# Agenda for a meeting of the InternetNZ Council
## Tuesday, 22 January 2013
## Level 9 Grand Arcade Tower, 16 Willis St, Wellington

| Start | Item | Person |
|---|---|---|
| 10.00am | **Council alone time** | Frank March |
| 11.00am | **Appointing a new Chief Executive** <br> **(Note: this item will be in committee)** <br> - Appointment of an acting CE <br> - Review of CE job description <br> - Recruitment process for permanent CE | Frank March |
| 12.00pm | **Appointing a new Chief Executive** <br> **(Note: this item will be out of committee)** <br> - Appointment of an acting CE <br> - Review of CE job description <br> - Recruitment process for permanent CE | Frank March |
| 12.30pm | **Lunch** | |
| 1.00pm | **Apologies** <br> **Declaration of Councillor interests** <br> **Agenda consideration - in committee items** <br> **Consent agenda item** <br> a. Ratification of minutes: 26 October 2012 <br> b. President's report <br> c. Evote ratification | Frank March |
| 1.05pm | **Subsidiary Statement of Expectations** | Frank March |
| 1.20pm | **Update on strategy and business planning approach** | Frank March |
| 1.50pm | **2013/14 InternetNZ budget** | Frank March |
| 2.30pm | **Break** | |
| 2.45pm | **Report from the Grants Committee (outstanding item from December meeting)** | Frank March |
| 3.15pm | **Review of 2012/13 business plan** | Frank March |
| 3.35pm | **Membership update** | Frank March |
| 3.40pm | **Other business** <br> Meeting feedback | Frank March |
| 4.00pm | **Meeting ends** | |

| Annotated agenda for a meeting of the InternetNZ Council | | |
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| 12.30pm | **Lunch** | |
| 1.00pm | **Apologies** <br> **Declaration of Councillor interests** <br> **Agenda consideration - in committee items** <br> **Consent agenda item** <br> *THAT the minutes of the meeting held on 26 October 2012 be received and adopted as a true and correct record, and THAT the following reports be received:* <br> a. Ratification of minutes: 26 October 2012 <br> b. President's report <br> c. Evote ratification | Frank March |
| 1.05pm | **Subsidiary Statement of Expectations** | Frank March |
| 1.20pm | **Update on strategy and business planning approach** <br> *THAT Council agrees that the 2013/14 operational budget for business planning purposes be 3.065 million, inclusive of $0.5 million for community funding.* | Frank March |
| 1.50pm | **2013/14 InternetNZ budget** <br> *1. That Council approves an operational budget for 2013/14 a $3,065 million and a capital budget of $66,000.* <br> *2. That Council agree to review the Budget in conjunction with the 2013/14 Business Plan at its meeting in February.* | Frank March |
| 2.30pm | **Break** | |
| 2.45pm | **Report from the Grants Committee (outstanding item from December meeting)** <br> *THAT Council note the decisions made regarding community funding requests since the last Council meeting.* | Frank March |

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|---|---|---|
| | *THAT Council agrees that in future financial years, within the approved Community Funding budget and in addition to anytime funding requests, there will be a $100,000 Internet research round and a general funding round focused on practical, non-research Internet projects.* | |
| 3.15pm | **Review of 2012/13 business plan** | Frank March |
| 3.35pm | **Membership update** <br> *THAT the new members be approved.* | Frank March |
| 3.40pm | **Other business** <br> Meeting feedback | Frank March |
| 4.00pm | **Meeting ends** | |

# POSITION DESCRIPTION

## Chief Executive, InternetNZ Incorporated

**Responsible to**   The Council of InternetNZ

**Location**   Wellington

*Key Priorities*   The Chief Executive works closely with the Council and the Chief Executives of the Domain Name Commission Limited(DNCL) and New Zealand Domain Name Registry Limited (NZRS)

The role is responsible for the smooth running of InternetNZ:

- Development and delivery of quality strategic outcomes for InternetNZ
- Leading policy development, and advocating for the Local Internet Community
- Building and maintaining relationships across the public and private sectors
- Working with Council and the membership to ensure transparent and 'no surprises' operation of the organisation
- Development and leadership of a collaborative and proactive culture throughout InternetNZ
- Uphold the key values of InternetNZ
- Be the primary spokesperson for InternetNZ

*Key Accountabilities*

**Operational and Staff Management and Leadership**

- Lead the InternetNZ staff
- Manage the on-going performance of capable and confident teams by creating purpose, communicating expectations and managing employee performance
- Ensure continuous improvement in performance of the teams through the provision of appropriate staff development and coaching
- Appoint and manage contract staff as required
- Ensure clarity and smooth operation of operating structures and processes
- Manage projects to meet agreed outcomes, timeframes and budgets

**Advocacy, Policy and Brand Management**

- On behalf of the Council, members, and the local Internet community, advocate to government, industry and community stakeholders on relevant issues
- Ensure prompt and substantive submissions to Government or other organisations as requested or deemed appropriate

- Develop and maintain close links with relevant International organisations e.g. ICANN
- Attend relevant meetings to represent InternetNZ and New Zealand at appropriate and advantageous forums
- Take responsibility for the InternetNZ profile and brand

**Strategic Development**

- Assist Council to design and develop the strategic framework for the Society
- Develop long term strategies to ensure that the Society can meet its goals
- Take ownership and responsibility for governance and strategic documents

**Financial Management**

- Responsible for operational and capital expenditure within agreed budgets
- Maintain standards of financial management and reporting that are appropriate for a registered charity
- Manage and accurately report on all budgets to appropriate professional standards
- Sound management of the Society's finances, assets and cash flow

## *Relationships*

**Key Working Relationships:**

- The Council
- Members
- Shared Services Unit staff
- Policy and Advocacy Office staff
- Chief Executive, DNCL
- Chief Executive, NZRS
- Appropriate International and National organisations
- Related organisations
- Government departments
- Relevant industry bodies

