and work practices.

Each worker is expected to help maintain a safe and healthy workplace through:

- taking reasonable care for their own health and safety
- taking reasonable care that their acts or omissions do not adversely affect the health and safety of others
- comply as far as the worker is reasonably able with any reasonable instruction that is given by InternetNZ and the Domain Name Commission.
- attending all required health and safety meetings
- properly using and taking care of all safety equipment and clothing provided
- reporting all incidents, injuries and illnesses to a manager.

Signed by  Council President,
InternetNZ

Date: 06/12/19, (To be reviewed annually)

Signed by  Board Chair
Domain Name Commission

Date: 11/12/19 (To be reviewed annually)

Appendix 2 - Managing Stress Policy Statement



MANAGING STRESS POLICY STATEMENT

POLICY: HR-Managing Stress Policy Statement
VERSION: 1.0
DATE IN FORCE: 1 October 2019
PLANNED REVIEW: 1 October 2020

InternetNZ Group is committed to maintaining a safe and healthy work environment for our workers and to promoting a positive work environment. We recognise that stress can be a health and safety issue and acknowledge the importance of identifying and managing stress within our workplace.

Workplace stress is not defined by law but for the purposes of this policy, is taken to mean but is not limited to the adverse reaction people have to excessive pressure or other types of demand placed on them.

This makes an important distinction between pressure, which can be a positive state if managed correctly, and stress which can be detrimental to health.

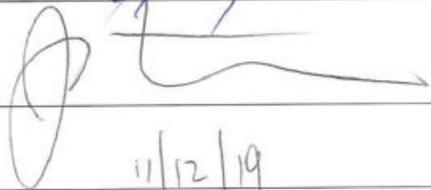
We recognise that stress can affect mental and physical health and is a health and safety hazard within the workplace which must be managed. We take responsibility to ensure the wellbeing of our workers by:

- Encouraging and maintaining a positive workplace culture where worker wellbeing is prioritised
- Setting achievable demands for workers in relation to agreed hours of work, workloads and pace of work.
- Ensuring workers have adequate opportunities for holidays, rest, meals and refreshments
- Ensuring effective two-way communication between all levels of the Group, particularly when major organisational changes are occurring.

- Ensuring that appropriate stress management training is provided to workers at all levels of the organisation to develop an increased awareness and understanding of stress issues (work related and otherwise) and to identify its symptoms
- Ensuring that workers experiencing stress have access to appropriate sources of advice and support
- Ensuring that bullying and harassment is not tolerated (also see our Bullying and Harassment Policy)
- Encouraging a culture where stress is not regarded as a weakness
- Ensuring that the Health, Safety and Wellbeing Committee discuss stress in the workplace as an agenda item at each meeting
- Supporting workers who have been off work due to stress and ensure that the workers and their manager have a modified, planned and agreed return to work programme to prevent recurrence
- Ensuring that early reporting of stress related issues (both work-related and otherwise) is encouraged, openly received and acted upon
- Ensuring that workers have access to seek confidential counselling through Internet NZ Group Employee Assistance Programme (EAP) which may provide strategies in managing or eliminating stress related issues.
- Ensuring that if there is a workplace incident, that the Incident process is followed to ensure that all affected workers are debriefed and follow up calls are made in relation to worker wellbeing.

Signed by  Council President,
InternetNZ

Date: 6/12/19. (To be reviewed annually)

Signed by  Board Chair
Domain Name Commission

Date: 11/12/19 (To be reviewed annually)

.nz quarterly report

October - December 2019

Quarter in review

This quarter saw further reduction in total domain name numbers, a decline of 1,600 names (or 0.22%). 2019 has seen an increasing focus on compliance and the cancellations of domain names, with the positive effect of strengthening security and trust in the .nz name space. With slightly reduced new domain volumes combined with ongoing consolidation activity with registrars in the market, we expect growth to remain flat into and during 2020.

Compliance

Names cancelled	Q1	32
	Q2	271
	Q3	274
Disputes started	Q1	9
	Q2	12
	Q3	5
Disputes closed	Q1	4
	Q2	10
	Q3	11

domain name commission nz

Domains

710,344 total domains at the end of the quarter

- 507,736 .co.nz
- 141,025 .nz
- 61,583 all others

Activity this quarter

Creates	Q1	27,928
	Q2	32,210
	Q3	24,172
Cancellations	Q1	29,218
	Q2	41,239
	Q3	35,247
Renewals	Q1	262,558
	Q2	258,008
	Q3	230,412

-0.22% growth (decline of 1,601 domain names)

Infrastructure

DNS queries for the quarter

- Q1 34.4 billion
- Q2 32.2 billion
- Q3 51.4* billion

*Data reporting has improved in Q3

DNS service level

100%

SRS service level

100%

Incidents of note

Scheduled maintenance as planned

People

87 authorised registrars

Market share

- top 4 registrars 43.60% ↓
- next 4 registrars 21.30% ↑
- everyone else 35.10% ↑

310,805 unique registrants

- 120,765 individuals ↑
- 190,040 organisations ↑

34,713 unique registrants using privacy option



66,736 domain registrations with privacy option enabled

3 February 2020

Jamie Braddeley
President
InternetNZ

PO Box 11 881
Level 11, 80 Boulcott Street,
Wellington 6011,
New Zealand
Office: +64 4 472 1600
Email: info@dnc.org.nz
www.dnc.org.nz

**domain name
commissionnz**



Dear Jamie,

Please find enclosed DNCL's end of the third-quarter report for the 2019/2020 financial year.

The end of quarter financials is enclosed at the end of this letter.

INZ Group Projects

DNCL staff continue to be involved this quarter in a number of group-wide major projects including the office re-fit, .nz end to end policy review, and registry transformation project. DNCL continues, where possible, to use existing FTE to support these initiatives in their start-up phases.

Dispute Resolution:

The Annual Expert Meeting was held this quarter where the Experts discussed the annual cases. Other topics discussed included potential changes to .nz dispute resolution policy, implementation of process changes to the existing system and engaging a law student to produce plain English case summaries of existing decisions.

The DNCL Board at its last meeting approved for there to be a pilot of negotiation as a service for resolving disputes as a subset of mediation services. Planning for the implementation of a negotiation phase has commenced.

A project is also underway to re-develop the current architecture and existing information provided to parties regarding the Dispute Resolution service to improve access and use of the service.

Compliance and Enforcement

DNCL continues to invest in its monitoring of the .nz domain name space capability and enforcement of .nz policy under its refreshed approach devised in conjunction with Deloitte.

Our primary focus of late has been on the four data quality pillars: data validation after registration, data matching, data cleansing, and understanding data legacy.

Improvements to the DNCL's data validation process have been made this quarter which has seen gains in the time taken for suspension and cancellation. The Commission has a stretch goal target of achieving real-time suspension for fake registration details and is exploring ways to achieve this goal.

**Keeping .nz
fair for everyone.**

The DNCL continues to refine its threat feeds. Staff are working on how to communicate findings to other intelligence partners and parties with a role in keeping .nz safe trusted and secure.

Market regulatory functions

The trend of market consolidation continues in the .nz domain names, which has resulted in a number of registrars exiting the market. DNCL continues to work closely with a number of Registrars to assist with bulk transfers of domains between legal entities and de-authorisation processes.

An electronic legal contract management system to manage the various legal contracts is planned for 2020.

Pickens Review implementation

Coordination of the Pickens recommendations, as well as the Deloitte compliance recommendations, is being undertaken to identify common streams of work so these can be actioned in a more efficient manner. DNCL intends to issue a progress report on the implementation work at the end of the financial year.

DNCL Board recruitment

Two new board members have been appointed. An official announcement will be made in the February newsletter following their first board meeting at the beginning of February.

Yours sincerely,

Jordan Carter
Chair
Domain Name Commission

Domain Name Commission Limited
Income Statement
For the Quarter Ending 31 December 2019

The following notes relate to the accounts:

- Professional services continue to show litigation costs (\$187,681.70) not contained within the Annual Budget
- With the exception of Professional Services (explained above), Office and Administration (minor overspend) and Personnel and Staff all other areas reported an underspend for the quarter.
- Only Projects (minor overspend) and Professional Services are at an overall loss for the year to date.
- YTD results continue to remain positive, despite litigation expenditure of \$187,681.70 YTD.

	Oct - Dec 2019				Year-to-Date			
	Q2 Act (\$)	Q2 Bud (\$)	Q2 Var (\$)	Q2 Var (%)	YTD Act (\$)	YTD Bud (\$)	YTD Var (\$)	FY Bud (\$)
INCOME								
5050 - Authorisation Fees	3,391	3,000	391	0%	12,000	6,000	6,000	6,000
5080 - DRS Complaint Fees	4,000	8,000	(4,000)	0%	18,000	24,000	(6,000)	34,000
5100 - Management Fees	335,001	335,001	(0)	0%	1,005,003	1,005,003	(0)	1,340,000
7010 - Interest Income	4,154	5,100	(946)	-19%	9,322	7,380	1,942	13,500
1540 - Sundry Income	0	0	0	0%	0	0	0	0
Total Income	346,546	351,101	-4,555	-1%	1,044,325	1,042,383	1,942	1,393,500
EXPENDITURE								
DNCL Board	7,840	8,748	(908)	-10%	22,190	24,994	(2,804)	36,000
Communications	2,804	3,750	(946)	-25%	12,512	21,250	(8,738)	25,000
Compliance	1,717	18,000	(16,283)	-90%	1,717	51,000	(49,283)	69,000
Dispute Resolution Services	14,305	28,976	(14,671)	-51%	33,584	55,228	(21,644)	103,000
Registrars	3,440	3,799	(359)	-9%	12,062	20,497	(8,435)	24,000
International	22,899	42,300	(19,401)	-46%	68,441	88,300	(19,859)	143,800
Office and Administration	70,964	70,794	170	0%	208,344	212,382	(4,038)	283,200
Personnel and Staff	201,696	153,749	47,947	31%	421,359	446,417	(25,058)	604,114
Professional Services **	64,641	8,502	56,139	660%	213,914	25,506	188,408	45,000
Projects	23	8,700	(8,677)	-100%	26,871	26,100	771	35,000
Total Expenditure	390,328	347,318	43,010	12%	1,020,995	971,674	49,321	1,368,114
Depreciation	4,334	9,000	(4,666)	-52%	11,927	19,800	(7,873)	30,000
Other Comprehensive Items	0	0	0		0	0	0	0
Net Profit/Loss	(\$48,116)	(\$5,217)	(\$42,899)	822%	\$11,403	\$50,909	(\$39,506)	(\$4,614)

