

8 March 2024

John Luke  
[fyi-request-24688-30d29d9d@requests.fyi.org.nz](mailto:fyi-request-24688-30d29d9d@requests.fyi.org.nz)

Our ref: F33866  
By email

Dear John

**Official Information Act request: Board meeting minutes and Conflict of Interest register**

I refer to your request under the Official Information Act 1982 (the Act) to Maritime NZ, which we received on 18 December 2023.

In your request, you asked for Board meeting minutes from 2021 to 2023, and the updated Conflict of Interest register. You later refined your request to meeting minutes only, without any supplementary documentation that may be attached to the minutes, and you reduced the timeframe to years 2022 to 2023.

We have considered your request in accordance with the Act. Accordingly, we attach all Board meeting minutes covering the above period:

- 'Out of Session' Board meeting minutes – date of meeting 25 January 2022
- Board minutes – date of meeting 1 March 2022
- Board minutes – date of meeting 21 April 2022
- Board minutes – date of meeting 3 May 2022
- Board minutes – date of meeting 20 June 2022
- Board minutes – date of meeting 16 August 2022
- Board minutes – date of meeting 13 September 2022
- Board minutes – date of meeting 31 October 2022
- Board minutes – date of meeting 29 November 2022
- Board minutes – date of meeting 27 February 2022
- Board minutes – date of meeting 17 April 2023
- Maritime NZ May 2023 Board Meeting Minutes – date of meeting 22 May 2023
- Maritime NZ June 2023 Board Meeting Minutes – date of meeting 19 June 2023
- Maritime NZ July 2023 Board Meeting Minutes – date of meeting 17 July 2023
- Maritime NZ August 2023 Board Meeting Minutes – date of meeting 15 August 2023
- Maritime NZ September 2023 Board Meeting Minutes – date of meeting 28 September 2023
- Maritime NZ June 2023 Board Meeting Minutes – date of meeting 19 June 2023
- Minutes of the Maritime NZ October 2023 Out-of-Cycle Board Discussion – date of meeting 16 October 2023
- Maritime NZ October 2023 Board Meeting Minutes – date of meeting 30 October 2023

We are withholding the Conflict of Interest register under section 9(2)(ba)(i) of the Act on the grounds that the information was provided by the Board members subject to an obligation of confidence, and the making available of the information would be likely to prejudice the supply of such information, and it is in the public interest that such information should continue to be supplied.

Some information within the minutes is withheld under the following grounds:

- 6(a) – disclosure of the information would be likely to prejudice the international relations of the Government of New Zealand
- 9(2)(a) – to protect the privacy of individuals
- 9(2)(b)(ii) – disclosure of the information would be likely to prejudice the commercial position of the person who supplied or who is the subject of the information
- 9(2)(ba)(i) – the information is subject to an obligation of confidence
- 9(2)(f)(iv) – maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials
- 9(2)(g)(i) – maintain the effective conduct of public affairs through the free and frank expression of opinions

In making the decision to withhold the information outlined above under section 9 of the Act, we do not consider that withholding this information is outweighed by other considerations which make it desirable, in the public interest, to make that information available.

You have the right to seek an investigation and review by the Ombudsman of this decision. Information about how to make a complaint is available at [www.ombudsman.parliament.nz](http://www.ombudsman.parliament.nz) or freephone 0800 802 602.

Please note that this response (with your personal details removed) may be published on Maritime New Zealand's website.

If you wish to discuss any aspect of your request with us, including this decision, please feel free to contact [ministerial.services@maritimenz.govt.nz](mailto:ministerial.services@maritimenz.govt.nz)

Yours sincerely



**Christine Ross**  
Manager, Communications and Ministerial Services

# ‘Out of session’ Board meeting minutes

DATE OF MEETING	25 January 2022
TIME AND VENUE	10:00am   via Zoom
MEETING	<b>‘Out of session’ Board meeting</b>
AUTHORITY	Jo Brosnahan (Chair), Belinda Vernon, Roy Weaver, Danny Tuato’o, Denis O’Rourke
ATTENDING	Kirstie Hewlett, Heather Horton (minutes)
EXECUTIVE TEAM	Andrew Saunderson
APOLOGIES	None
GUESTS	Sally Kane, Rochelle Wengrzik, Brian Cosgriff, Paula Evans Matthew Geddes & s 9(2)(a) (Audit New Zealand)

## 1. Meeting opening and administration

### 1.1 Chair’s welcome and apologies

The Chair welcomed Board members, management and Audit NZ representatives to the first Board meeting of 2022 and invited Danny Tuato’o to open the meeting with a karakia.

## 2. Annual Report and financial statements

The paper was introduced by the DCE OSS who provided some context for the audit and Annual Report and financial statements not being concluded by 31 December 2021. He acknowledged the incredible amount of work the Finance and Planning, Performance and Risk teams had undertaken and the engagement with Audit NZ.

s 9(2)(a), Audit NZ, acknowledged the continued efforts of the teams at Maritime NZ in getting the audit completed, citing the audit had extended longer than initially planned due to a shortage of resources at Audit NZ which had culminated in not reaching the original timeframe.

The management letter from Audit NZ was introduced by Matthew Geddes, noting that Audit NZ intended to issue an unmodified audit opinion, meaning they were comfortable that the financial statements and service performance information in the Annual Report reflect Maritime NZ’s performance for the year. However, included within that would be an ‘emphasis of matter’ paragraph for Covid-19 impacts, particularly in relation to the ‘going concern’ assumptions that are of importance to a reader of the Annual Report.

Several focus areas were identified during the audit namely –

1. financial sustainability, part of which was considering the ‘going concern’ assessments, the Letter of Support and associated Cabinet approvals;
2. revenue recognition with no issues identified to report on;
3. Maritime NZ’s performance reporting with several recommendations made for improvement in the report in relation to tidying up systems and processes and clear documentation in respect to key data definitions.

Several recommendations are outlined in the report, two relating to financial processes, one for improving the review process for monthly journals, one for the approval process for the Chief Executive and Board expenditure and several for the performance reporting. Of note was that the ESCO assessments had been graded the same as the previous year.

The CFO commented in respect of the two financial findings and acknowledged that solutions would be found for these. Audit NZ would be consulted, in particular, on the solution for the approval process for the Chief Executive and Board expenditure.

The Planning, Performance & Risk Manager responded to the recommendations on performance reporting and advised they were items already being worked on across the business. Findings on the serious harm reporting have been taken on board to clarify we are not including the recreational serious harm numbers in that impact area. This had also been made clear in the Statement of Intent 2021-2025.

With regard to 'implementation of new performance measures', the Board commented they were pleased to see reference to *'the percentage of higher risk ships entering New Zealand that are inspected'* as this was quite a difficult area for MNZ to handle in terms of knowledge, but sought clarification on how that ties together the implementation of new performance measures.

The Board were advised that MNZ had been investing a lot in their data capabilities and in trying to tell a performance story, but there may have been a mismatch and not quite a thorough enough process to understand if it was possible and no opportunity to test it. MNZ will be implementing methodology to ensure enough information is captured about a measure to understand the data, nuances etc. before inserting it as a measure. The Te Korowai work programme will see strengthening and fine tuning of some of those performance measures.

In conclusion, the Board commented that it was a good, constructive and clean report and were pleased with the outcome. The Chair thanked the auditors and the appropriate MNZ teams for their tremendous support and hard work.

The auditors enquired if there were any concerns from the Board in terms of fraud which they should be aware of and the Chair advised, on behalf of the Board, there were none.

The details for the re-appointment process for the auditors was discussed and it was noted that Audit NZ would communicate the re-appointment proposal and fee once the process was concluded.

## Resolution

The Board resolved to:

- a) **note** the timeline for presentation and publication of the Annual Report;
- b) **note** the content of the management representation letters to the Board from the Chief Executive and Chief Financial Officer;
- c) **note** the content of the management letter from Audit NZ;
- d) **note** the content of the going concern assessment from the Chief Financial Officer;
- e) **note** the content of the Letter of Support from the Ministers of Finance and Transport;
- f) **approve** the content of the representation letter from the Board to Audit NZ and **authorise** the Chair and Chair, Audit & Risk Committee to sign the letter on behalf of the Board (by electronic signature);

- g) **approve** the Annual Report 2020-21, including the financial statements and statements of performance for the year ended 30 June 2021, for Maritime NZ and for the NZ Oil Pollution Fund; and
- h) **approve** the Statements of Responsibility for the financial statements and statements of performance for Maritime NZ and for the NZ Oil Pollution Fund and **authorise** the Chair and Chair, Audit & Risk Committee to sign the statements for and on behalf of the Board (by electronic signature).

10.41 [REDACTED] s 9(2)(a), [REDACTED] s 9(2)(a), Rochelle Wengrzik and Brian Cosgriff left the meeting and Paula Evans joined the meeting

### 3. Wellington National Office property update

The DCE OSS briefly introduced the paper seeking the Board's agreement to high-level commercial terms to secure long-term lease arrangements for Maritime NZ's National Wellington office.

The Strategic Property Lead, Paula Evans commented that in addition, the paper also sought agreement to the exit strategy for Level 4 of 99 Customhouse Quay (CHQ) but with MNZ retaining Level 1 of that building as part of the broader National Wellington office solution. Discussions on this retention were progressing positively and would be subject to further discussion in light of current market activity.

The Chair commented that it was a good paper outlining key issues, providing an overview of the market and problems in the market and clarity on what the recommendations were.

The Board queried what risk was associated with the commitment to a longer term lease in the event of lack of funding and reduction in head count, culminating in a bigger footprint than was needed. [REDACTED] s 9(2)(g)(i)

Management responded that in relation to head count, MNZ was actually reducing footprint by giving up Level 4 in CHQ, and that it was more likely there would be increases rather than reductions of staffing levels over time.

In relation to the re-fit amount, the benefit for the landlord would be retention of a reliable government tenant in a 'B rate' building and the longer term gain of the investment outside of the lease.

Discussion ensued on the seismic ratings, noting that for Grey Street it was 85% based on the seismic rating obtained from the acquisition of Level 5, with a similar percentage for the CHQ building. Management advised that the commercial terms required an earthquake rating of 80% or higher for the duration of the lease. It was also noted that buildings are now assessed more broadly against C5 guidelines introduced in the last three years which look into the structural components of buildings and whether they align with those guidelines. Evidence was being sought from the landlords as part of the commercial terms that their buildings aligned with the C5 guidelines and Yellow Chapter requirements.

