

CONFIRMED MINUTES

BOARD MEETING 13 SEPTEMBER 2022



At the **Board Meeting 18 October 2022** on **18 Oct 2022** these minutes were **confirmed as presented**.

Name:	Real Estate Authority
Date:	Tuesday, 13 September 2022
Time:	9:00 am to 12:40 pm (NZST)
Location:	REA Office and Zoom, office and online
Board Members:	Denese Bates KC (Chair), Latham Lockwood, Liz Nidd, Mele Wendt, Tony Stack, Vern Walsh
Attendees:	Belinda Moffat, Victor Eng, Andrew Bulled, Josh Doherty, Nadine Thomas, Phirak Appleton, Marie Snell, Saara Fourie
Guests/Notes:	[REDACTED] (Engagement, Insights and Education) for Item 5.1 Data and Insights Strategy

1. Opening Meeting

1.1 Board in Committee

Issues for discussion with the Chief Executive were agreed.

The Board conducted their self-assessment.



4) Finalise the Board Governance Self-assessment for the Minister.

Finalise the Board Governance self-assessment for the Minister.

Letter prepared by CE and finalised by [REDACTED] and sent. Copy in the October Board pack.

Due Date: 30 Sep 2022

Owner: Belinda Moffat

1.2 Board and CE alone time

Papers and issues identified by Board were discussed with the Chief Executive.

1.3 Karakia

The Senior Leadership Team joined and the meeting was opened with a Karakia at 10.37am.

1.4 Confirmation of Agenda

The agenda was confirmed.

1.5 Interests Register

- The Board noted that updates from last meeting have been made.
- [REDACTED] provided some additional updates:
 - Remove as CPD trainers.
 - [REDACTED] is no longer at Farry and Co - now consultant to Race, Douglas, Burke Ltd.
 - [REDACTED] no long a director of Nidd Realty - now consultant trainer to Nidd Realty.



8) Update Interests Register

Update interests register with [REDACTED] changes. Complete.

Due Date: 18 Oct 2022

Owner: [REDACTED]

1.6 Confirm Minutes

Board Meeting 16 August 2022 16 Aug 2022, the minutes were confirmed as presented.



The minutes of 16 August 2022 were approved as a true and correct record.

On motions duly made and seconded, it is proposed that the minutes of 16 August be approved as true and correct.

Decision Date: 13 Sep 2022

Mover: [REDACTED]

Seconder: [REDACTED]

Outcome: Approved

2. Actions from Previous Meetings

2.1 Action Item List

Due Date	Action Title	Owner
21 Jun 2022	1) REA Emails for Board Status: In Progress	[REDACTED]
30 Jun 2022	2) Provide an update on ethnicity and tenure pay parity. Status: In Progress	[REDACTED]
16 Aug 2022	4) Pulse Survey Status: Completed on 29 Aug 2022	[REDACTED]
13 Sep 2022	6) Update the Interests Register Status: Completed on 5 Sep 2022	[REDACTED]
13 Sep 2022	7) Update the conflicts register to record potential conflict Status: Completed on 5 Sep 2022	[REDACTED]
14 Sep 2022	3) Approach REINZ about the Real Estate Conference in October. Status: Completed on 10 Oct 2022	Belinda Moffat
30 Sep 2022	9) CAC Allocation Process Status: Completed on 7 Sep 2022	[REDACTED]
18 Oct 2022	7) Flexi by Default review Status: In Progress	[REDACTED]
31 Oct 2022	12) License Expiry Reminders Status: In Progress	[REDACTED]
28 Feb 2023	13) Māori Engagement Framework - Board Marae Visit Status: In Progress	Belinda Moffat

Actions were taken as read and the following actions were discussed:

- **Action 3:** REINZ Board is intending to meet in Wellington on 26 October and Board members will be invited to attend for a joint meeting.
- **Action 8:** REA has been invited to introduce and sponsor a speaker on Diversity and Inclusion at the NZ Real Estate Conference on 13 October. [REDACTED] was suggested as a possible speaker. The Board supported REA's involvement and suggested that one or both of the REA Board licensees should participate as attendees, with funding from Board training budget.
- **Action 10: Flexi by Default Review:** REA has sought some input on flexible working in the *Have Your Say* staff engagement survey and these results need to be analysed before looking at this policy further. This will come back to the Board in either December or Q3, noting the priority policies for review are the vaccination, diversity and inclusion and equal opportunities policies.