## *Competencies*

**Strategic agility**

- Develops strategic plans that move the organisation forward significantly
- Demonstrates transformational thinking
- Provides strategic advice and coaching to Council
- Constructs scenarios that enable the organisation to evaluate the future and develop plans
- Sees trends, analyses organisational position and makes it clear where the organisation needs to focus its energy in the future

**Managing vision and purpose**

- Inspires people towards vision and purpose, varying tone, pace and style to match different audiences
- Enables people to feel motivated and excited about being part of the organisation

**Building effective teams**

- Builds exceptional morale and spirit, makes people feel they are part of a special organisation
- Consistently defines success in terms of the whole organisation
- Provides resources, support and empowerment so that people feel comfortable pushing their limits and contributing their best to the organisation

| | |
|---|---|
| | • Makes open communication and dialogue a priority |
| | • Successfully gets everyone working together through their communication efforts |
| | • Recognises and rewards success |
| **Developing direct reports** | • Spearheads efforts to promote the development of people |
| | • Inspires people to challenge themselves |
| | • Excels at assessing development needs and constructing individual development plans |
| | • Is a model for how to develop people and help them achieve their potential |
| **Dealing with ambiguity** | • Can effectively cope with change |
| | • Can shift gears comfortably |
| | • Can decide and act without having the total picture |
| | • Isn't upset when things are up in the air |
| | • Doesn't have to finish things before moving on |
| | • Can comfortably handle risk and uncertainty |
| **Drive for results** | • Consistently achieves outstanding results |
| | • Consistently exceeds requirements and overcomes obstacles |
| | • Accepts and achieves challenging assignments |
| | • Constantly works to improve performance and raise standards |
| **Stakeholder focus** | • Is dedicated to meeting the expectations and requirements of internal and external stakeholders, particularly Council and Members |
| | • Gets first-hand stakeholder information and uses it for improvements in operation |
| | • Acts with stakeholders in mind |
| | • Establishes and maintains effective relationships with all relevant parties and gains their trust and respect |
| **Interpersonal savvy** | • Demonstrates excellent rapport-building skills; easily engages people and encourages frank and positive interactions |
| | • Confidently establishes a comfort level in discussions and makes subtle changes in approach to match others' styles |
| | • Demonstrates natural empathy and understanding of people |
| | • Facilitates calm discussion and resolution of hot issues and tension |
| | • Quickly establishes common bonds with people |
| | • Builds rapport by sharing information and developing trust |
| **Innovation management** | • Always selects and champions the best ideas for further study and innovation |
| | • Demonstrates excellent judgement in assessing the potential of an innovation |
| | • Energises others to become excited about change and inspires them to create it |
| | • Drives creative ideas through the organisation |

**InternetNZ**

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## MINUTES OF COUNCIL MEETING

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**Status:** Draft

**Present:** Frank March (President), Jamie Baddeley (Vice President), Donald Clark *(in part)*, Neil James, Hamish MacEwan, Jonny Martin *(video)*, Dave Moskovitz, Nat Torkington *(video)*, Brenda Wallace, Michael Wallmannsberger

**In Attendance:** Vikram Kumar (Chief Executive), Susi Cosimo, Maria Reyes (minute taker), Debbie Monahan (Domain Name Commissioner), Joy Liddicoat (DNCL Chair), Josh Cookson (DNCL), Richard Currey (NZRS Chair), Jay Daley (NZRS CE), Susan Chalmers

**Meeting Opened:** The President formally opened the meeting at 11:39 a.m.

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### 1. Apologies
Apologies received from Cr Wiggs and Cr Foley.

### 2. Declaration of Councillors interests
*Councillors were reminded to provide written confirmation of any changes to the register to office@internetnz.net.nz.*

Cr Baddeley advised that as of 2 November 2012, he is no longer an employee of FX Networks Ltd.

Prior to the meeting, Cr Wallace advised she has two new additions to her interest, namely: Organiser of Girl Geek Dinners Wellington; and Trustee for One Laptop per Child New Zealand.

### 3. Agenda consideration – in committee items
It was noted that there were no "in committee" items in the agenda.

### 4. Matters arising from the minutes
Cr Baddeley made a comment that the minutes did not capture the discussion around IPv6 and TUANZ. Vikram, in response, advised that an action point was noted in the minutes that relates to this discussion and an update for this action point will be given later in the meeting.

AP 25/10: The President gave a verbal report that he had spoken to Peter Dengate-Thrush and LDTF could be expected to invite InternetNZ to contribute to an award at some point but this could be treated as a normal grant application.

AP 31/10: Complete

AP 63/11: In progress. Paper to be developed for December 2012 meeting.

AP 65/11:    In progress.  The President advised that Ron Hamilton has agreed to complete the Director's remuneration review. The President intends to initiate this by next week and he will be in touch with the Councillors regarding the review.  The aim is to have any changes in the remuneration to take effect after the next AGM.

AP 67/11:    In progress.

AP 09/12:    Vikram has created a draft brief for an external lawyer and governance specialist, incorporating the feedback he received from Debbie and Jay. He hopes that by the next Council meeting this action point would either be complete or the work would be underway.

AP 10/12:    Complete.

AP 11/12:    Vikram advised that since the last Council meeting, they have been working to figure out a channel to get to the CIO-levels of larger enterprises (and get the message across around the IPv6).  At this stage they have come up with two options.  One is via 'TUANZ After 5s'.  The issue with this channel is that the people who come to these meetings are typically the technical medium-level managers and not CIOs or CEs.

The other option is to work with Fairfax which has a trusted channel to the CIOs and organise a breakfast/lunch in Auckland either in February or March 2013. InternetNZ can pay the costs and Fairfax will get the CIOs to attend.

Vikram raised a question on whether we need an 'either/or' for these options and secondly, which is a better channel that will gives us better value. These questions will be addressed once the options are finalised.

AP 12/12:    In progress.

AP 13/12:    In progress.  An update will be given later in the meeting.