The Board asked if management would endeavour to do the re-fit within the allocation of \$870,000 or anticipated spending more. Management responded that MNZ would likely spend more but would need to assess what would be needed and available funding. With regard to the re-design of CHQ, the Executive Team would be discussing how best to use Level 1 and it was more about how best to utilise this location as opposed to a re-design. Additionally, savings would be achieved by surrendering Level 4 of CHQ, property spend had been budgeted for ahead of time and it was anticipated there would be no further costs in respect of Level 1 CHQ as we awaited a further floor becoming available in Grey Street.

In respect of Grey Street, the Board queried if there were any known demolition plans or demolition clauses in the lease that might reduce the term that has been secured.

Management advised that there is a clause within the agreement to lease where the landlord has indicated they may look to do some building redevelopment work in future years. However, this lease would see a guaranteed occupancy of at least six years, with two years prior notice of any intention to undertake redevelopment. The first right of refusal conditions were also confirmed.

The Chair was comfortable in delegating the Power of Attorney to the Chief Executive to agree commercial terms and to enter into lease arrangements, assuming the terms did not deviate from those the Board were agreeing to in recommendation h). However, to protect all parties, the Chief Executive was asked to let the Board have sight of the final terms negotiated to provide assurance that nothing untoward had arisen during the process.

### **Resolution**

The Board resolved to:

#### *Background*

- a) **note** previous updates on the Wellington National Office project;
- b) **note** further work underway to develop commercial terms to retain Level 1, 99 Customhouse Quay;
- c) **note** that the Wellington property search last year did not identify potential alternative property solutions;
- d) **note** that specialist property advice has indicated further tightening of the Wellington commercial property market;

#### *Wellington National Office Solution*

- e) **agree** exiting Level 4, 99 Customhouse Quay at the conclusion of the existing lease term (30 June 2022), which is no longer required through ongoing implementation of the MNZ@Work strategy;
- f) **note** the relative advantages of the proposed Wellington National Office accommodation solution;
- g) **agree** the solution of a new 9 year lease for 1 Grey Street;
- h) **agree** the proposed commercial terms to enter into new lease arrangements for upgraded office space at 1 Grey Street;
- i) **note** the principles-based, integrated design/delivery approach for 1 Grey Street; and

#### *Board approval*

- j) **delegate** Power of Attorney to the Chief Executive to agree commercial terms and enter into lease arrangements for 1 Grey Street and 99 Customhouse Quay and notify the Board of those final agreed terms.

11.01 s 9(2)(a) and Paula Evans left the meeting

#### **4. Director's oral update**

The Director provided an update to the Board as follows:

##### COVID-19 vaccine policy

The Executive Team will today consider the C-19 vaccine policy following the consultation process. There is broad support from Maritime employees on the policy. A risk assessment has been conducted which indicates that everyone in the organisation is required, at some point, to come into the office or to undertake field work and not work from home on a full-time basis.

### Red protection framework

Guidance from the Public Sector Commission is that government agencies should continue to operate normal working arrangements under Red settings, the only exception being those workers who might be vulnerable. Any staff that fit into that category have been encouraged to come forward so a plan can be put in place. MNZ are encouraging staff to get booster vaccinations; staff who work at the border are required to get boosters by mid-February.

Part of MNZ's COVID protection is to limit interaction with external visitors into the offices. External visitors will be required to be vaccinated, scan in, wear masks and will be limited to public areas of offices. In certain circumstances, meetings may need to be held with unvaccinated people but an even stronger set of health measures are required to be met. All good health, safety and hygiene practices will continue. We are trying to achieve a balance of people first but still provide our regulatory services. The Executive Team will today review the organisation's Business Continuity planning and look at processes for implementing two-bubble plans where appropriate for some teams. The DPMC have approached us with regard to our needs for rapid antigen tests and the numbers have been provided in relation to our frontline staff and those performing critical roles.

The Chair proposed that, under the current Omicron red traffic light setting, all Board meetings be conducted online for the time being and Board members were fully supportive of this course of action. The stakeholder event scheduled for the end of February would be cancelled.

The Director confirmed she would forward COVID-related e-mails to staff to the Board for their information.

The Board queried the approach for Maritime Officers undertaking audits, inspections etc. if the regulated person is unvaccinated. The Director responded that services are still carried out whether people are vaccinated or unvaccinated, utilising health and safety protocols in relation to mask wearing, physical distancing, QR scanning and ensuring staff have received boosters. Staff undertaking these roles have good access to medical grade masks in the case of domestic work and N95 grade masks in the case of the border.

### Select Committee

The Chair and Chief Executive are required to attend the Select Committee on 10 February for the financial review hearing. Preparation is underway for the Board Chair's introduction, and answers to likely questions from the Select Committee.

### Water safety

In light of the number of drownings over the holiday period, MNZ is collaborating with Water Safety NZ colleagues, looking at the cases and identifying if there are any common themes. It has highlighted that there should be better communication and co-ordination of the public media between water safety groups and work was underway to put this in place.

The 'No excuses' campaign is proceeding well with really good feedback from Harbourmasters and the public. MNZ's 'Behaviour change' campaign was also timely.

### Te Korowai o Kaitiakitanga

Phase 1 is almost complete. Work will now get underway on packaging into a four-year plan that will be brought back to the Board to discuss and which will guide and identify the right strategic direction and focus for the next few years.

The Chair queried when we might hear about the budget bids. The Director advised that it could well be March/April.

### **Resolution**

The Board resolved to:

- a) **note** the Director's oral update.

**5. Meeting close**

**5.1 Any other business**

No other business matters were raised.

**5.2 Meeting review and close**

The Chair invited Danny Tuato'o to close the meeting with a karakia.

*The meeting closed at 11.30am*

These minutes are a true and accurate record of the meeting



**Jo Brosnahan**  
Chair, Maritime New Zealand

**1 March 2022**  
Date

**Future meetings:**

<b>14 February 2022</b>	Audit & Risk Committee via videoconference
<b>1 March 2022</b>	Board meeting via videoconference



# Board minutes

DATE OF MEETING	1 March 2022
TIME AND VENUE	9:00am   via Zoom
MEETING	<b>Board meeting</b>
AUTHORITY	Jo Brosnahan (Chair), Belinda Vernon, Roy Weaver, Danny Tuato'o, Denis O'Rourke
ATTENDING	Kirstie Hewlett, Heather Horton (minutes), Jane Wallace (minutes)
EXECUTIVE TEAM	Andrew Saunderson, Nigel Clifford, Kenny Crawford, Peter Brunt, Sharyn Forsyth, Anne Greenwood
APOLOGIES	None
GUESTS	Rob Warner (item 3.1), Matt Dean, s 9(2)(a), Tracey Bates, Richard Monigatti, Brodie Ward-Johnston - Covid-19 Response Team (item 3.2), s 9(2)(a) (items 4.2 & 4.3)

**Board only time was held prior to the meeting.**

## 1. Meeting opening and administration

### 1.1 Chair's welcome and apologies

The Chair welcomed Board members and management to the Board meeting and invited Danny Tuato'o to open the meeting with a karakia.

### 1.2 Declaration of interests

The Board reviewed the interests register and no amendments were specified.

### 1.3 Confirmation of previous minutes and actions arising

The Board reviewed the actions arising and discussed the following:

**Board values session** – the Chair would like to do a separate session online and will plan this in conjunction with the Director and Board Governance Co-ordinator.

**Board Charter** – the Chair would like to do a more in-depth evaluation of the Charter to explore how the Board want to work together and proposed this be done alongside the Values session

**Board review** – the Chair would like to re-visit this review with Board members at the next meeting and to discuss individual development plans.

**Travel** - general policy for the organisation is that travel is only being undertaken if required to carry out regulatory services. International travel would only be undertaken with approval at Deputy Director level.

**Rapid Antigen Tests (RATS)** – the Director advised that RATS would be supplied to staff doing regular frontline work which would enable them to do two to three tests a week. RATS would also be available for critical risk functions such as RCCNZ and staff who might have to do one-off travel.

## Resolution

The Board resolved to:

- (a) **note** the Register of Interests;
- (b) **approve** the minutes of the Board meetings held on 23 November 2021 and 25 January 2022 as a true and accurate record of the meetings; and
- (c) **note** the actions arising as discussed above.

#### 1.4 Audit & Risk Committee resolution

The ARC Chair introduced the paper seeking Board approval to the *ARC Charter*. The Board discussed the tracked version of the *ARC Charter* which included the amendments made at the 14 February ARC meeting and proposed two further amendments, namely:

1. **Oversight of Organisational Polices** – Clause 13 – amend item a) to read *oversee and consider the appropriateness of Maritime NZ organisational policies on a regular basis*
2. **Membership** - Clause 15 – removal of words '*However, membership*' replaced with '*Membership*' in the second sentence.

#### Resolution

The Board resolved to:

- a) **approve** the *ARC Charter* with the above amendments; and
- b) **endorse** as an appendix to the *Board Charter*.

#### 1.5 Board Charter review

The Chair led the discussion on the *Board Charter* review and proposed a quick overview and edit of the document with a follow-up Board session to explore the more in depth issues of the *Charter*. The Board provided feedback as follows:

- Use of our Māori name. As part of the Te Ao Māori strategy we need to confirm we are comfortable with the name of our organisation. There is a legislative aspect to our formal legal name.
- Would like to see *Board Charter* bi-lingual and we need to explore this further.
- If we use a Te Reo name it needs to be something relatively short, easy to pronounce and well understood representing who we are and what we do. Would suggest there is an opportunity to engage with Māori and have a name given to us as has happened with Coastguard NZ. This will be undertaken as part of Te Ao Maori work
- Clause 8 - Values and Principles – refers to numerous documents. If you refer to documents they need to be either attached, loaded into the Board's Resource Centre as Appendices or take key elements of the documents and include them in the body of the *Charter* for continuity.
- Clause 10 – remove the words '*direct its energies and*' so that it reads *Generally, the Board will focus on ...*
- Clause 10.1 – come back to the wording of this clause in light of feedback on the Board having a leadership role steering the design and implementation of the regulatory strategy for the organisation. Management can provide concepts and ideas on this for further discussion by the Board.
- Clause 10.2 – accept change to the wording in the first sentence
- Clause 10.3 – accept changes to the wording in the paragraph
- Clause 10.4 – the clause should be broadened to include culture of the organisation. The Board's overall responsibility is ensuring the Executive Team deliver an appropriate culture. Accept other changes to the wording in the clause.
- Clause 11.3 – the Board monitors the performance of the Chief Executive in relation to the overall organisation and the Chief Executive monitors the performance of management. This clause should be reworded to reflect this.