6) REINZ Real Estate Conference in Auckland 13 October

Confirm REA introductory speaker and Diversity & Inclusion speaker

Determine which Board licensee representatives will attend [REDACTED] and put a request through to the Board Chair to approve attendance using the Board training budget.

October: REA sponsoring [REDACTED] from [REDACTED] to speak at Conference from a disability perspective, to be introduced by Belinda Moffat [REDACTED] cannot attend, [REDACTED] considering availability.

Due Date: 14 Oct 2022
Owner: Belinda Moffat



5) Joint REINZ/REA Board Lunch Meeting 26 October

Board to advise the CE of availability to attend the REINZ/REA joint Board meeting 26 October.

Due Date: 10 Oct 2022
Owner: Belinda Moffat

3. Chief Executive's Report

3.1 CE Report

The report was taken as read and Belinda Moffat, Chief Executive, highlighted the following:

- Progress with the Values work with [REDACTED]: The Board will be updated on progress in October.

- Board calendar for 2023: The 2023 Board and Committee calendar was being prepared and input was sought on meeting and reporting frequency, including a reduction in Audit & Risk and People and Capability Committee meetings.

The Board discussed the following matters:

- 2023 Board and Committee meetings:

- ARC Chair agreed to reduction in ARC meeting to four (and one can be cancelled if not needed). CE to ensure that meeting schedule enables all reporting requirements and policy reviews to be met. Budget, SPE/SOI and Annual Report, report to Minister and policy review are the key ARC responsibilities.
- Approvals by written procedure are not preferred by the Board and these may increase with a reduction of meetings.
- Resourcing and reporting/best use of time: Noted that SLT attendance at Audit & Risk meetings has been adjusted to require only those presenting papers to attend
- Delegations: Committees are advisory so most decision making remains with the full Board.
- People & Capability Committee: the Board noted that REA has been going through uncertain times with personnel and COVID-19, and it is important to consider whether we wait until we are in a more stable position before reducing the number of meetings. P+C Committee provides important role of review of policies and support and guidance on people matters.
- **Decision on ARC meetings:** Agreed to schedule four ARC meetings with the option to cancel one if the Chair determines that it is not needed.
- **Decision on P&C meetings:** Three meetings for 2023.
- COVID-19 removal of the traffic light system on 12 September: REA will refine sector and workplace guidelines and also consider removing the existing care package offering to staff.
- No health and safety concerns arising, COVID continues to be primary focus.
- Regulatory Services Manager vacancy: Senior staff member is backfilling this role but the higher duties allowance does not adequately compensate the work required.



Exception to the Remuneration Policy - Higher Duties

The CE **recommended** that the Board approved the Chief Executive determining the appropriate higher duties remuneration for this higher duties role as an exception Remuneration Policy.

Decision Date: 13 Sep 2022

Mover:

Seconded:

Outcome: Approved

- Stakeholder engagements such as Conversation with REA (CWREA) and Regulator's Forum:
 - The Board reiterated the importance of these engagements and providing opportunities for the Board to engage with sector leaders.
 - REA Conversation with REA event in Porirua was a very successful event from a Board perspective.
 - Due to EIE resourcing challenges for Q2 and other competing REA priorities it was agreed that the Q2 Conversation with REA not proceed. The next Conversation with REA will be held in Q3
 - The Board agreed to hold an end of year stakeholder function on 5 December, following the Regulator's Forum meeting in Auckland. The Board meeting and P+C Committee meeting will be held Auckland on 6 December.

Recommendations

It was recommended that the Board:

- **Note** the contents of this report.

- **Discuss** the health and safety update and provide feedback on any issues arising
- **Discuss and provide feedback** on any other matters raised in this report where indicated.