** Included litigation costs: Q1 = \$30,392.77
Q2 = \$100,656.46
Q3 = \$56,632.46
YTD = \$187,681.69



Group financial statements

For the quarter ended 31 December 2019

Table of contents

Consolidated Income Statement	3
Activity Based Consolidated Income Statement	4
Statement of Movements in Equity	5
Balance Sheet	6
Statement of Cash Flows	7
Cash Flow Charts	8

Internet New Zealand Group
Consolidated Income Statement
For the Quarter Ended 31 December 2019

	Group		INZ		DNCL	
	Qtr	YTD	Qtr	YTD	Qtr	YTD
Income						
Registry Fees	2,682,546	8,062,689	2,682,546	8,062,689	-	-
Broadband Map	14,150	37,452	14,150	37,452	-	-
DNS Firewall	-	-	-	-	-	-
Management Fees	-	-	-	-	335,001	1,005,003
Interest Received	95,660	249,000	91,506	239,678	4,154	9,322
Managed Funds Income	66,174	289,667	66,174	289,667	-	-
Sundry Income	99,762	300,617	92,371	270,617	7,391	30,000
Total Income	2,958,293	8,939,425	2,946,748	8,900,103	346,546	1,044,325
Less Direct Expenses						
DNC Fee	-	-	335,001	1,005,003	-	-
.nz Costs	119,755	359,429	119,755	359,429	-	-
Broadband Map	-	-	25,365	65,096	-	-
DEFENZ Costs	36,630	36,630	36,630	36,630	-	-
Other IT	47,468	152,990	47,468	152,990	-	-
Total Direct Expenses	203,854	549,049	564,219	1,619,148	-	-
Less Other Expenses						
Audit Costs	-	527	-	40	-	487
Governance Costs	67,897	190,782	60,057	168,592	7,840	22,190
International Travel	137,158	296,319	114,259	227,879	22,899	68,441
International Membership	5,222	81,659	5,222	81,659	-	-
Community Investment	272,158	537,703	257,853	504,119	14,305	33,584
Legal Fees	68,592	250,836	5,100	43,607	63,492	207,229
Office Costs	331,575	951,092	260,611	742,748	70,964	208,344
Employment Costs	1,636,823	4,251,756	1,435,127	3,830,397	201,696	421,359
Other Operating Expenses	364,283	931,023	350,817	859,736	13,466	71,287
Other Comprehensive Items	-	-	-	-	-	-
Total Expenses	2,883,708	7,491,699	2,489,046	6,458,777	394,662	1,032,922
Net Profit (Loss) Before Tax	(\$129,269)	\$898,677	(\$106,517)	\$822,178	(\$48,116)	\$11,403
Less Provision for Tax	-	-	-	-	-	-
Net Profit (Loss) After Tax	(\$129,269)	\$898,677	(\$106,517)	\$822,178	(\$48,116)	\$11,403

Notes:

The income and expenditure lines for the individual entities do not add to the Group totals due to the following intra-group entries being eliminated.

1. GSE paid by DNCL to INZ
2. The DNCL fee paid by INZ to DNCL
3. DNCL Legal fees, previously classified as **Other Comprehensive Items**, is now re-classified as **Legal Expenses**.

Internet New Zealand Group
Consolidated Income Statement - Activity Based
For the Quarter Ended 31 December 2019

	Group		INZ		DNCL	
	Qtr	YTD	Qtr	YTD	Qtr	YTD
Income						
Registry Fees	2,682,546	8,062,689	2,682,546	8,062,689	-	-
Broadband Map	14,150	37,452	14,150	37,452	-	-
Management Fees	-	-	-	-	335,001	1,005,003
Interest Received	95,660	249,001	91,506	239,678	4,154	9,322
Managed Funds Income	66,174	289,667	66,174	289,667	-	-
Sundry Income	42,954	243,809	92,370	270,617	7,391	30,000
Total Income	2,901,484	8,882,617	2,946,748	8,900,103	346,546	1,044,325
Less Activity Expenditure						
Policy	304,777	871,069	304,777	871,069	-	-
Outreach & Engagement						
Funding	214,448	459,134	214,448	459,134	-	-
Communications	170,628	456,486	170,628	456,486	-	-
Engagement	200,506	434,818	200,506	434,818	-	-
.nz Operations	422,536	1,567,986	454,756	1,364,431	359,589	930,364
Commercial	364,804	739,393	364,804	739,393	-	-
Broadband	25,365	65,096	25,365	65,096	-	-
IT Operations	187,799	187,799	187,799	187,799	-	-
Technology Strategy	63,534	63,534	63,534	63,534	-	-
Technical Research	142,155	426,390	142,155	426,390	-	-
Technology Services	166,529	1,081,788	166,529	1,081,788	-	-
International Engagement	203,630	488,715	180,391	419,934	23,239	68,781
Org. Services, Gov. & Sec.	532,380	1,358,624	524,540	1,336,434	7,840	22,190
Other Operating Expenses	57,025	183,202	53,032	171,616	3,993	11,586
Other Comprehensive Items	-	-	-	-	-	-
Total Expenses	3,056,117	8,384,035	3,053,264	8,077,923	394,662	1,032,922
Net Profit (Loss) Before Tax	(\$154,633)	\$498,582	(\$106,517)	\$822,178	(\$48,116)	\$11,403
Less Provision for Tax	-	-	-	-	-	-
Net Profit (Loss) After Tax	(\$154,633)	\$498,582	(\$106,517)	\$822,178	(\$48,116)	\$11,403

Notes:

The income and expenditure lines for the individual entities do not add to the Group totals due to the following intra-group entries being eliminated.

1. GSE paid by DNCL to INZ
2. The DNCL fee paid by INZ to DNCL
3. DNCL Legal fees, previously classified as **Other Comprehensive Items**, is now re-classified as **Legal Expenses**.

Internet New Zealand Group
Statement of Movements in Equity
For the Quarter Ended 30 December 2019

	Group		INZ		DNCL	
	Qtr	YTD	Qtr	YTD	Qtr	YTD
Equity at start of period						
Opening Retained Earnings	11,846,028	10,857,817	11,929,735	11,001,040	(83,707)	(143,223)
Shares Subscribed	-	-	-	-	580,000	580,000
	11,846,028	10,857,817	11,929,735	11,001,040	496,293	436,777
Net Profit (Loss) After Tax	(154,630)	833,581	(106,517)	822,178	(48,113)	11,403
Equity at end of period	\$11,691,398	\$11,691,398	\$11,823,218	\$11,823,218	\$448,180	\$448,180

Notes:

The components that make up the total opening equity at the beginning of the period have been removed to calculate Group Totals upon consolidation.

1. Share Subscribed: shares are wholly owned by InternetNZ.

Internet New Zealand Group
Balance Sheet
As at 31 December 2019

	Group	INZ	DNCL
Current Assets			
Cash and Cash Equivalents	15,608,703	15,119,014	489,689
Managed Funds	3,344,127	3,344,127	
Other Current Assets	1,143,621	1,084,792	58,829
Total Current Assets	20,096,450	19,547,933	548,518
Property, Equipment & Software			
Fixed Assets at Cost	2,854,804	2,795,393	59,410
Less Accumulated Depreciation	(2,406,495)	(2,356,023)	(50,471)
Intangible Assets	653,192	653,192	-
Investments	-	-	-
Shares and Loans	-	580,000	-
Total Assets	21,197,951	21,220,494	557,457
Less Liabilities:			
Deferred Income	8,471,075	8,471,075	-
Trade and Other Payables	1,035,477	926,200	109,277
Total Liabilities	9,506,552	9,397,275	109,277
Net Assets	\$ 11,691,399	\$ 11,823,219	\$ 448,180
Represented By:			
Total Equity	\$ 11,691,399	\$ 11,823,219	\$ 448,180

Notes:

The following items have been removed upon consolidation:

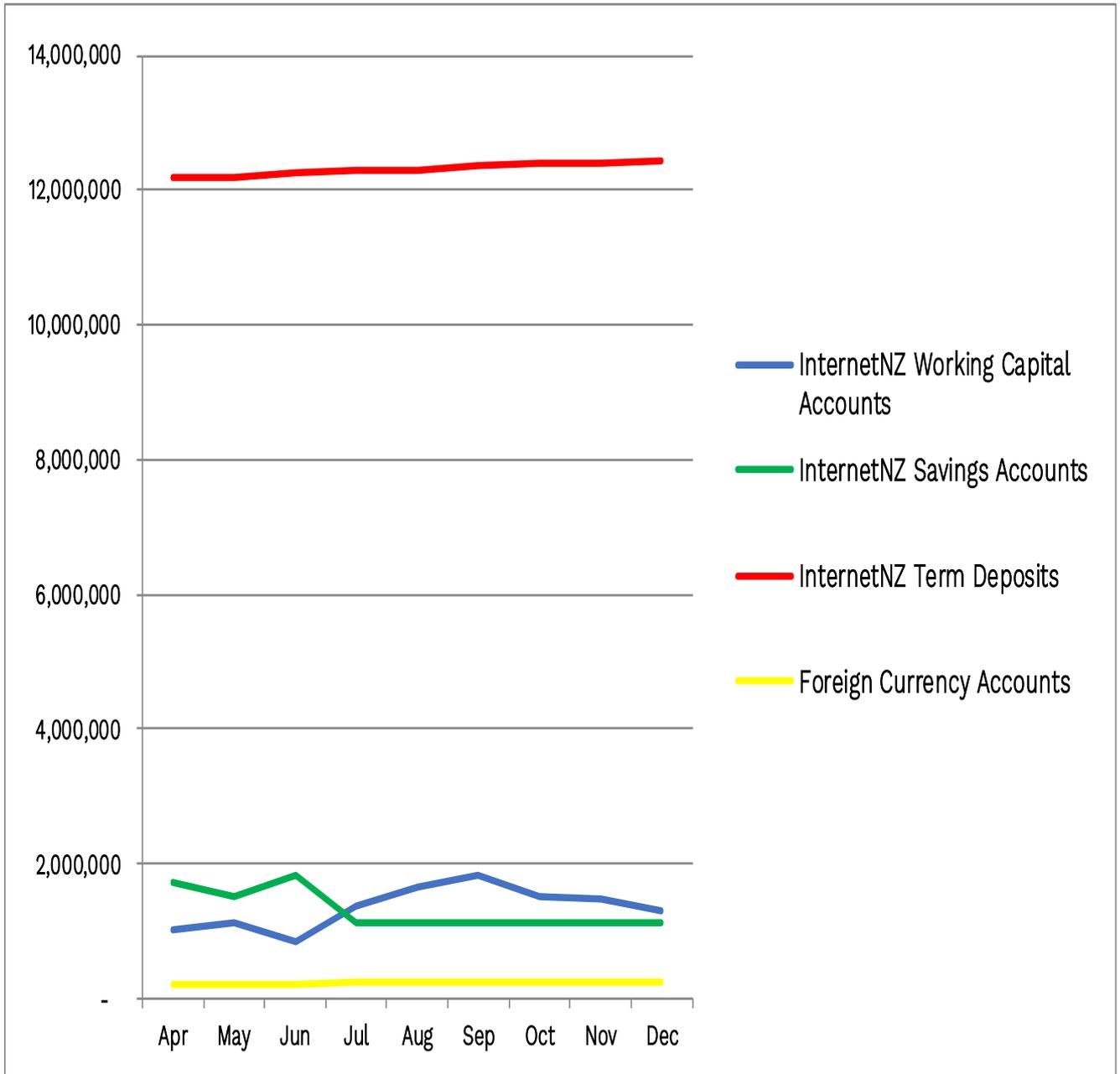
1. Shares in DNCL wholly owned by InternetNZ;
2. Share Subscription with respect to shares issued to InternetNZ by DNCL.