AP 14/12:    The Grants Committee now includes Cr Torkington along with the President and Cr Moskovitz.

RN 66/12:    THAT the minutes of the meeting held on 17 August 2012 be received and adopted as a true and correct record, and THAT the following reports are received:

a.    Ratification of minutes:  17 August 2012
b.    Evote ratification

(President / Vice President)
**CARRIED U**

**Evotes**
There have been three evotes conducted since the last Council meeting on 17 August 2012.

| Evote: | | For: | Against: | Abstain: |
|---|---|---|---|---|
| 23082012 | THAT Michael Foley be appointed as the Council representative on the DNCL Board for a one year term. | Nat Torkington<br>Lance Wiggs<br>Neil James<br>Jonny Martin<br>Donald Clark<br>Dave Moskovitz<br>Frank March<br>Michael Wallmannsberger<br>Jamie Baddeley<br>Hamish MacEwan<br>Brenda Wallace | | Michael Foley |
| 31082012 | THAT the application from Pride Awards Trust for $10,000 to support their annual Pride Awards Ceremony be declined. | Donald Clark<br>Jamie Baddeley<br>Neil James<br>Jonny Martin<br>Brenda Wallace<br>Lance Wiggs<br>Michael Foley<br>Michael Wallmannsberger<br>Dave Moskovitz<br>Hamish MacEwan<br>Frank March<br>Nat Torkington | | |
| 18092012 | THAT the following three projects arising from the Policy & Legal Funding Round be funded:<br><br>1. Online Participation and the Law of Consultation (Richard Best) - $15,000<br><br>2. Jurisdictional Limits of NZ Privacy Law in the Cloud (James Mahuta-Coyle) - $18,500<br><br>3. Developing a New Zealand Internet Freedom Index (Joy Liddicoat) - $20,000 | Donald Clark<br>Neil James<br>Lance Wiggs<br>Michael Foley<br>Frank March<br>Jamie Baddeley<br>Dave Moskovitz<br>Nat Torkington<br>Brenda Wallace<br>Jonny Martin<br>Hamish MacEwan<br>Michael Wallmannsberger | | |

## 5. Feedback from the InternetNZ Members meeting in Christchurch

Cr James gave some feedback on the InternetNZ Member's meeting held in Christchurch on 18 October 2012. Around 12 members attended the meeting and overall the meeting provided positive feedback on InternetNZ's work and performance. One of the issues noted at the meeting was regarding the small number of members and low engagement with large organisations. A question was raised as to whether InternetNZ should actively seek more members. Members at the meeting agreed that InternetNZ should.

Cr Moskovitz asked whether any of those who have applied for Community Investment have become members or have applied for membership. Vikram replied that this has not been investigated before but mentioned that many of those who have applied for are already members.

*12pm – Council took a lunch break and reconvened at 12.30pm.*

*12:30pm – Cr Clark, Debbie Monahan, Joy Liddicoat, Josh Cookson, Richard Currey, and Jay Daley joined the meeting.*

## 6. DNCL policy updates report

Joy, Debbie and Josh gave a presentation regarding the feedback on the consultation process of DNCL's proposal of opening up registrations at the second level .nz domain name space. There will be two consultation rounds and the first round was closed off on September 2012 after a 4-month period of consultation. DNCL Board has reviewed the submissions and has identified work to do to consider the issues raised in these. At this time, it is planned to have a second consultation towards the end of the first quarter next year. It is not yet known what the consultation will consist of but the Board will be considering the outcome of the work being done before deciding on the next steps.

DNCL received 115 submissions. Around two-thirds disagreed with the idea in principle of opening up the second level domain but a number of those also said that, if it happens, they agree with the proposed approach that DNCL has outlined. A third of these submissions agree to the proposal and only a small number neither agree nor disagree but made comments on some aspects that they were interested in. Some submissions also suggested changes to the proposed approach which will also be considered.

Cr MacEwan asked whether the objections came from existing holders and support came from those who did not hold New Zealand domains. In response, Debbie advised that everybody who responded appeared to be associated in some way with a domain name.

A question was raised whether the behaviour around the .kiwi.nz gives DNCL any insight of potential open ccTLDs and Joy responded that in her personal view, there is an appetite for getting second level domains.

The President thanked DNCL for their presentation.

## 7. NZRS business continuity plan

Richard Currey outlined NZRS's letter which was in response to the President's letter regarding the commissioning of an independent review of their Business Continuity Plan. He highlighted the last three bullet points in the letter and asked what the next steps will be.

It was agreed that adequate and appropriate Business Continuity Plan for each of the three organisations was the primary responsibility of the respective Council/Board. In addition, Council as shareholder wishes to ensure that the subsidiaries have adequate and appropriate Business Continuity Plans in place.

AP 15/12:   The CEs to address the three points raised in the NZRS letter at an operational level and report back when this work is complete.

AP 16/12:   NZRS to advise Council when the independent review of its Business Continuity Plan it commissioned is complete.

**AP 17/12:**   InternetNZ staff and DNCL Board to advise Council that their respective Business Continuity Plans are adequate and appropriate. Any issues requiring guidance from Council are to be raised at the next Council meeting.

The President thanked NZRS and commended them for their work.

*1:08pm – Joy, Debbie, Josh, Richard, and Jay left the meeting.*

## 8.  Strategic discussion

Vikram gave a summary of the discussion paper and the President asked for comments from Council on the five strategic priorities highlighted in the paper and whether it is still appropriate or if there are any changes.

There was a discussion around "tax collection" – whether this issue is a natural fit to InternetNZ's objects.  Also "Geo locks" were discussed – what are the issues that need to be addressed or discussed? One view was that both topics could be clubbed together to look at the limits of national jurisdiction in a digital economy.

Following discussion, it was agreed that the priorities of Governance, Access, and Privacy are 'business as usual' and require a watching brief.

**AP 18/12:**   Vikram to coordinate with Cr Wallace to identify the issues around Geo locks and provide a paper at the December 2012 Council meeting for discussion.