Outcome: Noted



9) Update the Board on Values in October.

Update the Board on Values in October.

Update provided to P+C Committee in October

Due Date: 19 Oct 2022

Owner: [REDACTED]



10) 2023 Board Dates and Work Plan

Bring 2023 Board dates and work plan back to the Board in October, including 4 ARC meetings and 3 P&C meetings.

October: see proposed dates in October Board pack

Due Date: 19 Oct 2022

Owner: [REDACTED]



11) Send a placeholder for the stakeholder event and Board dinner in Auckland on 5 December

Send a placeholder for the stakeholder event and Board dinner in Auckland on 5 December.

Complete.

Due Date: 19 Oct 2022

Owner: Belinda Moffat

3.2 Break

4. Committee Updates

4.1 Audit and Risk Committee Update

ARC Chair, [REDACTED], gave a verbal update on the meeting held 12 September 2022 noting the focus on the audit completion report with the auditors and the latest iteration of the 2021/22 annual report.

5. Board Papers for Approval or Discussion

5.1 Data and Insights Strategy

The paper was taken as read and [REDACTED], Head of Engagement, Insights and Education, introduced [REDACTED] from the Engagement, Insights and Education (EIE) team. The following aspects of the strategy were highlighted:

- The strategy is designed to enable REA to be a more data-led effective regulator.
- The focus is to undertaken a stocktake of data holdings and ensure our data management and governance is fit for purpose, enabling us to store and access data that is relevant to our regulatory functions
- Three-year roadmap of work to be undertaken.
- The Board was invited to provide feedback and ask questions about REA's strategic approach.

The Board discussed the following matters:

- The Board agreed that this is an important strategy.
- Budget: anticipate costs will come in the next financial year to resource any systems improvements (linked to CLIP project and systems enhancement in ISSP) so it is not in the current budget.
- Outside/external support requirements: EIE's data specialist is doing the early work to work out our current data position.
- Is this being managed as a project? Not yet but appendix 3 outlines that it will become a project when we reach a certain position.
- Noted the need to align with CLIP project. Can run both projects side-by-side. Once the CLIP end solution is identified that will better inform the IT solutions required.
- Fit with the EIE team: this is a fundamental piece of work for EIE with training, communications and harm prevention work. This is about being future-focused and having systems. It will require the data and insights team to work closely with the IT team and across RST to ensure data integrity and governance.
- The strategy runs to year ending June 2024.
- Resourcing: when will the Board know what systems changes and costs are required? 2023/24 fiscal arrangements will be reviewed in March next year so the Board will get a picture of resourcing needs after that.
- Impacts on legal services: No significant impact at this stage as they work in duplicate systems (M-Files and FLIC). Getting this right will be really valuable to be able to integrate Legal Services.



Data and Insights Strategy was endorsed

Recommendations

It was recommended that the Board:

- **Discuss and provide feedback** on the questions raised in this paper
- **Endorse** the Data and Insights Strategy.

Decision Date: 13 Sep 2022
Mover: [REDACTED]
Seconder: [REDACTED]
Outcome: Approved

5.2 Break

6. Board Papers for noting

6.1 Regulatory Services Team Paper

The paper was taken as read and [REDACTED] Head of Regulatory Services, highlighted the following points:

- Seeing flattening of active licensee numbers. Too soon to say where that reduction and growth is occurring, whether it be Auckland or across the Board.
- CAC Training Day: [REDACTED] thanked [REDACTED] for attending the first in-person event in two years. It was a valuable opportunity for CAC members to come together and share case studies and experience.
- Trust Account Audit progress highlighted.

- Regulatory services manager's resignation has impacted the RST team and [REDACTED] has positioned himself within the team to provide extra support as the team transitions. The legal team has also provided great support.
- Meetings have been held with other regulators and some common trends and issues have been identified. This has been a useful exercise that ties in with the Complaints and Licensing Improvement Project (CLIP).
- Th CLIP project status report included in supplemental papers.