- Clause 11.5 – accept changes to the wording.
- Clause 11.7 – clause should be broadened to cover public reporting and reporting to the Crown, Minister and Ministry.
- Clause 11.8 – hold for further discussion
- Clauses 19, 20, 21 and 22 – accept changes to wording
- Clause 23.2 – amend to read ‘*the Member makes proper inquiry where the need for advice is appropriate in the circumstances*’
- Clause 35 – the Chair said that the MNZ induction was formed but would like further development of Board induction process for each individual.
- Clause 52 – we should capture that ‘out of session’ Board minutes/resolutions are ratified at the next available Board meeting. Add another clause to cover this.
- Diversity policy – conversation on this is needed. The Chair can share with the Board some thinking on diversity of Boards to assist in the conversation.
- The Chair would also like to do a ‘Mind the Gap’ evaluation with the Board and will circulate the process to Board members.
- The Board should discuss online meeting etiquette and procedures and whether they should be included in the *Charter*.
- Add something on how we develop generative conversations.

### Resolution

The Board resolved to:

- note** the minor edits in the *Board Charter* will be accepted;
- note** other issues raised will be discussed in-depth at a future follow-up Board meeting/session.

## 1.6 Board schedule and work programme

The Board reviewed the Board schedule and work programme and noted:

- the April meeting will be virtual;
- the May meeting will be held in Wellington (dependent on Covid-19 situation)
- the June meeting could possibly be Nelson (dependant on Covid-19 situation)
- the meeting and visit to Queenstown be rescheduled to August;
- any future arrangements for visits would be discussed at the April meeting.

### Resolution

The Board resolved to:

- note** the Board schedule and work programme and items discussed above.

## 2. Director’s report

The report was taken as read. The Director mentioned that the Board will be provided with further updates on the work in respect of the Port and Harbour Safety Plan and Recreational Craft Strategy at a future Board meeting. One of the challenges for the organisation at the moment was the budget uncertainty.

### Resolution

The Board resolved to:

- note** the contents of the report.

10.46am - the Board adjourned for a short break

11.00am – the Board meeting reconvened and Rob Warner, Chief Advisor Strategy joined the meeting

### 3. Strategic conversations and decisions

#### 3.1 Board strategic conversations and uncertainties

The Chair introduced the paper proposing a suggested framework for the Board's strategic engagement with management for the future – this involved trialling a 'generative discussion' format (i.e. exploring what is broadly possible) using the theme of strategic uncertainties associated with Maritime NZ's 'clean' role.

The Chief Advisor Strategy facilitated the session, and posed a number of framing questions to the Board for consideration – namely:

- *What question if answered would make the most difference to the trajectory of Maritime's 'clean' future?*
- *To what extent is 'clean' critical to MNZ's identity as opposed to our 'safe' and 'secure' role. How do we define ourselves as an agency?*
- *What is our intention and how would we generate the positive change we want to see?*
- *What draws you attention to this topic as a strategic priority compared to 'safe' and 'secure'?*
- *What is our relationship between 'safe', 'secure' and 'clean', e.g. can we be 'safe' without being 'clean'?*

Some key themes emerging from the Board's wide ranging discussion included:

- Who is really responsible for clean oceans in NZ and within NZ's area of responsibility? If we have a role other than our focus on oil pollution, what could be our greater role and what might bound or constrain this?
- The big question is what we want to do, if we are going to have 'clean' do we want to more clearly define making a contribution to clean oceans and concentrate on marine emissions or alternative fuels or do we broaden our brush wider. The Board is yet to define what greater contribution could be made in our capability for cleaner oceans within NZ
- A problem with the cleanliness of oceans is the range of organisations involved with specific responsibilities but no one with overall responsibility and thus there is no strategy which would make a difference in NZ's contribution to clean oceans. This is where the country has a real challenge to care for the oceans.
- However, who is the lead agency? It is clear where the accountability sits, we have Te Manatu Waka and Ministry for the Environment clearly in the lead on what NZ's emissions reduction strategy is. Maritime NZ has provided a lot of context around the choices for shipping, technology options, etc. It is also clear who is responsible for the broader oceans frame, i.e. there is a Minister for Oceans and Fisheries in place who knows there are broader issues so not sure there is confusion politically about who is in charge
- It is important to have a conversation with the Minister. Without the support of the Minister we are never going to get the policy direction confirmed for our role, the regulatory authority or funding. Marine emissions could be a good place to start then move to broader ocean issues.
- The government and wider community has shown a particular interest in emissions from shipping but there seem to be constraints in terms of who is empowered to do what and what actions can be taken. A lot of reference has been made by stakeholders to barriers that could stop progress. Is this an area Maritime NZ might well target as a starting point?
- Emissions from ships is an area where we are reliant on a raft of agencies and this seems like where Maritime NZ must place attention
- We operate as part of a system and partner agencies and water NGOs are looking to Maritime NZ for direction, to take the lead and to define where there is overlap and provide clarity – this seems consistent with the Maritime NZ's stated position as NZ's lead maritime regulatory, compliance and response agency.

In terms of progressing these themes (i.e. from generative to sense-making), the Board agreed it would benefit from more contextual information covering:

- **a summary description/A3 system map of the different roles/large initiatives of agencies and Maritime NZ currently have in relation to clean (plus including what our current role/levers are)**
- **key things strategically going on internationally (i.e. work of IMO/green lanes etc and around fuel supply to inform future discussions)**
- **emerging trends and signals of change in this space that could help the Board navigate and anticipate strategic uncertainties.**

The Chair thanked Board members for their contributions and noted that generative conversations, although challenging, will become easier and more valuable as the Board gains more experience with them over the course of the year.

### **Resolution**

The Board resolved to:

- a) **Note** that it discussed its desire to move to a new approach for strategic conversations with management over the course of 2022 during the November 2021 Strategic Workshop
- b) **Agreed** the adoption of a three stage discussion framework with management (Generative – Sense-making – Insight to Action) which corresponds to the relative maturity of strategic thinking, depth of analysis completed and clarity of recommended Maritime NZ decisions associated with particular strategic topics
- c) **Note** that the 13 high level strategic uncertainties originally brainstormed by the Board in 2020 would benefit from being refreshed given Maritime NZ's evolving operating environment and changes in strategic intent since that time
- d) **Agreed** it wishes to incorporate, explore and/or extend identified strategic uncertainties from this session as part of future Board meetings.
- e) **Note** the Board Environment Scan needs a refresh and this will be on the agenda for the next main Board meeting.

*12.17pm – the Board adjourned for lunch*

*12.50pm – the Board meeting reconvened and the Covid-19 Response Team joined the meeting*

### **3.2 Presentation from Covid-19 Response Team**

The DD CSE introduced the Covid-19 Response Team who were established in July 2020 with a focus on assisting the maritime industry with the Covid-19 pandemic. A large portion of the team are secondees on a six-month rotation and a number of the team are fixed-term contractors. We work on a six-month rotation as the environment is complex, ever-changing, and can be stressful due to long working hours.

Matt Dean provided a brief overview of how the team would present with each member giving an update on what they do and their impressions.

The team's presentation covered - *Our reason for being (assist government to keep ships moving safely, securely and sustainably), the challenges and opportunities as the team sees them, the vaccination programme put together in conjunction with the Ministry of Health, stakeholder engagement, crew changes and role of MIQ, managing Covid-19 on vessels, resurgence, communications, legal focussed on the external legal environment, policy input and MNZ's Covid-19 response legacy.*

In conclusion, having the Covid-19 team in place has enhanced 'all of government' and sector engagement and contributed to a greater organisational confidence. The

relationship with Te Manatu Waka has been really collaborative and deserves a mention. Being seconded to the team has presented lots of development opportunities for them.

The Director congratulated and thanked the DD CSE for her hard work, resilience, relationship management and leadership in managing the Covid-19 response.

The Chair commented that the team have been incredibly impressive, showing collaborative leadership in action and thanked them. Praise for the team has also been received from the Minister and Te Manatu Waka.

The Board commented that a highlight of the presentation was reinforcing the importance of relationships. Relationship building takes a lot of commitment to develop in a meaningful way. It was great to see the personal development aspect, relationship aspect and enhancement of maritime reputation in the ports industry. The team were congratulated on a job well done.

The Chair, on behalf of the Board, thanked the team, reiterating that they had the Board's full support for their work and wished them well for the next phase.

The Covid-19 Response Team presentation will be made available in the Board's Resource Centre in Diligent Boards.

*The Covid-19 Response team left the meeting*

### 3.3 Te Korowai o Kaitiakitanga update

The Director introduced the paper, providing an update on Phase One of Te Korowai o Kaitiakitanga. Phase One is nearly finished but feedback from the Executive Team had identified a couple of missing frontline areas – response and security – and work on those has now commenced. Phase Two will see the start of building projects dependant on budget and alongside Board conversations.

The Board provided feedback on the update as follows:

- First impressions is that this will be a game-changer. It is being undertaken in a purposeful way and is on the right track
- Good to see comment/observation from MartinJenkins. What is management's feedback on MartinJenkins?
- *The Director responded that MartinJenkins think well about regulatory frameworks and have helped on the bigger frame and regulatory systems but a large amount of the insight and design came from MNZ staff. For the future we will use them to test elements of the regulatory strategy and it would be useful for them to have a session with the Board on assurances on how MNZ is carrying out its regulatory work in its regulatory role.*
- Very good outline of the work done so far, good expectations for the future and great work.
- Has provided a real in-depth understanding of what good looks like and a plan to achieve that. If funding is not forthcoming, the conversation with the Board will be in relation to where priorities sit, where to focus and where risk remains.
- Great to have in-depth insight into business and real clarity on what needs to happen.
- Good to see concentration on short-term improvements for certification and port state control within existing funding and it will be beneficial to lock in even better improvements for the future.
- s 9(2)(f)(iv)  
[Redacted]
- Encouraged the Director and Executive Team to keep going as it is a well-founded and great piece of work.