Cr Moskovitz asked Vikram if he agrees with the five strategic priorities and if not, what he will do differently.  Vikram replied that he would start by describing why InternetNZ exists and, if we are the "Kaitaiaki" of the Internet, focus on three initiatives each to protect and promote the Internet in New Zealand.

**AP 19/12:**   Vikram to provide a paper at the December 2012 Council meeting for discussion on looking at priorities from the perspective of InternetNZ's role in protecting and promoting the Internet for New Zealand. This paper is to be coordinated with a paper from Cr MacEwan on the strategy development process.

## 9.  2020 Communications Trust update

Cr James circulated a copy of 2020 Trust's annual report and highlighted a few items in the report including the launch of the mobile training centre called "Dora" largely funded by InternetNZ, which is now fully operational and won an award at the recent ANZIAs.  If this proves to be as good as expected, Cr James advised that there will be demand for the "Dora" bus to be cloned.

He also gave a brief summary of the meeting between InternetNZ and 2020 Trust held on 25 October.  The meeting covered a wide range of issues and the group agreed to write a paper to describe how the strategic relationship will work, including a shared vision and goals.  The paper is expected to be presented at the December 2012 Council meeting.

The President mentioned that InternetNZ receives a lot of community investment applications that do not fall into InternetNZ's objects but could possibly fall under the 2020 Trust, and having a strategic partnership would be helpful.

*2:10pm – Susan Chalmers joined the meeting.*


**10. InternetNZ Operational Report**
Vikram gave an update first on the TPP negotiations and WCIT (review of the ITRs).

In line with the TPP negotiations, there will be a public event on 8 December in Auckland. Postcards have been printed and the Fair Deal website has been established to provide more information for the public.

InternetNZ is currently creating a position paper on WCIT after doing a submission to government. Vikram noted that there are three main positions that InternetNZ is taking on:
- ITRs should not be extended to the Internet at all and therefore there should be no negotiations about which aspects of the Internet the ITU should govern;
- A proposal put forward by the European Telecommunications Network Operators (ETNO) on sending party pays for the Internet is unacceptable; and
- The constitution of the ITU currently requires suspension of telecommunication services and they plan to move it in to the regulations – which means that, if the Internet is covered by the ITRs, it becomes compulsory or a requirement for operators to suspend Internet access for repeated infringement.


*2:20pm – Cr Torkington left the meeting.*

*2:22pm – Council took a break and reconvened at 2:30pm.*


*CEs report*
Vikram gave a summary of his report and highlighted a few items including the APNIC meeting attended by Dean Pemberton. He noted Dean's significant contribution to APNIC policy development and interest in RPKI (Resource Public Key Infrastructure). He also noted Andy's work on ideal IXPs (Internet Exchange Points) in New Zealand.

NetHui South will be held on 23-24 November in Dunedin and Council members are welcome to participate. The event currently received 50 registrations, which is not as high as expected. There were two lessons learned from this event so far:
- InternetNZ has almost no presence amongst the wider Dunedin community so promoting the event has been hard.
- The more it was emphasised that it's a regional event and it's about connecting to local communities, the more we are distancing ourselves from those who attended the national NetHui because the message that they are getting is that this will be about Dunedin and the South Island so it has nothing to do with them.


Vikram also highlighted the discussion paper that Jordan Carter is working on regarding lessons to be learnt from the convergence of telecommunications and broadcasting regulations overseas. Its outcome is to prepare everyone, including ourselves, for the result of the Commerce Commission's investigation into SkyTV's practices.


The Communications Plan has been finalised by Campbell and this takes the messages from the communication strategy which were discussed at the August 2012 Council meeting. One of the discussion points from the Council Strategy Day was to try and find a replacement word for the term "guardian". Vikram has made progress on this in discussions with some Maori members and

linguists to understand whether we are using the right terms ("Kaitiaki" and "kaitiaki taonga") in the right way. After concluding the discussions, Vikram will include this is in the priorities paper for the next Council meeting so that internal discussions and agreement will allow Council members, staff members, and InternetNZ members to all accurately and consistently describe what InternetNZ is, what it does, and why we exist.

Vikram also noted that InternetNZ is working on developing online consultation capability where there will be a simple way for people to comment online without them having any technical capability by using an open-source software called "Madison".

*ANZIAs*

New Zealand did very well at the recent Australia and New Zealand Internet Awards (ANZIAs). Out of the 6 categories, New Zealand organisations won 4 and additionally had 2 organisations that were highly commended.

A proposal has been brought forward to Council which is for InternetNZ to host the ANZIAs in New Zealand next year.  There was a discussion on the budget for the awards, should InternetNZ consider hosting the event.  Vikram mentioned that the awards could be linked either with NetHui or Australia IGF, or the event could also stand alone.

*Financial Report*

Vikram highlighted the overspend in the work streams. It is slightly higher in budget, in contrast to consistent underspend previously. Overall, the operational expenditure is still in line with the budget. He also noted that actual cash-in-hand will be lower than budget for the rest of the financial year due to lower than expected dividend from NZRS (which was discussed at the previous Council meeting).

Cr Moskovitz raised a suggestion to have a separate section for the Sponsorship so they can see it distinct from the "Operating Expenses" section.

**RN 67/12:**      THAT Council receive the CE's report.

(President / Vice President)
**CARRIED U**

**RN 68/12:**      THAT Council notes the financial reports to 31 August 2012.

(President / Cr Moskovitz)
**CARRIED U**

**RN 69/12:**      THAT Council agrees that InternetNZ plan to host the ANZIAs 2013 in New Zealand and that details are to be finalised in discussion with auDA in due course.

(Cr MacEwan / Vice President)
**CARRIED U**

**RN 70/12:**     THAT the proposed dates for the 2013 Strategy Planning Day and the 2013 Council meetings be approved.

(President / Cr Clark)
**CARRIED U**


**RN 71/12:**     THAT the new members be approved.

(President / Vice President)
**CARRIED U**


Cr Moskovitz suggested adding in the table the summary from previous year (same month) in the Membership report for comparison.