Internet New Zealand Group
Statement of Cashflows
For the 3 months ended 31 December 2019

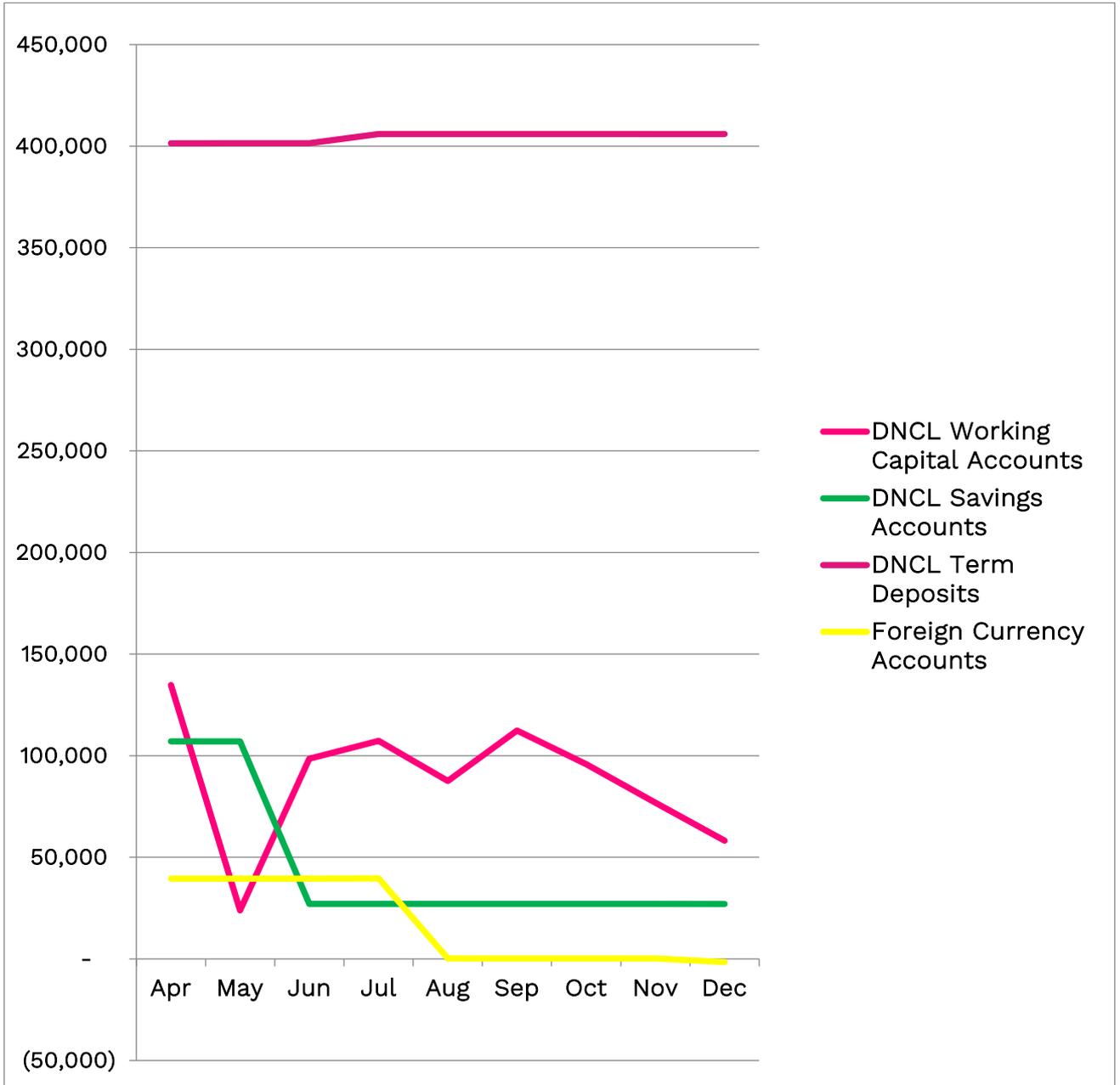
	Group Oct - Dec 2019	INZ Oct - Dec 2019	DNCL Oct - Dec 2019
Operating Activities			
Receipts from Customers	3,708,111	3,306,515	401,596
Payments to Suppliers and Employees	(3,599,511)	(3,172,264)	(427,247)
Movement from other Operating Activities	(204,971)	(202,514)	(2,458)
Net Cash Flows from Operating Activities	(96,371)	(68,263)	(28,109)
Investing Activities			
Payment for Property, Plant and Equipment	(434,553)	(431,688)	(2,865)
Other Assets cash items from Investing Activities	43,917	69,026	(25,109)
Net Cash Flows from Investing Activities	(390,636)	(362,662)	(27,974)
Net Cash Flows	(\$487,007)	(\$430,925)	(\$56,083)
Cash and Cash Equivalents			
Cash and cash equivalents at beginning of period	16,095,710	15,549,938	545,771
Cash and cash equivalents at end of period	15,608,703	15,119,014	489,689
Net change in Cash for Period	(96,371)	(68,263)	(28,109)

InternetNZ Inc

Bank Facility Balances per Month



Domain Name Commission Bank Facility Balances per Month





Financial summary

For the quarter ended 31 December 2019

Table of contents

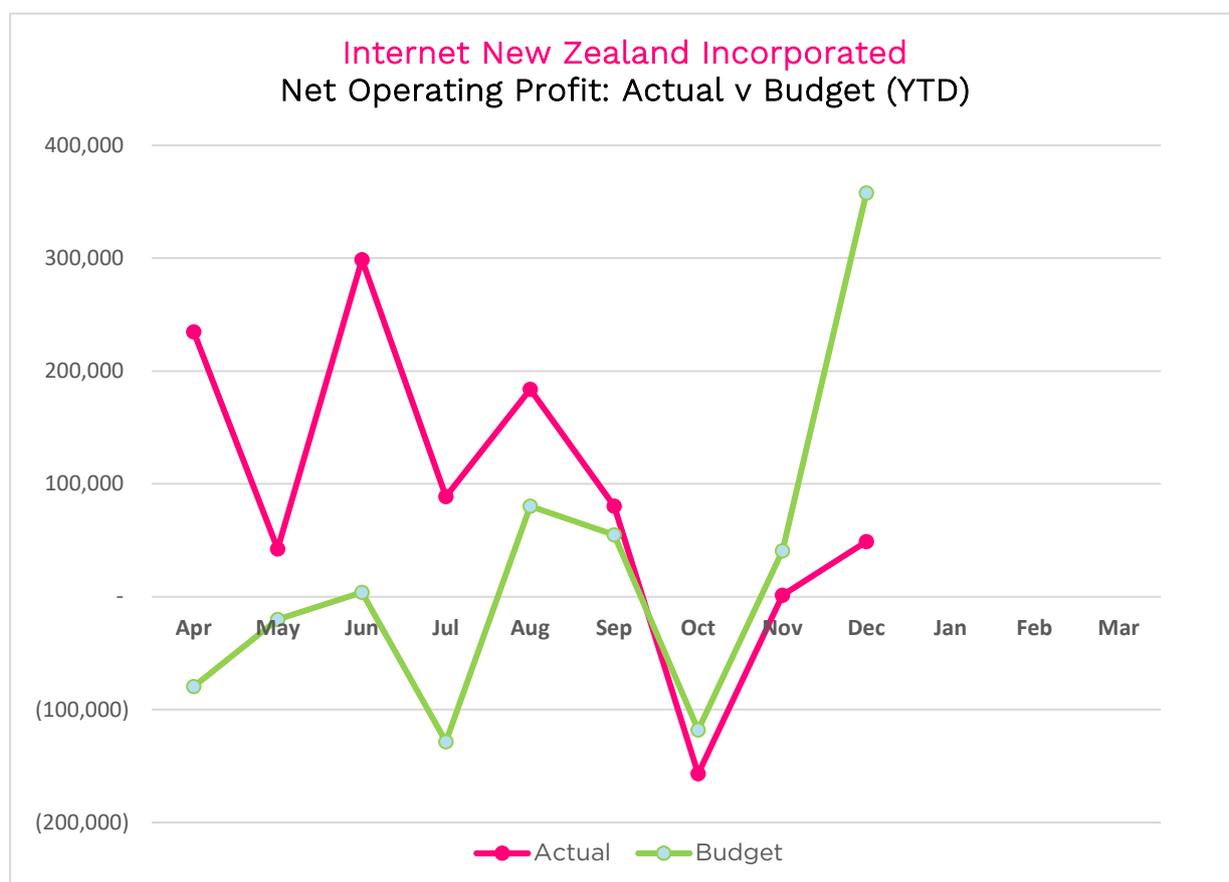
Summary of result	3
Net Operating Profit	3
Expenditure by Category Chart	4
Balance Sheet	5
Investments	5

Summary of the result for QE 31 December 2019

For the quarter ending 31 December 2019, the accounts reported a deficit result of \$106,517 against a budgeted surplus of \$290,504, resulting in a budget variance of \$397,021. This rather large variance is attributable to differences in phasing of the budget and actual spend – the YTD actuals position at December is a \$822,178 surplus.

The Budget completed in January 2020 has revised down the forecast year end result to a deficit of \$475,353 for the full year. This has been achieved by cost savings across the organisation and improved investment returns, despite facing reduced revenues for .nz registrations.

This revision brings the total budget savings for the year to \$625,135 (this includes the \$300K targeted efficiencies for approved Budget). Note that the approved budget included a planned deficit of \$800,842.