### Resolution

The Board resolved to:

- a) **note** we have made significant progress on Phase One of Te Korowai Kaitiakitanga and that the outputs from Phase One are in the resourcing centre for the Board to see;
- b) **note** that we plan to bring a straw four-year plan which sets out how we could deliver priorities for action to the Board for a working session once we have clarity around the resourcing we may get from Budget 2022;
- c) **note** that as a priority we are commencing work on developing organisational design, capability and capacity change proposals, so that are ready to go as soon as we know the outcomes of Budget 2022, and that we will engage with the Board on these;
- d) **note** that we are also beginning work on an operational policy and practice framework and regulatory process improvements;
- e) **note** that we are looking to develop a regulatory strategy that sits across this work and that this will be developed through a series of Board and staff conversations.

#### 4. Organisational reporting

##### 4.1 Health Safety and Wellbeing report

The report was taken as read. The DCE People & Capability drew attention to the SafePlus HSW management system survey completed in December 2021. In comparison to the 2020 survey, there had been a small dip in the overall result, but nevertheless it was a good result despite staff filling it in late last year when staff were tired and coming out of lock-down. The findings of the survey will be used to develop a 2022-2023 HSW action plan. Looking at the top rated questions, those are the items an organisation would be expected to be exceeding at and for the lowest rated questions there is further work to do in closing the feedback loops.

The Board queried the Q2 turnover of 3% which seemed too low against the competitive market trend. Management responded that the figure was just for the quarter rather than annualised. Annualised turnover is certainly increasing and that is something we have a particular focus on and are looking to do some work on the employee value proposition for retaining staff.

In the Benestar results, there were two items related to workplace bullying and harassment and the Board were keen to hear if management were satisfied that these had been dealt with adequately. Management responded they were satisfied that a lot of effort had been put into resolving these issues.

The Chair remarked that it was understood that the Board would receive reports of workplace bullying incidents however small. It is important that the Board are aware of bullying or harassment incidents and it would be helpful to explain the situation or provide a confidential briefing. The Director confirmed all workplace bullying incidents are provided in reporting to the Board through the report, including how they were managed.

The Chair also raised the bigger issue on the overall culture of the organisation. Te Manatu Waka had done a review of Maritime NZ's people capability and culture to which MNZ had responded there was planning underway to review the People Capability Strategy and a plan for more expansive reporting to the Board. The Chair would like to see a broader culture report and not just Health, Safety and Wellbeing and would be interested to know the structure and timing for that.

The Director responded that ET are looking at a People Capability Strategy refresh and will have more dialogue around that.

The Chair would like to discuss what a workplace culture report might look like and the measures and it would be good to have this fairly soon; a more high-level one could be provided in the interim before the work on culture and the refresh was completed.

The Chair was mindful that the Covid-19 environment was challenging and there would be a lot of angst amongst staff to deal with.

### Resolution

The Board resolved to

- a) **note** the health safety and wellbeing report.

s 9(2)(a) *joined meeting*

## 4.2 Financial report | January 2022

The financial report was introduced by the DCE OSS and taken as read, noting the two main aspects of the paper were the results against the Q1 forecast and update of MNZ's procurement capability.

The Chief Financial Officer (CFO) advised that we are tracking behind in a number of expenses which is generally due to Covid-19 disruption. Liquidity funding is the main reason for the revenue variance but that will likely reverse. There a few debtor issues starting to emerge which are likely to get worse in the short-term due to the Covid-19 upheaval. The more high-level strategic Government items will need to be parked a little longer.

In relation to the procurement update, we are fully aware of all the activity taking place and Government changes. We are as well placed as we can be but until such time as we are able to put a little more capacity into that area we will be a bit constrained in terms of uplift.

The Board queried if there were any conditions or issues they should be aware of in respect of the liquidity funding. The CFO stated there was nothing of particular concern. In the latest engagement with Te Manatu Waka in respect of the draw down and reconciliation processes, they are trying to apply some stricter rules of the Public Finance Act but this may be an impractical approach so we are working through a practical and reasonable approach on how to get funding on a timely basis. An example would be concern that the year-end drawdown does not overfund us but we are in a fortunate position that the negotiated minimal reserves can carry over for a couple of weeks and we do have levers to deal with it.

The Chair queried if the procurement rules would be hard to follow. The CFO responded that they are rather lengthy and onerous and the move to Government centralisation is escalating and there are large volumes of compliance. The Chair would welcome feedback as requirements should be fit for purpose and not unnecessarily slow the organisation down from delivering outcomes.

The DCE OSS remarked that there may be engagement forthcoming with the Crown Agency Resource Centre Director and Crown Entity Chairs around additional burdens and expectations that are being placed on particularly smaller Crown Entities.

The Chair sits on the Crown Entity Chairs Group whose meeting has been deferred to May so any information or insights that management can provide would be useful in preparation for that meeting and to understand the implications. The Chair will share the agenda of that Group with the Director.

The Board asked if the CFO was satisfied with the \$1.6m allocated for Search & Rescue deployment. The CFO confirmed she had checked the status of the additional funding for that deficit which is due to be confirmed by the Minister of Finance in the next few weeks. The baseline needs a reset which would normally be addressed as part of the funding



review but this is delayed. There is no pushback in terms of that additional funding and we are expecting to receive the funding despite cost pressures.

In conclusion, the Chair expressed appreciation for the Finance Team's hard work.

### Resolution

The Board resolved to:

- a) **note** the financial results for the seven months to 31 January 2022;
- b) **note** the status of Maritime NZ's procurement capability as it relates to changes to Government procurement rules.

### 4.3 Quarter 2 reforecast

The CFO introduced the report confirming the main message was that we had access to additional liquidity funding. The main changes in our expense and forecast is the investment in Te Korowai, and to achieve objectives in relation to the key harm prevention areas and people and property.

A couple of items not mentioned in the paper were that the forecast does not include the FX gains and losses that we will need to book on 30 June and the land revaluations in respect of land where lighthouses stand which we are in the process of commissioning. Both of these items could potentially slightly veer the final result on 30 June.

The valuers had suggested site visits for the land revaluations process but MNZ considered this was not required and have offered an alternative option of providing them with photos and GIS information to enhance the desktop revaluation. MNZ has 141 lighthouse sites but some of the land is not ours. There are 23 land packages to be valued.

### Resolution

The Board resolved to:

- a) **note** that Management has completed a Q2 forecast;
- b) **note** the proposed forecast incorporates an uplift in strategic investment in areas identified in late 2021 which is offset by additional liquidity funding as agreed in principle by Ministers and Te Manatu Waka;
- c) **approve** the proposed Q2 forecast surplus of:
  - i. \$0.5m surplus for Maritime NZ (R&C), being a decrease of \$0.25m on the original budgeted surplus of \$0.756m;
  - ii. \$0.145m surplus for RCCNZ (an increase of \$1.15m on the original budget due to savings in personnel costs and other cancelled or deferred activity as a result of COVID-19 disruption).
  - iii. \$0.611m surplus for OPF which is consistent at a bottom line level to the original budget.
- d) **approve** the proposed Q2 capital expenditure forecast of:
  - i. \$3.111m for Maritime NZ (R&C), being an increase of just under \$0.1m on the original budget due to the delivery of aids to navigation projects initiated (and funded) in the 2020/21 financial year;
  - ii. \$0.300m for RCCNZ being no change to the original budget approved;
  - iii. \$4.276m for OPF being an increase of \$1.786m on the original budget of \$2.49m due to carrying forward the balance of \$1.1m for dispersant inventory

and \$0.686m from the planned (and funded) capability programme from prior years.

s 9(2)(a) left the meeting

#### 4.4 Quarter 2 Strategic Actions update

The DCE OSS introduced the report on behalf of Rochelle Wengrzik who had tendered her apologies. The report was taken as read noting that a number of strategic actions are currently amber and one is red.

The Chair commented that the compliance delivery area was of concern and one that required focus. Management responded that there was focus on this area both in the short term and as outlined in Te Korowai and staff were encouraged to put red if that was the case to highlight where our biggest risk areas might be. Broadly the strategic actions are at amber reflecting high workloads and dealing with the Covid-19 environment.

The Chair commented it was a useful report for the Board providing the overview and assurance with good graphics and supporting material.

##### Resolution

The Board resolved to:

- a) **note** the status and progress updates on Maritime NZ's strategic actions for the period ending 31 December 2021; and
- b) **note** that the outcomes of Te Korowai o Kaitiakitanga will impact our priorities for 2022/23 (and beyond), and will be aligned to a revised programme of work over the next four years.

#### 4.5 Statement of Performance Expectations 2022-23

The report was taken as read.

##### Resolution

The Board resolved to:

- a) **note** the proposed approach and timelines and the need for out of session meetings to approve draft and final front end SPE and budget before approval;
- b) **note** Audit NZ recommendations relevant to the development of the SPE; and
- c) **note** a Statement of Intent will not be developed this year.

#### 4.6 Letter of Expectations

The DCE OSS mentioned that a draft letter from Te Manatu Waka had gone to the Minister in early January with no prior engagement with MNZ. It would have been helpful to have seen a draft and to have had a conversation with them and subsequently for the Board to have been able to review.

The Director felt it would be difficult to fulfil some of the expectations outlined given the uncertainty of the funding.

The Board commented that the response to the Letter of Expectations was good and the pushback justified and respectfully expressed. However, the Chair would like to make minor edits without changing the context and received confirmation from the Board to do that.

## Resolution

The Board resolved to:

- a) **agree** the draft response with minor edits whilst maintaining context;
- b) **note** the summary analysis of the Letter of Expectations

## 5. Recurring business

### 5.1 Correspondence

The report was taken as read.

## Resolution

The Board resolved to:

- a) **note** the response to the Letter of Support for the 2020-21 and 2021-22 Financial Years from the Chair to Hon Minister Wood and Hon Minister Robertson dated 30 November 2021;
- b) **note** the letter from Peter Hughes, Public Service Commissioner to the Chair dated 2 December 2021 in respect of Kia Toipoto the Public Service Pay Gaps Action Plan 2021-24;
- c) **note** the letter from the Chair to the Office of the Auditor-General dated 10 December 2021 in respect of the delays in the completion of the 2020-21 audit of Maritime NZ;
- d) **note** the letter of response from the Office of the Auditor-General to the Chair dated 14 December 2021; and
- e) **note** the Letter of Expectations 2022-23 for Maritime NZ from Hon Michael Wood, Minister of Transport to the Chair dated 14 February 2022

## 6. Meeting close

### 6.1 Any other business

No other business matters were raised.