**AP 20/12:**     Susi to apply requested changes in the membership report for the next Council meeting.


## 11. Grants Report

The President advised that there will be an audio conference meeting for the Grants Committee on 12 November to look at what needs to be changed and a paper will be provided to Council at the next meeting with recommendations.


**RN 72/12:**     THAT Council note the decisions made regarding community funding requests since the last Council meeting.

(President / Cr James)
**CARRIED U**


*3:27pm – Cr Clark left the meeting.*


## 12. President's report

The President gave a verbal update on his attendance to the Government Advisory Committee (GAC) meeting at ICANN, Toronto last week.  Any government can put in an early warning that a particular application for a new gTLD is of concern. This then gives the applicant an opportunity to discuss it with the objecting government. The GAC will subsequently decide what consensus advice it wants to give to the Board on the applications.  It's very unlikely that New Zealand will enter any early warnings.

 The President noted that a large number of applications have come from large corporate entities in USA and some are bidding for generic gTLD such as .books. Looking at a global Internet governance perspective, this gives an unfortunate message to the rest of the world.  He noted the possibility of New Zealand joining the consensus around objecting to these applications.  The President encouraged the group to send individual comments to him directly before the next GAC meeting in Beijing, China.

**13. Other Business**

The President sends his apologies in advance for the next Council meeting as he will be overseas. It was noted that Cr Baddeley will Chair the next Council meeting.

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**Next Meeting:**     The next scheduled Council meeting is 7 December 2012.
**Meeting Closed:**   The meeting closed at 3:40pm

**Signed as a true and correct record:**


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**Frank March, CHAIR**

**EVOTE RATIFICATION**

**Author:**         Susi Cosimo

There have been nine e-votes conducted since the last Council Meeting:

| Evote: | | For: | Against: | Abstain: |
|---|---|---|---|---|
| 17102012 | THAT the application from 2020 Communications Trust for $6,000 to fund "the school as a community wifi hub" project as outlined in the submitted project scope be approved. | Donald Clark<br>Michael Wallmannsberger<br>Neil James<br>Dave Moskovitz<br>Nathan Torkington<br>Michael Foley<br>Jamie Baddeley<br>Lance Wiggs<br>Brenda Wallace<br>Hamish MacEwan<br>Frank March<br>Jonny Martin | | |
| 24102012 | That the World Internet Project New Zealand project be provided one-off funding of $25,000. | Nathan Torkington<br>Neil James<br>Dave Moskovitz<br>Michael Foley<br>Hamish MacEwan<br>Brenda Wallace<br>Michael Wallmannsberger<br>Frank March<br>Jonny Martin<br>Jamie Baddeley | | Donald Clark |
| 27112012 | THAT the grants request from Prema Charitable Trust trading as Kawai Purapura for $19,000 to support their conferences and festivals be declined. | Michael Foley<br>Lance Wiggs<br>Nathan Torkington<br>Dave Moskovitz<br>Neil James<br>Michael Wallmannsberger<br>Jonny Martin<br>Frank March<br>Donald Clark<br>Jamie Baddeley<br>Brenda Wallace<br>Hamish MacEwan | | |

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|---|---|---|---|---|
| 10122012 | THAT the application from the New Zealand Network Operators Group for $10,000 to provide assistance to the New Zealand Network Operators Group annual conference in January 2013 be approved. | Dave Moskovitz<br>Nathan Torkington<br>Hamish MacEwan<br>Neil James<br>Michael Foley<br>Donald Clark<br>Lance Wiggs<br>Brenda Wallace<br>Michael Wallmannsberger<br>Frank March<br>Jonny Martin | | Jamie Baddeley |
| 101220122 | THAT Council receives the CE's Report (7 December 2012). | Dave Moskovitz<br>Brenda Wallace<br>Donald Clark<br>Jonny Martin<br>Michael Foley<br>Jamie Baddeley<br>Frank March<br>Michael Wallmannsberger<br>Hamish MacEwan<br>Lance Wiggs<br>Neil James<br>Nathan Torkington | | |
| 13122012 | THAT Council agrees the process and key dates for the End of 2012/13 Year Funding Round. | Lance Wiggs<br>Donald Clark<br>Nathan Torkingon<br>Michael Foley<br>Michael Wallmannsberger<br>Jonny Martin<br>Jamie Baddeley<br>Dave Moskovitz<br>Hamish MacEwan<br>Frank March<br>Neil James<br>Brenda Wallace | | |
| 14122012 | THAT Council agrees that the $46,500 remaining unallocated from the Policy & Legal Funding Round be returned to the general Community Funding budget. | Jamie Baddeley<br>Jonny Martin<br>Nathan Torkington<br>Frank March<br>Michael Foley<br>Dave Moskovitz<br>Neil James<br>Hamish MacEwan<br>Brenda Wallace | | |

| 19122012 | THAT the revised application from GNAT Limited for $5,000 to sponsor the 2013 Kiwi Foo Camp be approved.<br><br>[Split vote – the chair's casting vote was against, the vote was not carried.] | Michael Wallmannsberger<br>Frank March<br>Michael Foley<br>Neil James | Hamish MacEwan<br>Brenda Wallace<br>Jamie Baddeley<br>Jonny Martin | Dave Moskovitz<br>Donald Clark<br>Nathan Torkington<br>Lance Wiggs |
|---|---|---|---|---|
| 10012013 | THAT the proposal to invite Sir Tim Berners-Lee to visit New Zealand 29 to 31 January as an extension to his visit to Australia be approved. It is expected that a serious attempt will be made to recoup 50% of the $80,000 cost without significantly compromising our message. The visit forms part of our policy development programme, is primarily about value of an open Internet, and open government/linked data is subsidiary to that. It forms part of a process for engagement with MPs and other target groups. | Nathan Torkington<br>Michael Foley<br>Michael Wallmannsberger<br>Hamish MacEwan<br>Frank March<br>Neil James<br>Brenda Wallace<br>Jonny Martin<br>Jamie Baddeley | Dave Moskovitz<br>Donald Clark<br>Lance Wiggs | |

Recommendation:    THAT the e-votes be ratified.