Revenue detail for the quarter

Operating Revenue was under compared to budget by \$60,872 (6.01%) due to slower than anticipated uptake on the DEFENZ service, a decline in registration numbers, along with the realignment of Events revenue budget to the actual YTD, offset by a small increase in BBM and misc. Investment Revenue is reported under by \$110,515 (41.21%), this again is due to phasing (see YTD notes below).

Revenue	Actual	Budget	Variance	% of Total Sales
Registry Fees	2,682,546	2,706,069	(23,523)	91%
BBM	14,150	11,640	2,510	0%
DEFENZ	0	20,000	(20,000)	0%
Events	33,868	51,500	(17,632)	1%
Membership	504	3,002	(2,498)	0%
Recharge & Misc	58,000	57,729	271	2%
Investment	157,680	268,195	(110,515)	5%
Total Revenue	2,946,748	3,118,135	(171,387)	100%

YTD operational revenue (\$8,370,758) is behind budget (\$8,402,147) by \$31,389 the majority of which has been previously explained. Investment revenue (\$529,345) is ahead of budget (\$500,251) YTD by \$29,094.

Expenditure detail for the quarter

Expenditure was over compared to budget across most areas of the organisation. Actual expenditure of \$2,489,046 was recorded against budgeted expenditure of \$2,264,257, resulting in an overspend of \$224,789 (9.93%) for the quarter.

The reported overspend is attributable to phasing. Spend YTD is \$470,378 below budget.

Expenditure breakdown by Function

Area	Actual	Budget	Variance	% of Expenditure
Commercial	328,174	303,977	(24,197)	13%
Communications	170,628	121,479	(49,149)	7%
Engagement	200,506	227,915	27,409	8%
Funding	214,448	207,162	(7,286)	9%
International	180,391	142,601	(37,790)	7%
Investment	6,012	8,839	2,827	0%
IT Operations	187,799	168,553	(19,246)	8%
Org. Services	462,731	445,334	(17,397)	19%
Policy	304,777	258,512	(46,265)	12%
Security	61,362	62,000	638	2%
Technical Research	142,155	147,008	4,853	6%
Technology Services	166,529	98,739	(67,790)	7%
Technology Strategy	63,534	72,138	8,604	3%
Total Expenditure	2,489,046	2,264,257	224,789	100%

Expenditure by 2019/20 Goals

The table below is a high-level report to track budgeted expenditure by Strategic Goals; it does not represent, from a financial perspective, the internal resources that has been invested in this space over the period.

Goal	Actual	Budget	Variance	% of Expenditure
Improve .nz Policy/Security	57,732	48,066	9,666	12%
New non .nz Products	61,995	60,413	1,582	13%
Ensuring Openness	334,429	322,500	11,929	68%
Intervention to bridge the Digital Divide	37,682	29,631	8,051	8%
Expenditure Q3	491,839	460,610	31,229	100%

For more details on what we have been working on please see the Q3 Activity report.

<https://internetnz.nz/sites/default/files/2019-Q3-Activity-Report.pdf>

https://internetnz.nz/sites/default/files/dotnz_Q3_2019.pdf

https://internetnz.nz/sites/default/files/Product_development_Q3_2019.pdf

https://internetnz.nz/sites/default/files/Strategic_goals_report_Q3.pdf

Balance Sheet

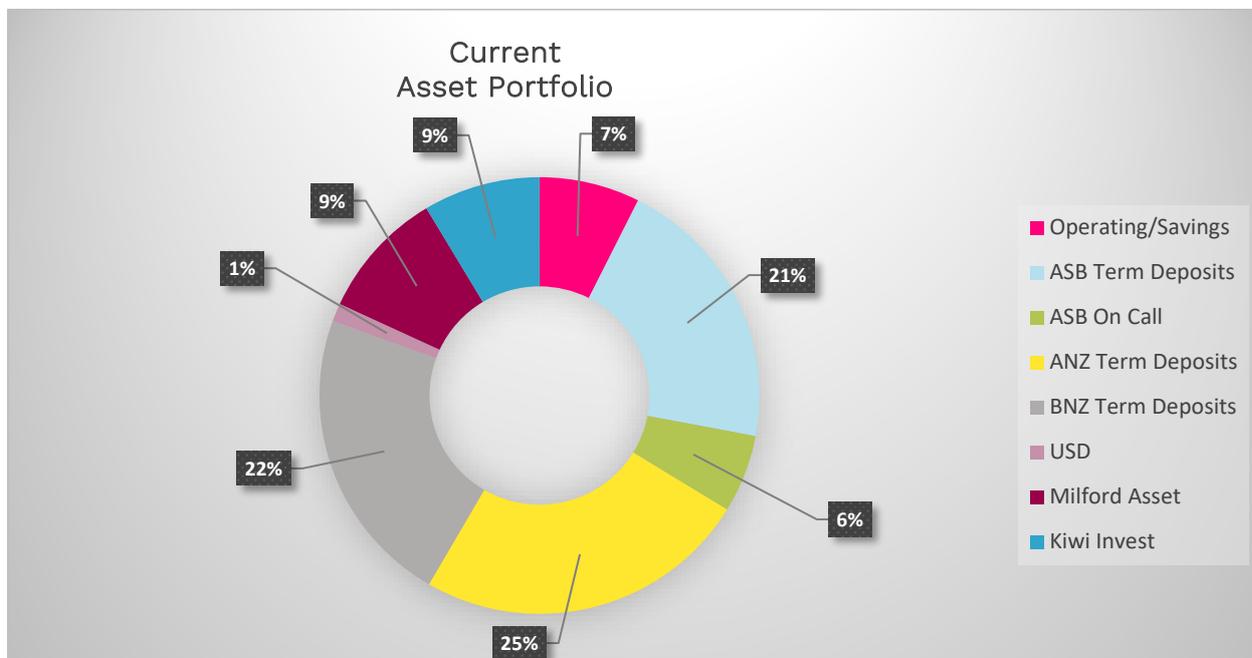
A detailed Balance sheet report for INZ Group is available for review (link below). We would like to provide detail on two specific areas of note in this report:

1. The current Investment Portfolio;
2. An update on Cash in excess of Reserves.

(Insert link to Q3 Group Report after Q2 report moved to accessible drive/website)

Investments

The graph below represents the percentage spread of our investments (\$18,463,141) across all institutes.



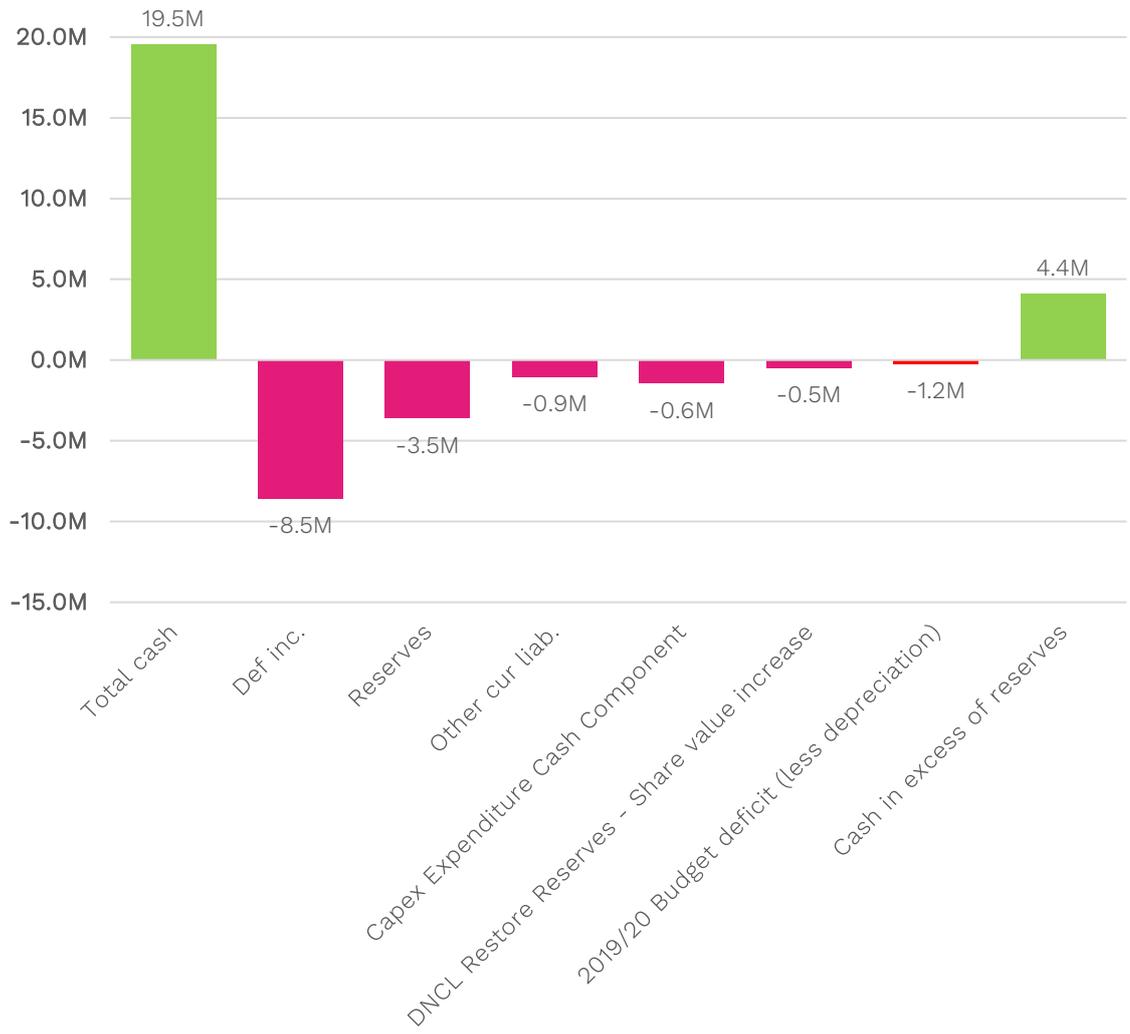
Cash in Excess of Reserves as at QE Dec 2019

At the end of Q2 (30 Sept 2019) cash in excess of reserves was \$4.3m. The following is an update as at the end of Q3, 30 Dec 2019:

The table below shows the current actuals, and forecast outcomes from the current year. It represents a forecast for 31 March 2020, showing that at year end we can anticipate the Cash in Excess of Reserves situation:

Total Cash & Current Assets	19,547,9323
Less Deferred Income	(8,471,075)
Less Reserves as per the policy	(3,474,204)
Less Other Current Liabilities	(926,200)
Budget Capex 2019/20	(550,000)
DNCL Reserves (restore)	(500,000)
Deficit budget less Amort./Dep. & Capex Salaries	(1,201,000)
Cash in Excess of Reserves	4,425,453