### 6.2 Meeting review and close

The Chair sought feedback from the Board on whether the meeting had been valuable. The Board commented as follows:

- Worthwhile meeting given the constraints of Zoom which makes it harder to interact in a way that has continuity but we are doing well. Hope we can get back to face to face meetings in the near future.
- Generative discussion was good and like the model that has been put forward. Enjoyed the Covid-19 team presentation and would like to see team presentations continue as a structured part of the meeting. It is good for the Board to have an insight into the work of the rest of the organisation.
- Good to see other parts of the organisation and how they are operating so keen for more team presentations. Face to face meetings are preferred. The generative piece was very valuable.

The Chair congratulated the Executive Team on doing a great job, they had confidence and were being well led and looking at the right things. Te Korowai is a huge amount of work and making the Board aware of the journey and seeking support at the appropriate time is important.

Management commented that it was really motivating for teams to present to the Board and to be thanked and asked questions. We need to be conscious that we have a good spread across the organisation for presenting so that it also includes back office teams.

The Chair suggested that management come back to the Board with suggestions for presentations on areas that might help the team articulate what they do and give the Board greater insight into the organisation.

*The meeting closed at 2.38pm*

**Future meetings:**

<b>21 April 2022</b>	Virtual Board meeting <i>(to approve Budget and SPE)</i>
<b>3 May 2022</b>	Board meeting
<b>17 May 2022</b>	Audit & Risk Committee <i>(via Zoom)</i>

These minutes are a true and accurate record of the meeting



**Jo Brosnahan**  
Chair, Maritime New Zealand

**3 May 2022**  
Date

# Board minutes

DATE OF MEETING	21 April 2022
TIME AND VENUE	9:00am   via Zoom
MEETING	<b>Board meeting</b>
AUTHORITY	Jo Brosnahan (Chair), Belinda Vernon, Roy Weaver, Danny Tuato'o, Denis O'Rourke
ATTENDING	Heather Horton (minutes)
EXECUTIVE TEAM	Andrew Saunderson, Kenny Crawford (Acting Director)
APOLOGIES	Kirstie Hewlett, Nigel Clifford, Peter Brunt, Sharyn Forsyth, s 9(2)(a) Deb Despard
GUESTS	Rochelle Wengrzik, s 9(2)(a), Brian Cosgriff (item 3.1)

## The Board held a closed session prior to the meeting

The following matters were discussed:

### (a) Board Performance Review

The Board discussed the Performance Review reports in more detail and decided on the following action:

- A more meaningful discussion is required around non-financial reporting at Quarterly Review Time.
- The timing of meetings should be reviewed to ensure that this consideration above is able to happen.
- Succession planning is required for the Chair and Board, and for the CE and the Executive Team.
- There would be benefit in the sharing of further reading between meetings, to support the board in its conversations and decision making, and in terms of the how of governance. The board had appreciated the material distributed by the Chair prior to this meeting.
- Strategic conversations are required around environmental initiatives, including:
  - Both international and domestic
  - Climate change
  - Our role and the initiatives we are undertaking.
- More intensive conversations are required around Strategic Planning and Risk – with the ongoing Strategic Planning programme embedded into the board work programme – and involving the ET. This has begun.
- There is a deeper understanding of the resources required for a robust regulatory regime, the risks of regulatory failure and how to stay on top of this. (Te Korowai is important here).
- The Chair suggested that she would look to refresh the survey format for the next board review.

### (b) Board Values Session

The Chair facilitated a values discussion with the board – to come up with a set of values for the board itself to guide its own behaviours. It was important that these values were aligned with those of the organisation, albeit they are additional and for the Board itself.

The following values were developed

- Trust
- Servant leadership
- Manaakitanga
- Whanaungatanga (Belonging)
- Listening
- Courage

### (c) Listening Skills and Generative Conversations

The Chair made a short presentation with a series of slides and a conversation on listening skills and generative conversations.

### (d) Board Induction Development

The Board discussed the current induction programme and suggested the following expansion:

- Maori and Pacifica welcome.
- Design the induction around the individuals – what do they want to learn, as well as what we think they should know. Chair and CE to be involved.
- A better overview required of the Government landscape (including Customs, immigration etc).
- An understanding of the international perspective and our role vis a vis that of other Government agencies.
- Alignment with the MoT component of the programme:
  - Relationship with the Ministry and Minister
  - Understanding of government policy making/ implementation
  - Government organisations whom we routinely deal with
  - Chair should be involved if possible for interpretation.
- An organisational plan with photos and description of role should be attached to the briefing material sent out.

Individual development plans (IDP's) should be developed for each board member.

- Widening of the G Reg and MNZ modules (all Board members to do these)
- Undertaking of the Regulatory Chairs' G Reg modules
- Te Tiriti/Te Ao Maori
- Te Reo (with senior management) – tailored to the needs of the organisation
- Governance training if required (ie IOD).

### (e) Board Charter Review

- In relation to Te Ao Maori, a whole of organisational approach should be taken.
- Maritime NZ values should be added, in addition to the Board's own values.
- The Chair needs to add a piece on Generative Conversations.
- 11.3 on Monitoring the Exec – note that this should be through the CE's Success Agreement (appropriate wording required)
- 32 – it was agreed that the Board should undertake a 'Mind the Gap' exercise to ensure that we are able to be proactive in having timely input to the Ministry appointment process.

Kenny Crawford, Andrew Saunderson, Rochelle Wengrzik, s 9(2)(a), Brian Cosgriff and s 9(2)(a) joined the meeting

## 1. Meeting opening and administration

### 1.1 Chair's welcome and apologies

The Chair welcomed management to the Board meeting.

## 2. Director's report

The DCE OSS introduced the Director's report which was taken as read. The Board were provided with a brief update on the fatal incident at the Auckland Port on 19 April. As the incident occurred on a vessel, MNZ would be leading the investigation and working with WorkSafe and Police as required. MNZ were also working with the Minister's office to provide sound and robust advice on any consequences.

In answer to a queries from the Board on the resumption of cruise ships, the DCE OSS advised that advice had gone up to Ministers on a three-phase approach in respect of how and when the maritime border could open.

Under the 'new technologies' item, the Board were provided with an update on the announcement from Ocean Flyer, a newly-established New Zealand transport business, on their plans to set up a coastal transport network using 'wing-in-ground craft' (seaglidors). An order had been placed for 25 of these passenger craft which will operate passenger services around the country with either 12 or 100 passenger versions. There was also the potential to expand into Australia and the Pacific in the future.

The Board queried if there were any implications for MNZ in terms of the process for the 'Enchanter' incident. Management responded that the incident was under investigation.

### **Resolution**

The Board resolved to:

- a) **note** the contents of the report.

## **3. Organisational reporting**

### **3.1 Draft Statement of Performance Expectations 2022-23 and Draft Budget 2022-23 & Prospective Financial Statements**

The DCE OSS introduced the paper providing the draft Statement of Performance Expectations (SPE) 2022-23, draft Budget 2022-23 and prospective financial statements and seeking the Board's feedback.

The Board were asked to note that for the front end of the SPE, the key focus areas will change and the foreword would not be included whilst budget decisions were awaited. Additionally, the key focus areas will need to be revised based on budget bid outcomes.

The Chief Financial Officer, outlined what funding has been assumed would be included in the budget.

The Chair queried whether we would have to re-cast if we did not get some of the budget bids. Management responded that if there were some critical aspects that were not funded we would have to reflect on what we could and could not do. A key aspect was the longevity of funding for any particular reason as surety of funding over time is needed in support of good regulatory outcomes.

The Chief Financial Officer advised that in terms of the levy impairment, we have assumed that the instability in the supply chain remains and disruption of the cargo side of the supply chain will continue through to next year. Conservative assumptions have been used for cruise levy. Also that there still remains a high level of uncertainty related to oil pollution levies as a result of industry structure changes.

The Board provided feedback on narrative aspects of the draft SPE document for adjustment in the draft being sent to the Minister including:

- Page 2 – the leadership charter values of strength, unity and direction seem to be there in isolation rather than part of the bigger picture - how do they connect to the other components we reiterate?

- Page 3 – the graphic that refers to the three core roles does not particularly mention the regulatory roles referred to previously

*Management suggested that some clarity was required in respect of our organisational values and leadership charter and would look to re-frame so that it links and flows.*

- Page 8 – final paragraph, perhaps we could add something in respect of the challenges with our current funding caused by COVID
- Page 9 – third bullet point under the heading ‘Support COVID-19 recovery’ – this is very wordy, would suggest splitting up some of the text
- Page 11 – query if the emissions reduction plan for MNZ is covered off.

*Management confirmed that the emissions reduction was captured under the heading ‘Improve environmental and economic outcomes’ and on page 12 under the heading of ‘Organisational capability and sustainability’. However, we would look to fine tune the wording.*

- Page 13 – in terms of building organisation culture, a lot of the metrics monitored and reported on are activity factors as opposed to success factors which are really important, for example, staff satisfaction. Suggest that engagement survey results and diversity and inclusion results be separated out. The Board also queried if reference to organisational health and capability included wellbeing of the organisation?

*Management commented that this section is included as a statutory obligation; in the Statement of Intent (SOI), there is a statutory obligation to talk about the key elements of being a good employer and we also cover this in our Annual Report. The SOI does highlight those areas and is read in combination with the SPE. The SPE covers more about how we measure organisational health and capability.*

- Page 15 – in respect of the reference to the introduction of two non-financial performance measures, are there similar performance measures concerning capability for core functions, whether or not the revenue has been affected by COVID-19?
- Page 21 – queried if the references to ‘TBC’ will be populated.

*Management responded that the Q3 results are now available and they will be updated before the document is sent to the Minister. The final published version will have the estimated actuals.*

- Page 24 – the Board queried the figures of 4, 16 and 12 for the annual Maritime Incident Response Team exercises and workshops and why there was a gap.