The Board made the following comments:

- [REDACTED] When transaction numbers are quieter, there is a greater likelihood to see tension about fairness and more reporting of possible unlicensed trading which could be attributed to this increase.
- Transactions are taking longer which can be beneficial to both buyers and sellers.
- Consumer survey next year: would be good to see how well methods of sale are being explained to our consumers.
- Changes in bank lending: banks were taking a long time to pre-approve but this seems to be improving.
- TMR: how many cases have they been given and closed to date? In four weeks they have been given 28, closed 6, 2 sent back.
- Backlog management: intention is to ringfence the aged cases, work with TMR and legal secondment to close out the aged/backlog cases.

Recommendations

It was recommended that the Board:

- **Note** the contents of the Report and provide feedback on any matters raised.

Outcome: Noted

6.2 Legal Team Paper

The paper was taken as read and [REDACTED], General Counsel, highlighted the following:

- Case numbers are holding steady, with no drop of volume

[REDACTED]

The Board discussed the following:

- Legal services working in with RST to support the CLIP process: [REDACTED] confirmed that Legal Services are intimately engaged in the project currently and this will continue to be the case as the project continues.

At 12.12pm [REDACTED] was recused from the meeting to discuss a matter with potential conflict of interest. Minutes from this discussion have been saved separately.

Recommendations

It was recommended that the Board:

- **Note** the contents of the Report and provide feedback on any matters raised.

Outcome: Noted

██████████ *rejoined the meeting at 12:21pm.*

6.3 PMO Report on Projects and Key Initiatives

The paper was taken as read and ██████████, Programme Manager, highlighted the following:

- Noted that Project Management training has been planned for staff to help equip our people with how to apply a project approach.
- PMO Policy will come to the Board in the near future, aiming for December.
- CLIP is amber not green as presented

The Board discussed the following:

- Translation of guides: have the Ministry for Pacific Peoples and Ministry of Ethnic Communities been involved in the launch of the guides? ██████████ confirmed both have been approached and will support digitally by sharing our posts etc. Phase two will be to sit down with them and see how REA can work collaboratively.
- Data and Insights Strategy: there will be a project plan to approach this work, with the current focus being discovery. There will also be a tactical plan that falls under this overarching strategy. Now the strategy has been endorsed by the Board, the EIE team will go away and look at the next 12-18 months and plan the activity required.

Recommendations

It was recommended that the Board:

- **Note** the contents of this paper and provide feedback on any matters raised.

Outcome: Noted

7. Other Business

7.1 General Business

- The Board congratulated ██████████ on her recent achievement at the Women in Governance Awards with winning the not-for-profit governance leader award.
- The Board also acknowledged Belinda Moffat's second anniversary as Chief Executive/Registrar of the Real Estate Authority on 7 September and the exemplary leadership she has shown during this time.
- Audit preliminary results: three very good ratings achieved for the second year in a row.
- Belinda noted there is likely to be increased scrutiny on REA and all Government agencies in the lead-up to the election. Maintaining independence when engaging with the sector and ensuring ongoing compliance with cabinet rules and guidelines, and public sector code of conduct continue to be critical. An increase in OIAs and PQs is anticipated. All Board noted and endorsed the importance of the principles of impartiality and integrity at all times.

7.2 Closing Karakia

The meeting was closed with a Karakia at 12.40pm.

8. Close Meeting

8.1 Close the meeting

Next meeting: Board Meeting 18 October 2022 - 18 Oct 2022, 9:00 am

Unuhia, unuhia	<i>Draw on, draw on,</i>
Unuhia ki te uru tapu nui	<i>Draw on the supreme sacredness</i>
Kia wātea, kia māmā, te ngākau,	<i>To clear, to free the heart,</i>
te tinana, te wairua t e ara takatā	<i>the body and the spirit of mankind</i>
Koia rā e Rongo, whakairia ake ki runga	<i>Rongo, suspended high above us (i.e. in 'heaven')</i>
Kia tina! TINA! Hui e! TĀIKI E!	<i>Draw together! Affirm!</i>

Signature: _____

Date: _____