Cash Position PE Dec 2019

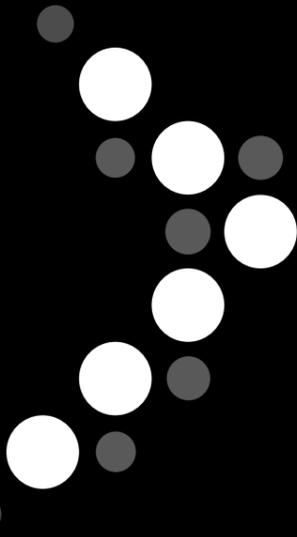


InternetNZ

report on strategic goals

2019/20

October to December 2019



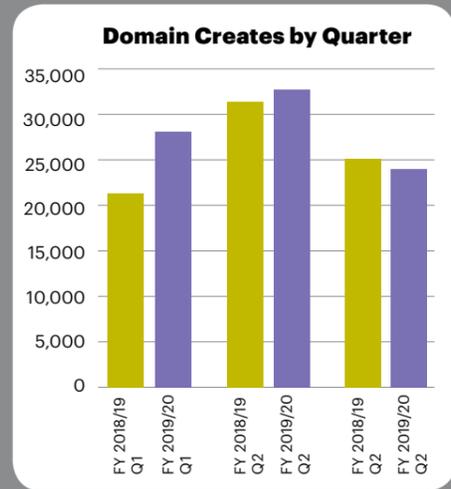
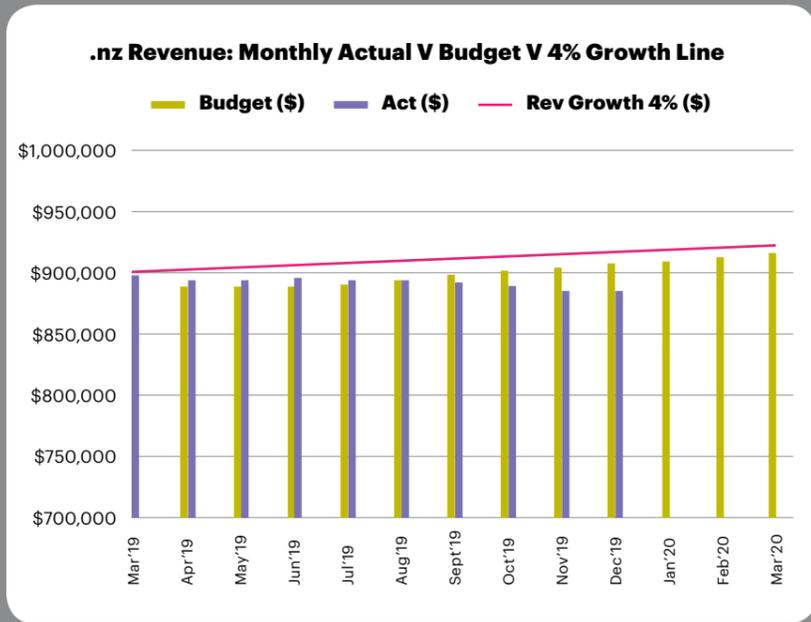
Overview

This report is an update on the measures we have put in place to monitor our progress on the five Strategic Goals of 2019/20.

Goal 1

To fund increased public good investment, drive higher sustainable growth in registrations of .nz domain names.

Year to date revenue had been flat to August but a downturn started in September and has continued through Q3. While the public marketing campaign went live in October with an aim to support the growth target, the volume of creates and renewals in Q3 have in fact decreased.



Goal 4

Support community safety, inclusion and wellbeing in New Zealand while ensuring that the essential openness of the Internet's governance, technology and architecture is taken into account.

- InternetNZ participated in a crisis response event led by YouTube in December Jordan also moderated a panel on the issue of **terrorist and violent extremist content** at the United Nations Internet Governance Forum
- Public opinion research** was commissioned with Colmar Brunton. This includes information and perspectives on a range of long-running topics tracked by InternetNZ, alongside some specific questions and measures relating to Christchurch Call issues. This will be released in Q4.
- We **engaged in the government policy process** designed to address violent extremism online and released discussion documents on Internet openness and duty of care.



Goal 5

InternetNZ will collaborate with others to identify, agree and effect significant progress on four interventions to bridge different digital divides.

- Government engagement – we:**
- Developed a **set of proposals for government investment** in digital inclusion. We have provided these to Minister Faafoi and will shortly meet the Minister to discuss them.
- Collaboration with community organisations – we:**
- Worked with the 20/20 Trust on the development of an online home to better **connect the digital inclusion ecosystem**.
 - Established an expert evaluation group to develop an approach to **evaluating digital inclusion initiatives** which can be used by community organisations.
 - Worked with others in the digital inclusion eco-system as we developed the investment proposals for government.
- Community access collaboration – we:**
- Engaged with the Spark foundation to progress ideas for **affordable connectivity in public housing**.



Goal 2

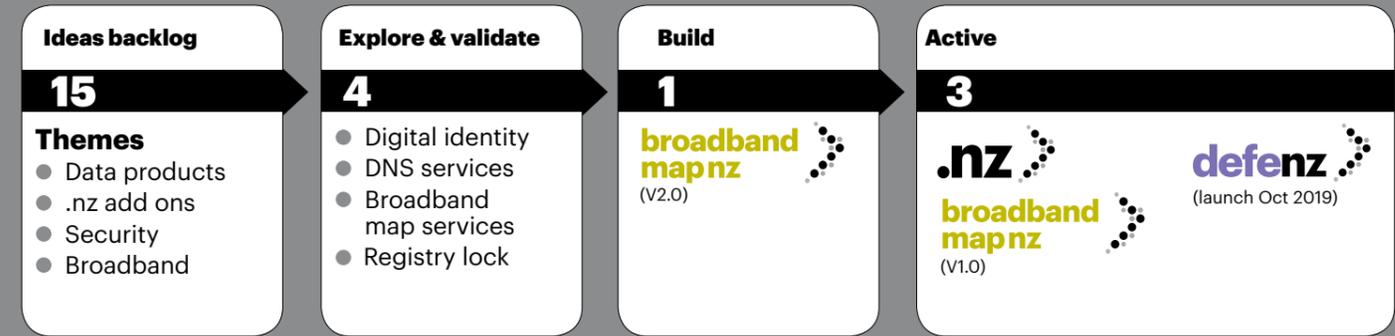
Modernise and improve the policy and security environment for .nz, consistent with our aim of being a globally excellent ccTLD.

- The .nz **Policy external Advisory Panel** undertook a number of engagement activities to get views from New Zealanders on what they think the issues are with the .nz policies and started work drafting its Issues Report.
- Over Q3 we have focused on a number of **major risk areas** including:
 - Strategy** - updating framework/goals/business planning
 - People** - capacity planning/structure review/wellness
 - Services** - new commercial risks, registry replacement

Goal 3

InternetNZ will have two new non- .nz services, validated through our new business processes, delivering annual recurring revenue and each on a path to profitability.

The following table shows product ideas and which ones are live. For more information see the [product development quarterly report](#).



Summary of Council Committee Activity

ITEM NO:	5.6.6
AUTHOR:	Jordan Carter
PURPOSE:	To provide a staff summary of Council Committee activity
DATE WRITTEN:	January 2020

Summary

This report is a consolidation of the activities over last 4 months

Audit and Risk Committee

The Council members of the Committee are Amber Craig (Chair), Richard Hulse, Kate Pearce, aimee whitcroft and David Wright advising.

The Committee has met twice or this period and the areas of focus have been

- Financial Strategy
- Risk Management Policy, Rader and Register.
- Security Updates
- Health,Safety and Wellness
- Audit Tender process

The next meeting is scheduled for 19 March 2020, at which time the annual year-end audit will be the main topic of discussion, Crowe Wellington will be in attendance and the Committee will be asked to consider the scope for the 2019/20 audit .

Other agenda items will be the Insurance renewal, Health, Safety and Wellbeing, Audit tender, and a Security/Risk review update.

.NZ Policy Committee

The Council members of the committee are Kate Pearce (Chair) Joy Liddicoat and Don Stokes.

The Committee's most recent meetings were in Aug, Oct and Dec. The next meeting is 4 February 2020.

Background to the .nz policy review

In November 2018 Council agreed to a review of the policies that regulate the .nz domain name space (“the Review”). An independent panel (“the Panel”) was appointed to carry out the Review. The Panel started work on 31 July 2019. The .nz Policy Committee was established to provide the governance for this work, and to support the Policy Team as the review progresses.

Update

Since the last update the following progress has been made with the Review:

- The Policy Team produced an Initial Briefing (Parts I and II) for the Panel, which has been made publicly available on our website. This briefing explained the operation of the domain name system, and canvassed issues with the current policies we are already aware of.
 - https://internetnz.nz/sites/default/files/Briefing_for_the_.nz_panel_part_one.pdf
 - https://internetnz.nz/sites/default/files/Briefing_for_the_.nz_panel_part_2.pdf
- The Panel engaged with a range of New Zealanders to get their views on what issues might exist with the current .nz policies. It did this through:
 - an event at Nethui
 - a survey
 - focus groups and interviews (conducted by UMR)
 - feedback (unsolicited) from the Registrar Advisory Group on the InternetNZ Initial Briefing.
- The Panel talked to our equivalents in Canada, UK, Australia, to get an idea of the issues that have arisen in other ccTLDs.
- Members of the Panel formed sub-groups to produce sections of their Issues Report. The Policy Team has been working with the Panel to bring these contributions into a single report with one voice.

Next Steps

The Panel will finalise its Issues Report and provide it to Council in mid February. This report will outline issues with the .nz policies, not solutions. Council members will receive an embargoed copy of the report a few days ahead of release, so you are familiar with the contents before it is made publicly available on the website. The Panel is providing independent advice to us, so there will not be an opportunity to comment on the report before it is finalised and made public. The Policy Team will provide a short cover briefing for Council members.

The next steps will be for the Panel to:

- start thinking about options for addressing the issues it has identified (to assist with this, Internet NZ has commissioned an international comparisons report)
- engage stakeholders further on the issues and options
- provide a final report, recommending solutions to the various issues, by the end of June.

The Panel’s work will end once it has provided its solutions report. InternetNZ will then consider the recommendations and make decisions about changes to the .nz policies. The intention is to make decisions about changes to the policy framework by December, and to implement changes in tandem with the implementation of a new registry system.

Komiti Whakauru Māori

The current members of this Komiti are Sarah Lee (Chair), Amber Craig and Jamie Baddeley.