**Operating Activity Report**

| | |
|---|---|
| **Author:** | Frank March |
| **Purpose of paper:** | Inform Council of InternetNZ operations January-March 2013 |
| **Status of paper:** | Final |

### Introduction

This report provides a brief overview of the work of the operational team, to give Council an understanding of work currently underway and planned in the period between the start of the year and early March.

I am very pleased to report that despite the disruptions since December the InternetNZ team is in good spirits and working well as a team.

In particular, the execution of the Tim Berners-Lee visit is proceeding very well. $35k of sponsorship has been agreed in one week with additional sponsorship arrangements still in discussion likely to take the total up to $45k. This along with the preparation of an ambitious programme of meetings and events, the pre-briefing and so on has been achieved by the team working quickly and well together. A side benefit is a broadening of InternetNZ-government relationships driven by our sponsorship agreement with DIA and their coordination of meetings within government. More detail on this is reported separately.

### Current priorities

The current focus of the operational team, roughly in order of priority, is on:

1. Executing the Tim Berners-Lee visit (ES + whole team)
2. Preparing for the 22 January Council meeting, including:
   o CE recruitment and interim arrangements (FM)
   o Budget 2013-14 (FM, MT)
   o Prioritisation of urgent business from Dec 2012 meeting (SCo, FM)
3. NetHui 2013 planning and development (ES)
4. Initiating the Parliamentary Internet Forum (SCh)
5. Leading a response to Commerce Commission decisions on pricing of copper services (RH, SCh, JC)
6. Preparing for a range of Internet Governance commitments offshore (SCh, JC, ES, DP)
7. EOY Community Grant Funding Round: promotion and application management (CG, ES)

8. Developing a strategic framework for InternetNZ's international engagement (JC, SCh, KD, FM)
9. Preparing for the 22 February Council meeting, including:
    o Business Plan 2013-14 and updated Budget (JC + team)
    o Strategic outlook and interim arrangements (JC)
10. Preparing for member engagement and consultation events in March (JC + team)


## Staff/contractor roles

I have appointed Susan Chalmers to be InternetNZ's spokesperson on policy matters. I will remain the Council's spokesperson for appropriate comments relating to my role as President.

Jordan Carter has been tasked with picking up several matters that would normally sit with the Chief Executive, and so his current policy work is largely on hold.


## Business as usual activity

A wide range of other "Business as Usual" activity is underway, including the following:
- Policy funding round (CG)
- Website information architecture review (CG)
- Implementation of communications plan (CG)
- IPv6 awareness – focused on CIO community (CG)
- Budget preparation and monitoring (MT)
- December quarter financial report preparation (MT)
- NZNOG event support (KW)
- 2013 Society year plan (SCo)
- 2012/13 Audit (SCo, MT)
- Membership project scoping (SCo)
- Ongoing Council support (SCo, MR)
- TPP campaign – preparing for Singapore round in March (SCh)
- Public spokesperson activity and comment – MEGA launch (SCh)
- Participation in ISOC Copyright Working Group (SCh)
- Preparation for Policy Advisory Group meetings/improvements (SCh + policy team)
- APNIC/APRICOT focus (DP, AL, JC)
- InTAC planning (DP, AL)
- Network Neutrality research (DP, JC)
- Geo-location issues and cross border issues (DP, SCh)
- Submissions on spectrum allocation, TSO review, Telecommunications Development Levy application (RH)
- Community grants development & strategic partnerships (ES)
- Other outreach activities (ES)
- Job description reviews and updates (various)


Frank March

# Draft 2013/14 Budget

**Author:**          Mary Tovey

**Purpose of Paper:**    Discussion and agreement of draft 2013/14 Budget

**Proposed Operational Budget**

This paper sets out a proposed budget and associated notes for Council's decision.

The proposed budget takes into account the 2013/14 strategic environment, overall approach, and current expenditure trends. It has been prepared largely on a status quo basis, building on the prior year's business plan and internal staff and contractor thinking to date on how to proceed in the period between permanent Chief Executives.

The proposed budget shows an operating allowance of $3,065 million for 2013/14. This is an increase compared with the $2,950 million proposed in the December 2012 Strategy and Planning approach paper circulated for the December Council meeting. The increase is due to factors noted on the following page.

|  | 2012/13 | 8mths 2012/13 | 2013/14 | Change over last year budget | |
|---|---|---|---|---|---|
|  | Approved | Actual | Proposed | Amount | Percentage |
| Community Investment | 500 | 232 | 500 | 0 | 0% |
| Workstreams | 620 | 484 | 620 | 0 | 0% |
| INZ Operations | 1,525 | 921 | 1,694 | 169 | 11% |
| Council/Members | 217 | 95 | 251 | 34 | 16% |
| **Total $000s** | **2,862** | **1,732** | **3,065** | **203** | **7%** |

Notes regarding the proposed operational budget:

- The 2012/13 mid-year Business Plan as per the December 2012 Council papers, and ongoing thinking by staff and contractors, have been used as the basis for this draft, since 2013/14 Business Plan development is work in progress.

- The proposed operational budget for financial year 2013/14 is $3,065 million, an increase of $203,000 or 7% compared with the 2012/13 year.

- The increase is driven by additional contractor expenditure, salary costs, meeting costs, international and national travel. Some of the cost increase is driven by the resignation of the Chief Executive. This explains the difference from the previously proposed $2,950 million operating budget.

-  Council/Members budget is net of interest earned on reserves.

- The INZ operations expenditure is net of re-charge for common services to NZRS and DNCL.