*Management commented that we are estimating three exercises or workshops will be done each quarter. We have been overreaching the target which has given us the estimated actual of 16.*

- Page 29 – in relation to outputs, the Board queried if we were asking for specific measures around engagement with groups; is there a specific engagement target for specific groups, e.g. Maori or is it one generic target?

*Management responded that this is kept at an aggregated level. It is something that can be reviewed for the future as we develop our Te Ao Māori strategy and we can be more specific around some of those measures/activities.*

- Page 36 – Performance Reporting Standards – the Chair’s assumption was that any new targets required by Audit NZ had been included.



*Management advised that there has been an update to the accounting and performance reporting standards. Treasury has issued some guidance and this is the first time it has been addressed in this SPE. Advice has been sought from Treasury and further advice will be sought from Audit NZ. This new Appendix brings a level of transparency to what we are doing.*

The Board commented that the funding for Search & Rescue appeared to be short funded, requiring additional funding/top-ups, and queried whether there was any risk of not getting that.

*Management responded that current funding has been locked in for the current financial year. Funding has always been approved and managed through the March and October baseline updates. Also that due to the nature of SAR activity and demand, there will always be some in-year variation and we seek to address significant variances through funding review activities as we did during the last funding review.*

The Board queried the expiry date of the MEOSAR system and were advised it was either 2026 or 2027. Management were looking at the procurement approach and whether the 2026 or 2027 deadline should be extended.

Management highlighted the 'going concern' disclosures and that those details will need to be reviewed and worked through carefully. Any feedback from the Board on the 'going concern' disclosures would be welcomed. The Ministry had been contacted in relation to the Letter of Support which it was hoped would be forthcoming through the budget process.

The Chair queried what timing had been agreed for the funding review and was advised that no timeline has been formally agreed as yet and it would depend on budget outcomes.

The Board wished to acknowledge the work done by the team on Accounting & Performance Information Standards Update, noting it was very clear and an excellent job achieved on the explanation.

## Resolution

The Board resolved to:

- a) **note** following Budget decisions the SPE foreword and key focus areas will be reviewed and the letter from the Chair to the Minister will be finalised with the Chair
- b) **note** that once Budget 22 decisions are known, the SPE budget will need to be re-set, and **note** the Board's approval for the 2022/23 budget will be sought following confirmation of Budget 22 decisions in June, refer **Appendix 2**
- c) **note** that Management has not yet been formally advised of Budget 22 decisions
- d) **note** the draft 2022/23 Budget for Maritime NZ (Regulatory & Compliance); the Rescue Coordination Centre and the Oil Pollution Fund which would result in:
  - I. surplus for Maritime NZ (Regulatory & Compliance) of \$0.247m;
  - II. surplus for the Rescue Coordination Centre of \$0.191m;
  - III. surplus for the Oil Pollution Fund of \$0.621m which will fund the planned capital programme.
- e) **note** the draft 2022/23 capital expenditure budget of:
  - I. \$3.014m for Maritime NZ (Regulatory & Compliance)

- II. \$0.105m for the Rescue Coordination Centre
- III. \$1.344m for the Oil Pollution (not including any delayed / deferred purchases from 2021-22).

- f) **approve** a decrease in the 2021/22 forecast revenue for liquidity funding of \$1.5m, resulting in a forecast deficit for Maritime R&C of \$0.996m, due to the opening cash balance on 1 July 2021 exceeding the budgeted opening balance in the prior year SPE
- g) **note** the 2022/23 Draft Prospective Financial Statements for submission to the Minister, refer **Appendix 3**
- h) **note** that Management has considered changes to the Accounting and Performance Reporting standards and incorporated where appropriate within the proposed documents refer **Appendix 4**
- i) **note** that Audit NZ and the Ministry are being concurrently asked to provide feedback on the draft documents;
- j) **note** the draft SPE will be passed to the Minister for review on 29 April where we will note that further review and amendments will be required post Budget announcements
- k) **note** that due to Board meeting cycles further iterations of the SPE and Budget will likely require out of session treatment prior to submitting to Board for approval
- l) **note** the final 2022/23 Budget and SPE will be presented to the Board in late June for approval.

Rochelle Wengrzik, s 9(2)(a) and Brian Cosgriff left the meeting

#### 4. Meeting close

##### 4.1 Any other business

Following a short discussion between the Chair and the Board, it was agreed that the May 2022 meeting would be conducted via Zoom with an 'in person' meeting in Nelson for June 2022.

##### 4.2 Meeting review and close

The Chair invited Danny Tuato'o to close the meeting with a karakia.

*The meeting closed at 12.45pm*

#### Future meetings:

3 May 2022	Board meeting (via Zoom)
17 May 2022	Audit & Risk Committee (via Zoom)

These minutes are a true and accurate record of the meeting



Jo Brosnahan  
Chair, Maritime New Zealand

3 May 2022  
Date

# Board minutes

DATE OF MEETING	3 May 2022
TIME AND VENUE	8:30am   via Zoom
MEETING	<b>Board meeting</b>
AUTHORITY	Jo Brosnahan (Chair), Belinda Vernon, Roy Weaver, Danny Tuato'o, Denis O'Rourke
ATTENDING	Kirstie Hewlett, Heather Horton (minutes)
EXECUTIVE TEAM	Andrew Saunderson, Nigel Clifford, Kenny Crawford, Peter Brunt, Sharyn Forsyth, Anne Greenwood, Deb Despard
APOLOGIES	None
GUESTS	Briar Gill-Michaels (item 3.4), s 9(2)(a) (item 4.2), s 9(2)(a) (Impact Education – item 7)

## **DRAFT MINUTES**

### **Board only time was held prior to the meeting**

#### **1. Meeting opening and administration**

##### **1.1 Chair's welcome and apologies**

The Chair welcomed Board members and management to the Board meeting and invited Danny Tuato'o to open the meeting with a karakia.

##### **1.2 Declaration of interests**

[Redacted]

##### **Resolution**

The Board resolved to:

(a) [Redacted]

##### **1.3 Confirmation of previous minutes and actions arising**

The Board reviewed minutes of the previous meetings held on 1 March and 21 April 2022.

The Chair commented that the 21 April 2022 minutes also encompassed the outcomes from the Board's closed session.

Board's performance review – the Chair will discuss with the Director how this can be accommodated in the Board scheduling for the year.

Board Induction development – quite a few suggestions which the Chair, Director and Governance Support Coordinator will look to incorporate in the induction process.

*Board Charter review* – some recommendations had been made and the Chair, Director and Governance Support Coordinator will include those and produce a final version of the Charter for Board approval at their next meeting.

#### **Resolution**

The Board resolved to:

- (a) **approve** the minutes of the Board meeting held on 1 March 2022 and the ‘out of session’ Board meeting held on 21 April 2022 as a true and accurate record of the meetings; and
- (b) **note** the actions arising and that any further actions arising from the 21 April 2022 minutes will be captured.

### **1.4 Board schedule and work programme**

The Board reviewed the Board schedule and work programme and discussed logistics and timetable for a Board visit to Nelson in June. The suggestion was a short Board meeting on the morning of 20 June with key visits for the remainder of the day and the morning of 21 June. The Board’s preference for engagement was a focus on the fishing industry, aquaculture and Nelson Port.

#### **Resolution**

The Board resolved to:

- (a) **note** the Board schedule and work programme and the discussion on the June 2022 visit to Nelson.

## **2. Director’s report**

The report was taken as read. The Director provided a brief update as follows:

*Port health and safety* - Maritime NZ is investigating both fatal accidents separately at the relevant ports and has been working with the ports, stevedoring companies and Unions in preparing advice for the Minister. TAIC have also been asked by the Minister to review both fatalities to ascertain if there are any system lessons.

Maritime NZ and Worksafe are undertaking inspections of the major international commercial ports focussing on stevedoring risks and their management. The Minister has asked the Port Health & Safety Leadership Group to come up with a set of actions and a work plan by September which will prevent harm in these areas.

Discussion ensued with the Board on port health, safety and culture. The Board concurred that more capacity and more effort was needed with the ports to ensure a safe environment and to lead change. However, it was clear that funding would be required to resource such a leadership responsibility and it was noted that we had received more funding in Budget 2022 for work on ports.

The Board queried what the timeline expectations were for both the MNZ and TAIC investigations of the fatalities and any lessons on what happened. Management responded that these investigations will take time and it would be close to 12 months before answers/lessons would be forthcoming.

*International Shipping and Port Facilities Security Code* – this is a code that New Zealand complies with and the reason we have an SOI with the US Coastguard and UK Department of Transport is to work out how we can do capability capacity building in the Pacific and share insights on security risks.

The Board queried if the Pacific states funded their port security work or what magnitude of funding responsibility did NZ have. Management responded that there is good sustainable funding in place for the Pacific Maritime Safety Programme where MFaT has committed for

a number of years. Security work does not work in the same way and s 6(a)

Reconnection of cruise – the announcement on the Maritime Border Order was not made on 28 April as had been anticipated and is likely to be early June with an anticipated opening of 31 July. The Chair of the Border Executive Board (BEB) has now asked Te Manatu Waka with support from MNZ to lead the implementation of the return of cruise which it is hoped will expedite progress. There has been slow incremental progress, e.g. the termination of self-isolation for crew change. Testing at the border has also now finished which is extremely positive.

s 9(2)(g)(i)

Litigation report – the Board noted the spikes in active prosecutions and would like to see the same data for investigations, and alongside that an understanding of the increase in both. The Board were also interested in seeing the figures on the anticipated annual spend on prosecutions and investigations.

**Management agreed this information would be provided to the Board.**

#### **Resolution**

The Board resolved to:

- a) **note** the contents of the report and the oral update.

*9.45am - the Board adjourned for a short break  
10.00am – the Board meeting reconvened*

### **3. Strategic conversations and decisions**

#### **3.1 Board strategic uncertainties**

The Chair commented that it was important the 'strategic uncertainties' were included in the papers for every Board meeting despite noting that it needed an intense refresh. Management responded that the proposal was to have a further dedicated session facilitated by the Chief Advisor Strategy to allow for a refresh and more generative conversations and linking to other work on the decision risk tool that came out of the November 2021 strategy session.

The Board commented that item 7 – Regulatory Compliance functions - may be more important than is reflected in the table and may be slightly underestimated as a risk.