The Committee is scheduled to meet on the 12th of February.

Fellows Working Group

This Working Group has not met since we last reported.

Next steps for this Working Group will be to consider options in te reo Māori, with the help and advice of tikanga Māori and te reo advisors.

Recommendation

THAT Council receive the Update from Council Committees

Jordan Carter
Chief Executive

Activity Report: Q3 2019-2020

1. Introduction

Welcome to this Activity Report for the period from 1 October to 31 December 2019. This report gives readers a sense of what InternetNZ has been working on, and priorities for the fourth quarter of the business year.

2. Across the Organisation

This report marks the end of the third quarter, and InternetNZ continuing its great work to drive through on our five Strategic Goals .

Some highlights:

- We made a major change to our **internal structure in the Technology area**. The Technology Services team was disestablished, and replaced with two new teams -
 - an IT Operations Team, which provides all internal IT, support to product development and operates the .nz registry and DNS systems, and
 - a Technology Strategy Team, providing tech strategy and architecture advice across the organisation, and leading the Registry Replacement Project.

This change is designed to make sure we have dedicated operations resource focused on .nz, as well as meeting the wider organisation's IT needs, and also making sure we can do the registry replacement project.

- As noted last report, **NetHui 2019** was a great success, with good numbers and broad participation - and much positive feedback in post-event survey and contact from the community.
- Selling of the **Defenz DNS Firewall** continued to be a focus, with growing numbers of companies testing the offering and first invoices due next quarter.
- On Goal 4, **Christchurch Call** work continued to be a focus, with the CEO moderating a panel on the subject at the United Nations Internet Governance Forum, and with consultation starting in New Zealand on short term fixes to media law in response to the event.

Many other important pieces of work are shared in this report. Feedback is welcome. Thanks to the team for a great effort in a very challenging 2019!

Jordan Carter, Group CEO
30 January 2020

3. Strategic Goals - Q3 Progress, Q4 Plans

This section of the report gives readers an update on the projects related to our five Goals for the year. You can find the plan [here](#).

<p>Goal 1: To fund increased public good investment, drive higher sustainable growth in registrations of .nz domain names. Lead: David Morrison, Commercial Director</p>	<p>Overall Status: Amber, due to flat growth.</p>	<p>Amber</p>
<p>Q3 Progress</p>		
<p>.nz Marketing</p> <ul style="list-style-type: none"> .nz direct marketing campaign. This campaign is now operational at https://getyour.nz and is testing the efficacy and cost of generating .nz leads for registrars. Initial indications from data are that a domains-only focus is not effective when marketing .nz names. Data is being reviewed to consider what changes to make for testing in February and March. Cofund marketing has started with four varied campaigns operating during the quarter. A further two campaigns are planned in February and March. <p>The results from this activity will flavour our approach to marketing in 2020/2021.</p> <p>Have set status to Amber as results from marketing are not delivering anticipated outcomes.</p>	<p>Amber</p>	
<p>Registry Replacement Project - InternetNZ is considering options for a new replacement registry system. On October 23rd we requested expressions of interest from potential suppliers, so we can understand and evaluate what a suitable replacement for our existing registry system could look like. Submissions closed on Friday 29 November 2019. From the start of December, the project evaluation panel commenced working on evaluating the EOI responses. This work will continue through to 18 February and after that the next steps for the project will be announced.</p>	<p>Green</p>	
<p>.nz website - .nz web content will be included in the new InternetNZ website project.</p>	<p>STOPPED</p>	
<p>Domain Sophistication Index - The project is On Hold at this stage as some dependencies haven't been completed and other work from Research has taken priority.</p>	<p>ON HOLD</p>	

Q4 Planned

.nz Marketing - Complete planned marketing activity and use results to inform planned activity for the forthcoming financial year.

Domain Sophistication Index - This will stay On Hold for the time being until we can put all the pieces together to regularly generate the score for analysis. Likely to carry on into Q1 2020.

Registry Replacement Project - Complete the evaluation of the EOI responses. Decide what the next stage of the EOI process will be.

<p>Goal 2: Modernise and improve the policy and security environment for .nz, consistent with our aim of being a globally excellent ccTLD. Lead: Jordan Carter, Group Chief Executive</p>	<p>Overall Status:</p>	<p>Green</p>
<p>Q3 Progress</p>		
<p>.nz Policy Review - the external Advisory Panel undertook a number of engagement activities to get views from New Zealanders on what they think the issues are with the .nz policies. This included:</p> <ul style="list-style-type: none"> • A survey • A Nethui session • Focus groups and interviews. <p>The Advisory Panel started work drafting its Issues Report.</p>	<p>Green</p>	
<p>.nz Security Assessment - This project was revised in Q3, with completion now planned for Q4.</p>	<p>Amber</p>	
<p>Risk Radar - The areas of focus on the Risk Radar are spread over People, Strategy, Financial, Services, Legal and External & Reputation. Over Q3 we have focused on a number of major areas including</p> <ul style="list-style-type: none"> - Strategy - Aligning and updating Framework/Goals/Business planning/Project Framework - People - Capacity Planning/Structure review/Wellness - Services - New Commercial Risks, Registry replacement 	<p>Amber</p>	
<p>Domain Abuse Detection - Detection of fake web shops is a regular committed activity and cases still show up. A second project to detect potential registrations for phishing was designed, analyzed and tested with promising results, and presented to DNC and Commercial Director. One or more projects can come from this work as it has compliance and commercial potential.</p>	<p>Green</p>	

<p>Security Audit - No work started on this as the focus has been on the Tech Services restructure and role filling.</p>	<p>Not begun</p>
<p>Q4 Planned</p>	
<p>.nz Policy Review - The Advisory Panel will provide its first report, setting out the issues it sees with the .nz policies, in early February. It will then start work identifying options for addressing the issues it has identified. There will be a consultation process. The second report, identifying solutions, is due at the end of June.</p> <p>.nz Security Assessment - this work has now resumed with the new CSO. Discussions with registrars will feed into an assessment of the security risks in the .nz ecosystem. Further registrar Interviews are being conducted early in 2020 before completing this work this financial year.</p> <p>Security Governance – A new group has been established to steer and oversee security work inside the organisation. The Security Governance Group is made up of the Chief Security Officer (Chair), Group CEO, Organisational Services Director and IT Operations Director. The focus for Q4 will be ensuring that security risk registers are updated and planning for an Information Security Management System (ISMS) in 20/21.</p> <p>Risk Radar - In Q4 we will continue the work to date and also focus on:</p> <ul style="list-style-type: none"> • Financial - Investment Strategy, Revenue and 2020/21 Budget • Process to Audit and Risk Committee and Council abreast of key risk areas and strategies. <p>Domain Abuse Detection - No planned work for Q4 about this subject unless a project from a different unit comes forward to benefit from the work done and presented.</p>	

<p>Goal 3: InternetNZ will have two new non-.nz services delivering annual recurring revenue and each on a path to profitability. Lead: David Morrison, Commercial Director</p>	<p>Overall Status:</p>	<p>Green</p>
<p>Q3 Progress</p>		
<p>Innovation Pipeline - In addition to active products we have completed a rebuild of the Broadband Map which will operate as a more cost efficient platform to develop related services and a trusted narrative on Broadband in NZ. It is currently in a public beta.</p>	<p>Green</p>	

Our pipeline of new ideas to explore is shaping up in the areas of Digital Identity, DNS related security and Domain Name Monitoring	
New Product One Defenz-DNS Firewall is now operational with several active trials and two signed contracts. Focus is now on developing a pipeline of interest. Some early interest from the ISP market.	Green
New Product Two In December we conducted two co-design workshops to shape the scope for a registry lock product. The goal is a registry lock service that is operational in Q4 as an MVP to allow support to the NZ election.	Green
ANZSIC Classification of the Register - Similar to the Domain Sophistication Index project, this work depends on two components that are not ready, so it's on hold until the pieces are completed..	HOLD
Q4 Planned	
<p>Innovation Pipeline</p> <ul style="list-style-type: none"> - Move the new Broadband Map to a production state - Continue to explore new opportunities in the areas of Digital Identity, DNS related security and Domain Name Monitoring <p>New Product One - Focus on pipeline development with marketing activity taking place in January and February.</p> <p>New Product Two - Focus will be to have an operational MVP by the end of March that would enable a registry lock service to be offered.</p> <p>ANZSIC Classification of the register - Continues to be on hold.</p>	

Goal 4: Support NZ's online community safety, inclusion and wellbeing while ensuring the essential openness of the Internet's governance, tech and architecture is taken into account. Lead: Andrew Cushen, Engagement Director	Overall Status:	Green
Q3 Progress		
Christchurch Call & Related Matters - Q3 represented a lower cadence of activity from the public sphere on Christchurch Call matters. InternetNZ participated in a crisis response event led by YouTube in December with a range of public stakeholders, and participated in planning other such events for 2020. Jordan also moderated a panel on		Green

<p>the issue of terrorist and violent extremist content at the United Nations Internet Governance Forum in Berlin in November.</p> <p>Q4 and the next financial year will feature more work as InternetNZ responds to the domestic policy processes that are anticipated on matters relating to the Call.</p>	
<p>Define/explain Internet openness - A fulsome discussion was held on the Internet Openness document (Link: PDF) at NetHui.</p>	Green
<p>NetHui 2019 - NetHui 2019 was successfully delivered, on the theme of <i>Safety, inclusion and Wellbeing on the Open Internet</i>. 400 people attended this event and feedback from attendees was positive. Further reporting on NetHui 2019 is available here: (Link: PDF)</p>	Green
<p>Public Opinion Research - Public opinion research was commissioned with Colmar Brunton. This includes information and perspectives on a range of long running topics tracked by InternetNZ, alongside some specific questions and measures relating to Christchurch Call issues. This will be released in Q4.</p>	Green
Q4 Planned	
<p>Planning of NetHui 2020 - This will start before the end of the current financial year.</p> <p>Christchurch Call response & convening - execution of further engagements with partners as scoped.</p> <p>Public Opinion Research - release of the research.</p> <p>Define/explain Internet openness - Further perspective sharing will be done on this document in Q4, whilst also acknowledging that this work is now a component of the proposed <i>Internet for Good</i> work.</p>	

<p>Goal 5: Collaborate with others to identify, agree and effect significant progress on four interventions to bridge different digital divides. Lead: Kim Connolly-Stone, Policy Director</p>	Overall Status:	Green
Q3 Progress		
<p>Government Engagement - we:</p> <ul style="list-style-type: none"> • Developed a set of proposals for government investment in digital inclusion. We have provided these to Minister Faafoi and will shortly meet the Minister to discuss them. • Provided advice on MBIE on radio spectrum and digital inclusion. 		Green