- All amounts are exclusive of GST.

**Funding Operational Expenditure**

The major source of funding operational expenditure is the dividend from NZRS. A payment of $2,765 million is projected for 2013/14, as forecast in NZRS's May 2012 Statement of Direction and Goals.

This figure is subject to change, given the NZRS Statement of Expectations has not been finalised. Any dividend impact arising from the SoE should be clearly understood and agreed before the document is finalised, due to the flow-on effects on InternetNZ's cash position.

**Capital Expenditure**

The proposed capital budget is $66,000 (current financial year: $31,000). This is made up of computers ($16,000) and web-site development ($50,000).

**Reserves**

Based on projected operational expenditure (as set out in the Reserves Policy), the financial reserves for 2013/14 are to be maintained at a level of $831,000 (current year: $800,000).

**Three year Profit & Loss projection**

Appended is an updated three year profit & loss projection. The critical underlying assumptions are:

- steady operations leading to modest cost rise from inflation, and

- dividends from NZRS broadly in line with the amounts forecast in the 2012 Statement of Direction and Goals.

**Group Cash in excess of Reserves**

Based on the 3 year Profit & Loss projections, and expected NZRS dividends:

- No additional funds will be available for the "Group Cash in excess of reserves" for the 2013/16 period.

- The lowest cash held by InternetNZ will be reached in June 2014, where cash $698,000 is forecast to fall below the planned reserves requirement of $831,000.

- With inflation of 5% bringing required reserves in the following year to approx. $872,000 this deficit occurs again in June 2015.

Note that these projections supersede those provided to the Council previously.

**Community Investment Funding**

It is proposed (as per the 7 December 2012 'Grants Committee meeting notes' paper) that the Community Funding budget be allocated in the following fashion:
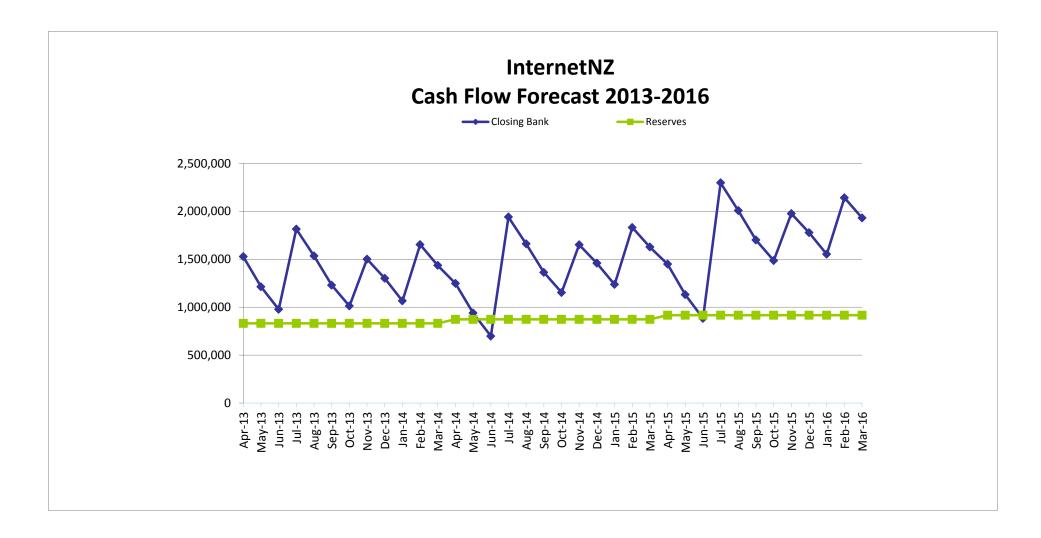
- A $100,000 Internet research round (wider than only policy and legal research) in a manner that fits in with the funding calendar of policy researchers;

- Anytime funding requests up to the Community Funding budget less the $100,000 above; and

- A general funding round with budget leftover from both the above, focussed on tangible and practical (other than research) Internet projects.

Commitments as follows:

1. The amount pre-committed above $200,000.
2. Existing commitments: Victoria University $50,000; NetSafe is to be negotiated, currently $125,000 for 2012/13.
3. Proposals of partnership: Creative Commons $50,000; Science Media Centre $100,000.
4. A residual balance from the Policy & Legal Funding Round of $46,500 is available.
5. If all of the above is approved, the balance of $21,500 would be left for on-going, regular grant applications.