#### **3.2 Budget 2022 outcomes**

The Director opened the discussion and provided a brief update on the Budget 2022 outcomes as follows:

- MNZ had sought two years funding for the levy shortfall bid for the Maritime Levy and Oil Pollution Levy, however Cabinet has only agreed to one year of funding.
- The HSWA bid was successful as bid.
- Cabinet agreed to one year funding on our bid for MARPOL Annex VI, however ongoing funding is required in order to implement successfully.
- The regulatory effectiveness bid was granted.

- Management has engaged with TMW as certainty is required on funding prior to making an investment in capability. This explores use of surplus liquidity funding from the MYA for carry forward and use in 2023-24 and use of s9 funding from the National Land Transport Fund.
- The Chair and Director will meet with the Minister on 10 May to discuss the SPE, Budget outcomes and the Letter of Expectations (LoE) and will be provided with a full briefing prior particularly on the Budget outcomes and consequences.

The Board congratulated the Executive Team for their efforts and what had been achieved in respect of the Budget 2022.

#### **Resolution**

The Board resolved to:

- a) **note** the oral update on the Budget 2022 outcomes.

### **3.3 Te Korowai o Kaitiakitanga programme update**

The Director introduced the paper providing an update on the Te Korowai o Kaitiakitanga (TKK) programme and the Board were shown the 'Director Live' video from 8 April 2022 where three slides were presented to staff by the Director and DD RSD providing a clear sense of the direction of TKK. These slides outlined the story of what was trying to be achieved through TKK, the frame of the organisational strategy we are seeking to fill through the TKK work and the foundational work streams and projects of TKK that have emerged to date. The 'A' projects represented the first suite of work and the 'B' projects were those that will commence in the next few months.

The Board commented on the presentation as follows:

- Good motivating presentation and congratulations to those who pulled it together.
- Hangs together very well overall and using the cloak is very meaningful. There will be some interesting conversations in the future but a very good start and very well done.
- The big question in terms of the 'A' and 'B' projects is whether any lack of funding would slow these down. Management responded that none of these will be halted by the Budget outcomes.
- With each of the elements of TKK there is a Maori translation except for 'Our Levers' and that should be added.

The Director advised that some of the A3s providing a summary of the outputs from TKK Phase One for each functional area will be shared with the sector to demonstrate that we have heard their issues and to show how we are addressing them in the short and long term.

#### **Resolution**

The Board resolved to:

- b) **note** the contents of the report.

*Briar Gill-Michaels, Special Projects Lead joined the meeting*

### **3.4 MNZ draft emission reduction targets and opportunities**

The DCE OSS introduced the report providing a summary and advising the Board that MNZ was proposing three reduction targets, using a combination of both absolute and intensity based targets, and were seeking Board insights, observations and agreement on those targets.

The Board and management discussed the emissions targets and CNGP commented as follows:

- The emission reduction targets relate solely to MNZ as an organisation and the activities we undertake. These include emissions relating to SAR operations which are within Scope 3. Management is discussing the best approach to reporting emissions relating to SAR with TMW SAR Secretariat and noted there are aligned outcomes insofar as reduced SAR activity indicates reduced emissions from SAR activities. Scope 3 activities related to emergency management are excluded from reductions requirements.
- MNZ industry and sector emissions reductions activities will be in the context of the Government's final Emissions Reduction plan which was still awaited and is expected to be released mid-May 2022.
- The Government has yet to provide direction on offsetting.
- There will not be a requirement for offsetting for emergency services, e.g. helicopter operations for SAR activities. Where we work with other agencies, e.g. the Pacific Maritime Safety Programme, we would build offsetting costs into those funding arrangements.
- Management commented that tracking and reporting on our GHG emissions will now be a focus, noting that the 2021 drop of 500 tonnes represented the absence of international travel due to the COVID-19 pandemic. Regular reporting on how we are tracking with our GHG emissions will be developed.
- The Board noted that achieving the 1.5c degree pathway would require a mix of components and enquired as to what was an ideal emissions profile? Management replied that there is not necessarily an ideal mix. It will depend on the type of business and business operations. Behavioural changes along with thinking on how as an organisation we will reduce emissions will be required.

In conclusion, the Chair commented that a dashboard tracking progress and showing milestones would be useful for the Board.

### Resolution

The Board resolved to:

- note** that MNZ has been certified under the Toitū Envirocare carbonreduce programme;
- note** that in order to continue having our emissions audited by Toitū we need to set reduction targets and detail emissions reductions opportunities;
- note** that the CNGP whole of government direction under section 107 of the Crown Entities Act 2004 has been signed off by Ministers and will come into force shortly (copy attached in May Correspondence report);
- note** the principles underpinning and approach taken to our reduction efforts;
- agree** the proposed draft reduction targets set to 2025 to meet Toitū carbonreduce programme requirements; and
- agree** the proposed draft reduction opportunities to meet Toitū carbonreduce programme requirements.

*Brian Gill-Michaels left the meeting*

## 4. Organisational reporting

### 4.1 People Health & Capability report

The DCE PC introduced the report drawing attention to the new format which was based on the lifecycle of employment. The report was taken as read. The Board were advised that although not recorded in the report, there was quite a proportion of staff (5%) who had left MNZ but had now returned.

The Board commented as follows:

- The turnover is up to 20%, presumably a one-off but any reason for that? The DCE PC remarked that across the wider market and public service, the turnover was reaching historic highs. The DCE PC also commented that the Public Service benchmark is not available.
- The Board noted under incidents over the year, seven out of 30 were violence, aggression, etc. Is there any insight into those circumstances and anything the Board should be concerned about? Management will provide further and more detailed information on these in the next report to the Board.
- It was commented that at first sight the gender pay gap looks relatively good but quite a disparity in the weighting of genders in particular areas.
- The report mentions that some staff working from home had indicated that their work station set-ups were not ideal. Management advised that in terms of health and safety, work station ergonomic assessments have been made available online. Where there has been a recommendation for equipment this has been fulfilled. However, with the new orange traffic light setting, staff were being encouraged to return to the office.
- The Board asked when the next engagement survey was due and whether there was consideration of doing a light survey more frequently, say every three months? Management commented that the main engagement survey is planned for this financial year but we will be doing a pulse survey, particularly on the diversity and inclusive elements.

#### Resolution

The Board resolved to:

- a) **note** the report.

**s 9(2)(a)**, Chief Financial Officer joined meeting

#### 4.2 Financial report | March 2022

The financial report was introduced by the CFO and taken as read. The CFO provided a brief summary on the report.

The Board commented as follows:

- In respect of domestic historic debtors, is that already covered in our provision for bad debts or will it be picked up at year end?  
*The CFO responded that the historic debt is covered in the provisions. The balance on 30 June last year looks relatively consistent. No concern for escalation in the provisions or write-offs but we are monitoring. We normally manage to get our annual levy invoicing down to under the \$100,000 by the end of the year.*
- Any comment on the reduction in the monthly port visits by foreign vessels and the impact?  
*Port visits appear to be down by 8-15% and the size of the vessels were also slightly smaller than pre-Covid. Very unpredictable at the moment. Lot of uncertainty particularly in respect of fuel supply.*

#### Resolution

The Board resolved to:

- a) **note** the financial results for the nine months to 31 March 2022.

#### 4.3 Quarter 3 Strategic Actions update

The DCE OSS introduced the report providing the status and progress of MNZ's key focus areas which was taken as read.

The Board commented on the report as follows:



- Are management able to expand on the reason for the pause in the delivery of the certification transformation project? What is the project, what does it intend to achieve and how long will it take to get it back on track given the capacity limitations?  
*Management explained the project is designed to look at all aspects of certification processes in order to build in efficiency and effectiveness. A lot of the systems are out-of-date and manual. In order to streamline effectively we need to rely on staff themselves who know the processes well. Due to staff turnover and thus pressures on the team this has not materialised. The project has been partly transitioned into the Te Korowai programme. Unsure of the timing of the next phase of the project as our main concern is to stabilise the Certification Team in order to work efficiently under current conditions.*
- The Board discussed the challenges with reputation, supporting the industry and what would ultimately be a 'red flag' situation.  
*Management responded that as an interim measure staff have been seconded from other parts of the organisation to assist the Certification Team and ultimately the sector with the backlog and have made some quick changes to processes to expedite matters. Recruitment is also in progress. Management are having conversations with the sector and working on trying to resolve issues both short and long term.*
- What is next on MARPOL?  
*Management advised that all is on course but clarity will be needed on whether MNZ can use any surplus MYA funding for the two years.*

#### **Resolution**

The Board resolved to:

- note** the status and progress updates on Maritime NZ's key focus areas for the period ending 31 March 2022, and
- note** that the priorities from Te Korowai o Kaitiakitanga are being determined for 2022/23 (and beyond), and are yet to be aligned to a revised programme of work over the longer term which will be reflected in our reporting framework and regular reporting to the Board.

### **5. Recurring business**

#### **5.1 Correspondence**

The report was taken as read.

#### **Resolution**

The Board resolved to:

- note** the letter from the Chair to Hon Michael Wood, Minister of Transport enclosing MNZ's Quarter 2 report dated 25 February 2022;
- note** the response to the Letter of Expectations 2022-23 for MNZ from the Chair to Hon Michael Wood, Minister of Transport dated 7 March 2022;
- note** the response from Hon Michael Woods to the Chair regarding MNZ's Quarter 2 report 2021-22 dated 22 March 2022;
- note** the joint letter from Hon Grant Robertson and Hon Chris Hipkins dated 11 April 2022 notifying Crown Agents of a whole of government direction for the Carbon Neutral Government Programme;
- note** the letter from the Rt Hon Jacinda Ardern, Prime Minister to Hon Michael Wood dated 24 March 2022 outlining the Government's priorities for their term.

### **6. Meeting close**

#### **6.1 Any other business**

Matariki – the Board queried what and if there were any plans for celebrating Matariki this year. The DD CSE responded that her team were working on some ideas and the Board would be provided with the details.