<p>Outcomes and Evaluation Framework - we provided feedback to the Department of Internal Affairs in an earlier quarter. This action is now complete.</p>	<p>Green</p>
<p>Collaboration with Community Organisations - we:</p> <ul style="list-style-type: none"> ● Worked with the 20/20 Trust on the development of an online home to better connect the digital inclusion ecosystem. ● Established an expert evaluation group to develop an approach to evaluating digital inclusion initiatives which can be used by community organisations. ● Continued to work with the Citizens Advice Bureau and library stakeholders to develop a proposal for funding digital inclusion intermediaries. ● Hosted an event to introduce organisations in the digital inclusion ecosystem to the work of the GoodThings Foundation. 	<p>Green</p>
<p>Community Access Collaboration - we:</p> <ul style="list-style-type: none"> ● Engaged with the Spark foundation to progress ideas for affordable connectivity in public housing. ● Sat on the Vodafone Foundation panel considering digital inclusion funding applications. ● Explored options for addressing device poverty with Good Shepherd. 	<p>Green</p>
<p>Q4 Planned</p>	
<p>Government Engagement - we are meeting with Minister Faafoi in February to discuss our digital inclusion proposals.</p> <p>Collaboration with Community Organisations - we will:</p> <ul style="list-style-type: none"> ● Launch the online home to better connect the for digital inclusion ecosystem. ● Provide funding for community digital inclusion initiatives, and work with these organisations on evaluation. <p>Community Funding/strategic philanthropy - our next community funding round will have up to \$200,000 available for digital inclusion initiatives.</p>	

4. Ongoing Business - Q3 Achievements, Q4 Plans

This section of the report covers ongoing business projects that form part of our work, as outlined in the annual Activity Plan.

Organisational Services Catherine Fenwick - Director	Overall Status:	Green
Q3 Achievements		
Council Skills and Diversity Review -In Q3 we completed a review of the skills and diversity of the Council. The outcome was a recommendation to recruit one to two Appointed Council Members to fill the identified gaps.		Green
Security - CSO has been working a number of policies and processes to help lift the security awareness with INZ - these include Information Assets register and Information Security Management system.		Green
We have also been busy supporting the organisation with areas such as <ul style="list-style-type: none"> ● Business planning and Budgeting for current year and next financial year. ● Continue training and roll out of the new Portfolio Framework. ● Recruitment of two independent DNCL Directors ● Review of the Governance Charter/Policies ● Development of a number of options for the office fitout ● Commenced Pilot project to support balancing workload - Project and BAU. ● Recruitment and induction of new staff based on structure changes and staff turnover. 		Green
Q4 Planned		
<p>Business planning and Budgeting 2020/21 This will be a major piece of work for the team over Q4 as move toward year end and also consolidate the workplan and budgets for the projects and work plan for next year.</p> <p>Security - Continuing to work on Security plan including defining the security resources required to maintain and develop our security maturity. Focus also on incident detection as we build up the Governance level.</p> <p>Office Reshuffle and Refurbishment - Currently reviewing costings for possible options and reviewing requirements in Auckland office as the number of staff located there has increased.</p> <p>With two new DNCL directors we will also be supporting the induction process.</p>		

Work will continue on the **Auditor Tender process** with closing date for submission late January,

IT Operations Dane Foster - Director	Overall Status:	Amber
Q3 Achievements		
SRS backup Project - A set of services and hardware has been decided upon, and the hardware has been ordered. Implementation timeline to follow.		Green
JIRA/Confluence Cloud Move - A significant rescope has pushed this project to on-hold awaiting for new IT Operations staff (IT Co-ordinator)		Amber
Centralised Logging (.nz) - Project scoped, awaiting resource within the .nz Operations Team		Not begun
Staffing - The Product Operations Lead role has been successfully filled; start early March, .nz Sysadmin expected start end March, IT Coordinator expected start mid March		Green
Q4 Planned		
<p>Handover from Technology Services to .nz Operations to begin in earnest.</p> <p>The formation of the Product Operations and IT handover plan to come as these roles start near the end of Q4.</p> <p>Registry augmentation platform deployment.</p>		

Technology Strategy Dave Baker - Director	Overall Status:	Green
Q3 Achievements		
Establishment of the Technology Strategy team. The main focus of this quarter was the Registry Replacement Project. See Goal 1 above.		
Q4 Planned		

Aside from the Registry replacement project, the team plan to reach out to the business groups across the organisation and understand what the short term (next 12 months) and long term plans for their groups are.

We want to understand how technology can potentially help them achieve their goals and plans. We also want to know what are the potential pain points, problems and roadblocks that are on the horizon and how can we help. This means that this coming quarter is essentially an information gathering phase for the Technology Strategy team and this will drive the formulation of an overall technical strategy for the group.

Engagement Andrew Cushen - Director	Overall Status:	Green
Q3 Achievements		
Brand architecture deployment - The rollout of the new brand architecture is completed.	Green	
Ongoing development of new funding approach - while the implementation of the new funding approach has taken longer than anticipated, significant progress was made during Q3 with the launch of a number of rounds, and the full utilisation of the new awards model for conference attendance.	Amber	
Māori engagement - Significant progress made on the internal capability plan, with the first phase of pronunciation training undertaken with the majority of staff.	Amber	
New web platform - concept phase completed, ready to move into design and commissioning in Q4.	Green	
Partnerships - rollout and agreement finalisation with the first tranche of Partnerships for those aligned with the 18 month goals to September 2020.	Green	
Q4 Planned		
Website development - Design and Commissioning phase. Partnerships - finishing agreement finalisation with the full set of Partnerships. Māori Engagement - continuing the internal capability development; external engagement. New Funding approach - Completion of two rounds in Q4 on the new framework; building of the new funding panel.		

Policy Kim Connolly-Stone - Director	Overall Status:	Green
Q3 Achievements		
Work programme for digital inclusion - we have: <ul style="list-style-type: none"> ● Completed the design work for an online home (website) to connect the digital inclusion ecosystem ● Started the work on the evaluation framework for our digital inclusion investments that will inform our future support for community initiatives and be made available to the ecosystem ● Submitted proposals to government on its investment in digital inclusion. 	Green	
Domestic policy - we engaged in the government policy process designed to address violent extremism online. This included: <ul style="list-style-type: none"> ● Participating in the DIA run workshops on countering violent extremism online ● Making a submission on the proposed changes to the Films Videos and Publications Classification Act 1993 ● Hosting a Nethui partners day event on Internet filtering and duty of care ● Releasing discussion documents on Internet openness and duty of care. We also: <ul style="list-style-type: none"> ● Hosted a Twitter event to encourage submissions on the Government’s proposed Algorithm Charter ● Made a submission on the DIA online gambling proposals ● Met with a range of ministers and agencies to discuss Internet policy issues. This included Minister Faafoi, Minister Martin, the Chief Executive of DIA, the Chief Censor, MBIE, Privacy Commission, MFAT, Statistics NZ, NetSafe, DPMC and DIA. 	Green	
.nz Review - see update provided under Goal 2.	Green	
Q4 Planned		
<ul style="list-style-type: none"> ● Planned work for digital inclusion is referred to in the Goals section above. ● Planned for the .nz Review is referred to in the Goals section above. ● Influencing the Government’s domestic policy work in response to the Christchurch Mosque attacks: <ul style="list-style-type: none"> ○ Submitting on the exposure draft for proposed changes to the Films Videos and Publications Classification Act 1993, and participating in the Select Committee process ○ Updating our discussion document on a legal “duty of care” for platforms (based on comments from stakeholders in the Google doc we shared) 		

- Analysis on the concept of “online service provider” (referred to but not defined in the Christchurch Call)
- An international comparison of the regulation of social media
- A submission on the Government’s draft algorithm charter.

Technical Research Sebastian Castro - Chief Scientist	Overall Status:	Green
Q3 Achievements		
Data Scientist departure - Huayi Jing rejoined in August after maternity leave and resigned at the end of December 2019. Her departure is a big loss to the team, which will affect our ability to deliver new work.		Green
Domain abuse - The commitment to detect Fake Web Shops on a weekly basis continues and a second project to explore the detection of potential phishing registrations was completed.		Green
Registry Augmentation Platform - Changes to Technology Services has left this project with little support and the delays keep piling up. We are waiting for a role to be filled to get the support needed to move things forward again.		Amber
Hadoop Hardware Replacement - The migration of datasets and processes to use AWS as replacement platform for Hadoop is well underway, enabling the team to explore new ideas and techniques for processing data. The Business Case has been approved and the project is expected to finish during Q4.		Green
Q4 Planned		
<p>Data Scientist recruitment - There will be a strong focus to recruit a replacement Data Scientist as soon as possible and have them onboarded with our projects and practices.</p> <p>Hadoop Hardware Replacement - Complete the migration of data and workflows while automating and improving existing processes. Shut down the physical cluster and recycle the hardware.</p> <p>Registry Augmentation Platform - Try to get a production environment to test for scalability of collections and unstuck the rest of the projects depending on this.</p> <p>Domain abuse - We’ll continue committed to keep detecting Fake Web Shops and to work with other groups to implement an early warning system for phishing registrations.</p>		

Commercial David Morrison - Director	Overall Status:	Green
Q3 Achievements		
DNS Firewall Live The DNS Firewall (https://internetnz.nz/defenz) is now live. This is our first major product to market since the Broadband Map.		
BBMap Beta The beta of the Broadband Map is live. It will run through into January to take on end user feedback before going live in hopefully February.		
.nz activity .nz marketing cofund and direct campaign initiatives were operational during Q3. Results to be reviewed and used to refine activity in February and March 2020		
Q4 Planned		
Broadband Map - launch the new map and deprecate the old version. This will have significant operational cost improvements. .nz activity - the key focus for .nz this quarter will analysing results and improving campaign effectiveness Recruitment - we have had two of our developers resign (both over 4 years service). Whilst this impacts capacity in the short term we have the appropriate knowledge across the team to maintain operations. We will be replacing one role as quickly as possible and are considering the needed skills for the team before seeking the second role.		

Staffing Catherine Fenwick - Organisational Services Director	Overall Status:	Green
Q3 Update		
New Starters included		

- Ciara Arnot joined the Engagement team as a Community Advisor. She replaces Gertrud Kikajon.
- Sid Jones joined the IT Operations team as a Senior Systems Administrator to fill the vacancy created from the promotion of Josh Simpson to the role of .nz Operations Manager.

The following staff left

- Huayi Jing left the Technical Research team to focus on family.
- Heiko Wanning left the Commercial team to continue his Developer career with Red Shield.