**Recommendations:**

1. That Council **approves** an operational budget for 2013/14 a $3,065 million and a capital budget of $66,000.

2. That Council **agree** to review the Budget in conjunction with the 2013/14 Business Plan at its meeting in February.

InternetNZ
Cash Flow Forecast 2013-2016

| Financial Year | 2013/14 | 2014/15 | 2015/16 | Total |
|---|---|---|---|---|
| InternetNZ: 3 year Profit & Loss Forecast | | | | |
| | $ | $ | $ | $ |
| **INCOME** | | | | |
| Interest Received | 39,000 | 40,950 | 42,998 | 122,948 |
| **OPERATING INCOME** | | | | |
| Memberships | 9,000 | 9,450 | 9,923 | 28,373 |
| Reimbursement of Shared Services | 207,240 | 217,602 | 228,482 | 653,324 |
| | 216,240 | 227,052 | 238,405 | 681,697 |
| **REMUNERATION** | | | | |
| ACC Levies | 3,600 | 3,780 | 3,969 | 11,349 |
| Miscellaneous Staff Costs | 4,120 | 4,326 | 4,542 | 12,988 |
| Recruitment | 26,300 | 27,615 | 28,996 | 82,911 |
| Staff Training | 16,500 | 17,325 | 18,191 | 52,016 |
| Kiwisaver Employer Contribution | 25,674 | 26,958 | 28,306 | 80,938 |
| Casuals/Temps | 15,450 | 16,223 | 17,034 | 48,706 |
| Contractors | 379,440 | 157,720 | 116,440 | 653,600 |
| Contracted Technical Services | 37,000 | 38,850 | 40,793 | 116,643 |
| Salary & Wages | 744,803 | 782,043 | 821,145 | 2,347,991 |
| | 1,252,887 | 1,074,840 | 1,079,416 | 3,407,142 |
| **GROSS PROFIT** | -997,647 | -806,838 | -798,013 | -2,602,498 |
| **OPERATING EXPENSES** | | | | |
| Accountancy Fees | 30,900 | 32,445 | 34,067 | 97,412 |
| Advertising & Marketing | 13,390 | 14,060 | 14,762 | 42,212 |
| Audit Fees | 7,750 | 8,138 | 8,544 | 24,432 |
| Bank Charges | 1,648 | 1,730 | 1,817 | 5,195 |
| Conferences | 10,532 | 11,058 | 11,611 | 33,201 |
| Consultants | 16,480 | 17,304 | 18,169 | 51,953 |
| Domain Names | 700 | 735 | 772 | 2,207 |
| General Office Expenses | 50,000 | 52,500 | 55,125 | 157,625 |
| Governance Training | 12,360 | 12,978 | 13,627 | 38,965 |
| Honoraria | 132,165 | 138,773 | 145,712 | 416,650 |
| Legal Fees | 23,450 | 24,623 | 25,854 | 73,926 |
| Meeting Costs | 70,838 | 74,380 | 78,099 | 223,318 |
| Postage & Couriers | 4,120 | 4,326 | 4,542 | 12,988 |
| Repairs & Maintenance | 8,240 | 8,652 | 9,085 | 25,977 |
| Repairs & Maintenance - Software | 1,800 | 1,890 | 1,985 | 5,675 |
| Printing & Stationery | 19,000 | 19,950 | 20,948 | 59,898 |
| Subscriptions | 25,750 | 27,038 | 28,389 | 81,177 |
| Telecommunications | 63,000 | 66,150 | 69,458 | 198,608 |
| Travel/Accom - International | 146,334 | 153,651 | 161,333 | 461,318 |
| Travel/Accom - National | 75,302 | 79,067 | 83,020 | 237,390 |
| Web Site Updates & Hosting | 8,240 | 8,652 | 9,085 | 25,977 |
| Workstream Budget | 620,000 | 651,000 | 683,550 | 1,954,550 |
| | 1,341,999 | 1,409,099 | 1,479,554 | 4,230,652 |
| **OVERHEADS** | | | | |
| Cleaning | 14,000 | 14,700 | 15,435 | 44,135 |
| Electricity | 14,700 | 15,435 | 16,207 | 46,342 |
| Insurance | 9,476 | 9,950 | 10,447 | 29,873 |
| Rent Paid | 137,100 | 143,955 | 151,153 | 432,208 |
| Security | 1,236 | 1,298 | 1,363 | 3,896 |
| | 176,512 | 185,338 | 194,604 | 556,454 |
| **Other Costs** | | | | |
| Depreciation | | | | |
| Computer Hardware | 6,548 | 6,875 | 7,219 | 20,643 |
| Furniture & Fittings | 37,800 | 39,690 | 41,675 | 119,165 |
| Software | 3,888 | 4,082 | 4,287 | 12,257 |
| Office Equipment | 1,764 | 1,852 | 1,945 | 5,561 |
| | 50,000 | 52,500 | 55,125 | 157,625 |
| Sponsorship | 500,000 | 525,000 | 551,250 | 1,576,250 |
| | 500,000 | 525,000 | 551,250 | 1,576,250 |
| **OTHER INCOME (EXPENSE)** | | | | |
| Dividends | 2,765,000 | 3,164,000 | 3,345,930 | 9,274,930 |
| **OPERATING PROFIT** | -301,158 | 185,226 | 267,383 | 151,451 |
| Special Dividend Interest | 123,000 | 129,150 | 135,608 | 387,758 |
| **NET PROFIT** | -178,158 | 314,376 | 402,991 | 539,209 |
| **CUMULATIVE** | 707,968 | 1,022,344 | 1,425,335 | 1,425,335 |

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## KEY INTERNETNZ DATES - 2013

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Friday 22 February **(Council meeting)**

3rd week of March **(Proposed timeframe for Members consultations to be held in Auckland, Wellington, Christchurch and Dunedin)**

Friday 10 May **(Council meeting)**

Monday 8 Wednesday to Wednesday 10 July **(NetHui, to be held in Wellington)**

Monday 8 July **(Proposed date for AGM, to be held in conjunction with NetHui)**

Friday 2 August **(Council meeting)**

Friday 18 October **(Council meeting)**

Wednesday 13 November **(Strategy Planning Day)**

Friday 13 December **(Council meeting)**

**Recommendation:**

THAT the 2013 InternetNZ AGM be held on Monday 8 July.

**INTERNETNZ MEMBERSHIP REPORT**

**Status:** Final

**Author:** Maria Reyes

# 2012

|  | January 2013 | November 2012 | October 2012 | August 2012 |
|---|---|---|---|---|
| Fellows: | 23 | 23 | 23 | 23 |
| Individual: | 237 | 228 | 218 | 212 |
| Professional Individual: | 69 | 69 | 68 | 65 |
| Small Organisation: | 26 | 26 | 26 | 25 |
| Large Organisation: | 7 | 7 | 7 | 6 |
| **Total Membership:** | **362** | **353** | **342** | **331** |

# 2011

|  | January 2012 | November 2011 | October 2011 | August 2011 |
|---|---|---|---|---|
| Fellows: | N/A | 21 | 21 | 21 |
| Individual: | N/A | 187 | 183 | 173 |
| Professional Individual: | N/A | 58 | 57 | 54 |
| Small Organisation: | N/A | 27 | 26 | 26 |
| Large Organisation: | N/A | 8 | 8 | 8 |
| **Total Membership:** | **N/A** | **301** | **295** | **282** |

**Recommendation:** THAT the new members be approved.