Other Changes

- The Technology Services Team was disestablished
- Dave Baker moved into the new role of Chief Technology Strategist heading up the new Technology Strategy team
- Dane Foster moved into the new role of IT Operations Director heading up the new IT Operations Team
- Three Senior Developers moved into the Commercial Team, the SRS Developer moved into the IT Operations team
- Josh Simpson took up the role of .nz Operations Manager
- Maria Reyes moved into the new role of Portfolio Advisor
- Briar Watson took up the role of Office Manager reporting into the Portfolio Advisor

Q4 Planned

The following changes will take effect in Q4

- Megan Baker is going on parental leave in January
- Sarah George will be acting in the role of Communications Manager in Megan's absence.
- Dave McCreery will start in January to fill the vacancy left by parental leave in the Engagement team, as a fixed term Content Specialist.
- A new Principal Policy Advisor will join us in February as a replacement for Ben Creet who left us last year.
- The new role of Product Operations Lead has reached the offer stage of recruitment
- The System Administrator role to replace Aurelien Goffi has reached the offer stage of recruitment

The following roles are roles that are in the recruitment phase for Q4

- Community Advisor
- IT Systems Coordinator
- DNS Specialist
- Developers to replace Heiko and Kesara Rathnayake who has recently left
- Data Scientist to replace Huayi Jing.

This is an InternetNZ report. Matters related to DNCL are covered in the report from the company to InternetNZ as shareholder, or in the joint .nz report.



COMMUNITY GRANT REPORTING UPDATE

05 February 2020

Below is a brief update on the progress of our awarded grant projects and work by the Community Team relating to grants.

On 30 January applications closed for our latest grant rounds which prioritises support to digital divide initiatives. 14 organisations were invited to apply for funding under a invite-only round; and all other applicants form the other round. This focus aligns with InternetNZ's fifth strategic goal of advancing the improvement of digital inclusion evaluation in Aotearoa.

We are working to recruit our panel to assess and recommend grant applications to fund to the CE, with recipients to be approved by 31 March.

We are happy to have awarded \$31,500 for Conference Attendance Awards to date. This has allowed recipients to attend conferences around the world, benefiting Aotearoa.



Mitimiti on the Grid



MOA Kluster



Grantee Philippa Smith
with Vint Cerf

At the time this report was collated, there was one grantee report to come in before 31 January, with three people requesting an extension. There are four reports expected in the next Council report.

Legend

	Great project, staff see media and follow up potential.
	The project has progressed well without any problems and changes.
	There have been changes to the project plan and/or timeline.
	Either there have been big changes to the project scope or timeline. Also indicates missing reports.

Community Projects

Name	Amount awarded	Purpose	Report	Comments	Status
Greater Christchurch Schools' Network	\$20,000	<i>ConnectED Aranui</i> Project aims to address digital literacy in children and young people and internet access outside the classroom.	Mid project report	Project is progressing well. Roll out was delayed while technical issues with wifi access were resolved. Whānau Engagement Role has been redesigned to include technical skills and preferred candidate is expected to take the role once school starts in February. All partners have re-committed to the project, and the design proceeds in earnest.	

Digits	\$8,970	<i>Digital Inclusion Community Hub - through a drop-in-centre pilot</i> The centre in Palmerston North aims to be the backbone of the community hub which will focus on helping the community by solving a range of digital inclusion issues. This pilot will serve as a business study for the broad Digits Hub idea.	Mid project report Final report	Successful ongoing project. The relationship with UCol has allowed a steady stream of volunteers and the PNCC Library has hosted the hub. A positive relationship with the City Council may enable a permanent Digits Hub.	
Ten Forward Technology Lounge	\$5,000	<i>Beginner Tech Workshops for Non-Tech Adults/Seniors</i> To offer daily workshops on a variety of topics for older adults, enabling them to embrace the internet and phone apps for the time, money and effort saving feature.	Mid project report Final report	The lessons have been tailored specifically to the people in the workshops. Feedback has been positive, as attendees said their families try to help in short snippets but ultimately are unwilling to be ongoing tech support. They will continue daily community workshops.	
Te Ora Hou Wellington East	\$10,000	<i>Digital Bridge</i> To connect some of the most disadvantaged groups to increase their digital literacy. This project will support local people to understand more about what computers and the Internet can do, and the positive impact this can have on their lives; achieved by using a community-led development approach and building a the leadership within the community to help their own people.	Mid project report Final report	Working in collaboration with the Miramar Community Centre, and computer skills trainers were able to provide a safe and nurturing environment for local youth and their families to attend local computer skills workshops. With connections to community, they able to market effectively to local families, ensure the environment was culturally appropriate and also address key obstacles such as transport, childcare and language barriers, to ensure families were able to participate and focus on increasing their digital literacy.	

Internet Research

Name	Amount awarded	Purpose	Report	Comments	Status
Dr Caroline Keen	\$22,920	<p><i>Children's rights to privacy in the era of Big Data</i> Protecting children's privacy in relation to commercial online data practices has become a global issue but we have yet to assess how we might address this in New Zealand. The objective of this project was to explore whether parents and teenagers are equipped to manage children's personal data privacy in relation to current commercial data practices online.</p>	<p>Mid project report Final report</p>	<p>Literature review used to develop a conceptual framework to support the research project. This research is important as New Zealand debate and legal review has not yet considered many of the issues addressed in the EU. Grantee has joined a working group to try and get privacy laws to consider children. Ongoing research in this area is desired.</p>	
Dr Maggie Hartnett	\$19,990	<p><i>The Library as a Space for Digital Inclusion: Connecting Communities Through Technology</i> This project sought to investigate the role of public libraries in promoting digital inclusion and overcoming the digital divide.</p>	<p>Mid Project Report Final Report</p>	<p>Surveys were developed in consultation with LIANZA and Public Libraries NZ (PLNZ), and completed by library managers, staff and users. Analysis of the data commenced in November 2019 and is nearing completion. Final report on findings from the three surveys will be made available in the coming months. Three presentations on preliminary findings have been completed.</p>	
Dr Simone Rodda	\$25,000	<p><i>Behaviour change strategies for Internet Addiction: An exploratory study</i> During 2019, three pieces of research were undertaken to assess the feasibility of brief selfmanaged online planning interventions for reduction of problematic or addictive-like internet behaviours: internet / social media, gaming and pornography consumption.</p>	<p>Mid Year Report Final Report</p>	<p>Over the course of the research it became apparent that separate workbooks would be required for reducing internet pornography, internet gaming and internet (general). This meant an extended development phase. A key takeaway was that Internet gaming and social media interventions are easily able to recruit and treat people. More work is needed on feasibility of pornography intervention.</p>	

Dr Claire Henry from Massey University	\$25,130	<p><i>Preventing child sexual offending online through effective digital media</i></p> <p>This research investigated the potential for online advertisements to prevent potential offenders accessing Child Sexual Abuse Material (CSAM) via the Internet. First time or novice offenders often use search engines to look for CSAM, which presents an opportunity to use online advertisements to intervene before they view abuse material.</p>	<p>Mid project report</p> <p>Final report</p>	<p>Research complete. The importance and timeliness of the project was reinforced along the way, as was its highly ambitious nature—it involved not only a very sensitive issue and a stigmatized population, but also significant work in building stakeholder relationships and managing logistics. Collaborating across disciplines in this space is rich and rewarding, and considering the complexity of the research and the issues it aims to tackle, it was beneficial to work with experts in various fields.</p>	
Laurence Zwimpfer from Digital Inclusion Alliance Aotearoa	\$25,000	<p><i>Measuring Digital Divides in Disadvantaged Communities: A Pilot Study</i></p> <p>This research explored an innovative approach for measuring and monitoring the digital divide for identified digitally disadvantaged groups. A comprehensive measure of digital inclusion must address all four dimensions - motivation, access, skills and trust.</p>	<p>Mid project report</p> <p>Final report</p>	<p>Research complete. The scope of the research quickly expanded to reach four times the expected number of participants and has resulted in a high quality research paper, prepared by leading academics. This provides a template for others interested in undertaking similar research and has provided a model for a major bid to MBIE's Endeavour Research Fund to expand to a further 10 disadvantaged groups. The critical success factor has been to develop a robust understanding of the needs of the digitally disadvantaged group and develop a typology of users and non-users.</p>	

Conference Attendance

Name	Amount awarded	Purpose	Report	Comments	Status
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Simeon Miteff	\$1,500	<i>FaucetCon2019</i>	Post conference report	Award recipient was glad to connect with American community of switch vendors and plans to propose a large scale deployment of FAUCET at a New Zealand university (with support from REANNZ).	●
Holly Grove	\$500	<i>National Digital Forum</i>	Post conference report	Award recipient presented a paper which encouraged reflection on 'big ideas', and was pleased with the audience response.	●
Dr Ulrich	\$3,500	<i>IEEE Globecom</i>	Post conference report	Award recipient presented a paper in the satellite and space communications track, on the behaviour of short TCP flows on Internet satellite links.	●

Expected reports prior to next Grants reporting update to Council in May 2020

Round	Name	Amount awarded	Purpose	Report
Community Project	Blind Low Vision NZ	\$30,000	<i>Voice activated access to information - phase 1 implementation</i> Rolling out a voice activated information delivery channel to people with vision impairment, and developing resources to maximise skills for safe use of the device.	Mid project report Final report January 2020
Community Project	Te Aka Toitu Trust	\$30,000	<i>Help Underprivileged Students with Learning Online</i> To purchase a supply of Customer Premise Equipment dishes to connect homes with the schools Network 4 Learning network. Kawerau and Murupara decile 1 and 2 students will be able to login to a WiFi network and complete homework.	Mid project report Final report February 2020
Community Project	Lillian Pak from Hutt City Libraries	\$6,720	<i>Stepping Out to Grow Stepping UP</i> Expanding the digital inclusion programme Stepping UP in Lower Hutt, through increased tutor time and training, in order to meet demand for digital education.	Mid project report Final report February 2020

Community Project	Digital Inclusion Alliance Aotearoa	\$21,000	<i>Building Digital Well-Being: A Community Pilot in Hutt City.</i> Creating and piloting a new whanau-focused digital well-being programme for delivery in libraries and community centres throughout New Zealand. Report in progress.	Mid year project. Final report March 2020
Conference Attendance Award	Sreenivas Tirumala	\$3,500	<i>12th International Conference on COMMunication Systems & NETWORKS, COMSNETS 2020</i> Presenting Blockchain Workshop 'Evaluation of Feature and Signature based training approaches for Malware Classification using Autoencoders')	Post Conference Report April 2020