Russia/Ukraine conflict – the Board enquired if there were any issues impacting on MNZ operationally in respect of the Russian/Ukrainian conflict. The DD RSD replied that there were sanctions that may impact but a cross-agency group working with MFaT was monitoring what ships might be coming to New Zealand and currently no issues were emerging. A close watch is being kept on ensuring no sanctions blend across into seafarer welfare issues. Concerns are mainly in relation to the fishing fleet. The Seafarers Welfare Board and local Committee in Lyttelton in particular are engaging with seafarers and companies providing advice, support and welfare services in Ukrainian and Russian languages.

s 9(2)(f)(iv)

12.40pm – the Board adjourned for lunch

1.10pm – the meeting reconvened and the Director, DCE People & Capability and Chris Rowan (Impact Education) joined the meeting

#### 7. Weaving the cloak (Whiria te tangata) project

The Board were joined by the Kirstie Hewlett, Anne Greenwood and Chris Rowan for a 'Weaving the Cloak' workshop and discussion on values, culture, etc.

The meeting closed at 2.45pm

#### Future meetings:

17 May 2022	Audit & Risk Committee (via Zoom)
20 & 21 June 2022	Board meeting in Nelson

These minutes are a true and accurate record of the meeting



**Jo Brosnahan**  
Chair, Maritime New Zealand

**20 June 2022**  
Date

# Board minutes

DATE OF MEETING	20 June 2022
TIME AND VENUE	8:30am   Fairfield Room, The Hotel Nelson, Waimea Road, Nelson
MEETING	<b>Board meeting</b>
AUTHORITY	Jo Brosnahan (Chair), Belinda Vernon, Roy Weaver, Danny Tuato'o, Denis O'Rourke
ATTENDING	Kirstie Hewlett, Heather Horton (minutes)
EXECUTIVE TEAM	Andrew Saunderson, Peter Brunt, Sharyn Forsyth, Deb Despard
APOLOGIES	Nigel Clifford, Kenny Crawford, Anne Greenwood
GUESTS	<span style="background-color: #cccccc;">s 9(2)(a)</span> (Acting DD SRS), Justin Allan & Kate Weinburg (RCCNZ & Safety Services), Rochelle Wengrzik (Manager, Planning, Performance & Risk), <span style="background-color: #cccccc;">s 9(2)(a)</span> (Chief Financial Officer)

## **DRAFT MINUTES**

### **1. Meeting opening and administration**

#### **1.1 Chair's welcome and apologies**

The Chair welcomed Board members and management to the Board meeting and invited Danny Tuato'o to open the meeting with a karakia.

#### **1.2 Declaration of interests**

The Board reviewed the interests register and noted the deletions and additions as advised during the annual review of Board members' conflicts of interests (as per the *Register of Interests for Authority Members Policy*).

#### **Resolution**

The Board resolved to:

(a) **note** the Register of Interests and that

- (i) s 9(2)(ba)(i)

#### **1.3 Confirmation of previous minutes and actions arising**

The Board reviewed the minutes of the previous meeting held on 3 May 2022 and actions arising.

Board induction development – the Chair will discuss with the Director, who will work with the DCE People Capability and DCE OSS to develop a draft Board member induction programme for new Board members.

Board strategic conversations and uncertainties – DCE OSS to enable a refresh of the Board's strategic uncertainties table at the August 2022 Board meeting in Queenstown or a future Board meeting.

Te Ao Māori strategy – Board members agreed that a broader Board discussion on Te Ao Māori, including Te Titiri O Waitangi, would be beneficial. Danny Tuato'o confirmed he could facilitate a session with all the Board. The Chair and Danny Tuato'o will discuss timing, etc. and come back to the Board but the August 2022 Board meeting would be opportune to start the conversation.

Meanwhile, as a starting point, it was recommended that the Board read some background material, a selection of which the Chair will share with Board members.

Te Ao Māori Advisor role – it was suggested that Danny Tuato'o be consulted on the short-listing process for the Te Ao Māori Advisor role.

### Resolution

The Board resolved to:

- (a) **approve** the minutes of the Board meeting held on 3 May 2022 as a true and accurate record of the meetings; and
- (b) **note** the actions arising and the items discussed above.

## 1.4 Board Charter

The Chair opened the discussion on the final review of the *Board Charter* and the Board provided the following feedback:

### Page 3

- Item 1 – the Board agreed to look at how much it uses its Maori name at the next review of the *Board Charter* in February 2023.

### Page 4

- Remove Clause 8.4 as the MNZ Values are already included in Clause 9.
- Clause 10.1 should be amended to read – *stewardship of the regulatory systems for which Maritime NZ is responsible including the design and implementation of the regulatory strategy for MNZ.*

### Page 5

- Clause 10.5 be amended to read – *ensuring there is sufficient time and priority given to generative conversations at Board meetings to ensure that the Board is supporting and developing the strategic direction of the organisation and considering future risks and opportunities using the following generative conversation stages:*

Generative (Stage 1)	Sense-making (Stage 2)	Insight to Action (Stage 3)
A high level, open, less bounded conversation covering 'What if?' and 'What is possible' for Maritime NZ. The Board is involved in an early front end discussion with management including a foresight component (where appropriate). Detailed analysis and option framing is not required as this point. <i>Example provocation: How could we keep Maritime NZ lively and agile for the future whilst remaining match fit in the present?</i>	Evidence and analysis based conversations with the Board where management best current thinking can be tested, and potential gaps identified. These discussions are supported by papers and management information to inform options. An opportunity to highlight risks (and management of those risks), opportunities, considerations and constraints that could inform Maritime NZ choices, trade-offs and sense-making. <i>Example provocation: Where are the gaps in what we know now that could be addressed to lead to better decisions or options for Maritime NZ?</i>	Management recommendations put to the Board for review on how to address a strategic issue. Papers would cover assumptions, discussion scope and rationale. <i>Example provocation: As Maritime NZ moves to implement recommended decisions, are they consistent with the organisation and Board's strategic direction?</i>

Page 6

- Remove Clauses 11.3 and 11.4 and replace with a new Clause that reads – *establish success agreement with the Chief Executive for the implementation of the strategy.*
- Include in the Board Business Processes table (Appendix A) reference to the Board including a strategy session at each Board meeting.
- In Appendix A, change the annual review of the *Board Charter* to February.

Page 15

Under 'Holding management to account', add 'culture' to the People Health & Capability reporting and to the same item under the 'Addressing Health and Safety' section.

The Board mentioned the process for non-performing Board members. The Chair advised that the responsibility for non-performing Board members lay with the Board Chair but would be something to review in the future.

**Resolution**

The Board resolved to:

- (a) **approve** the *Board Charter* with the above amendments.

**1.5 Board schedule and work programme**

The Board reviewed the Board schedule and work programme. The Chair requested that the schedule and work programme for the next meeting show the roll over to 2023. The Director commented that 'generative conversations' would be expanded in the future work programme.

The Governance Support Co-ordinator was requested to provide draft 2023 Board and Audit & Risk Committee meeting dates to the Chair and Deputy Chair for initial review.

**Resolution**

The Board resolved to:

- (a) **note** the Board schedule and work programme and items discussed above.

**1.6 Briefing and Q&A on Nelson stakeholder sessions and Queenstown visit**

The DD CSE opened the discussion with the Board on the visit to Queenstown. The broad outline suggestions agreed for the team to work through were:

- Board members and ET fly into Queenstown prior to 5pm on Sunday
- Dinner or breakfast on Monday or Tuesday morning with Ngāi Tahu
- Stakeholder engagement
- Consider options for a Stakeholder function, including the potential for one on board *TSS Earnslaw* on Monday evening
- Board and ET dinner in Queenstown on Monday after stakeholder event or Sunday evening
- Board meeting on Tuesday
- Board and ET fly out of Queenstown on Tuesday afternoon

The Director provided a brief overview of the interactions with the stakeholders in Nelson outlining any concerns that might be raised. A briefing pack had been circulated with the Board papers providing information on the visits, attendees, bios and relevant agendas.

**Resolution**

The Board resolved to:

- (a) **note** the information provided for interactions with the stakeholders in Nelson;

- (b) **agree** the suggestions for stakeholder engagement and Board meeting in Queenstown.

10.09am - the Board adjourned for a short break

10.21am - the Board meeting reconvened

## 2. Director's report

The Director introduced the report which was taken as read. The Board were advised that a new Code Lead is being appointed to the New Zealand Port & Harbour Marine Safety Code which presented an opportunity to enhance collaboration.

The Board discussed the item on the Seafarers' Welfare Board (SWB) funding for the 2022-23 year noting that the amount required to be signed off exceeded the Director & Chief Executive's delegation limit. The Board confirmed they were in agreement with MNZ funding the SWB for the 2022-23 year and authorising the Director & Chief Executive to sign the contract with the SWB subject to Budget approval.

### Resolution

The Board resolved to:

- (a) **note** the contents of the report;
- (b) **agree**, subject to Budget approval, to delegate the Chief Executive to sign the contract with the SWB.

## 3. Strategic conversations and decisions

### 3.1 Board strategic uncertainties

The Board considered the current strategic uncertainty table and themes and briefly discussed the Ukraine/Russian conflict and its impacts. Management advised that the situation was high on the agenda in International Maritime Organisation (IMO) discussions and the IMO were addressing the impacts on seafarers, vessels and the environment in the Black Sea and Sea of Azov.

As noted earlier Management advised that it was proposed to refresh the Board strategic uncertainties table and themes at the August Board or a future Board meeting.

### Resolution

The Board resolved to:

- (a) **note** that it was proposed to refresh the Board strategic uncertainties table and themes at the August Board or a future Board meeting.

### 3.2 Te Korowai o Kaitiakitanga capability/capacity organisational design

The Director opened the discussion and provided Board members with a hard copy of the slide pack on the Te Korowai o Kaitiakitanga (TKK) capability and capacity consultation that had been shared with staff.

The Director discussed the slide pack with the Board and in particular the aims of the capability and capacity project to ensure MNZ can deliver on its core functions including where identified in TKK modifying, extending or clarifying functions, creating new functions and making structural changes in three areas.

The Director covered feedback from Phase 1 of TKK, the principles for change, shape of the change including the opportunity to change names of some Groups to better reflect what MNZ does, adding in new capabilities, e.g. the Notifications and Enquiries Team (NET),

Harm Prevention and Engagement Team (Sector Partnerships), changes in relation to operational policy and practice, for example, moving the service design team to focus on operational policy and setting up a regulatory practice team in CSD (Regulatory Operations Group), creating a Maritime Inspections team and proposal to add more capacity to a number of functions aligned to the Budget bids namely, investigations, legal, guidance and education, certification/licensing, new regulatory projects team, people capability.

The DD CSE provided a brief overview of the proposed new Sector Partnerships Group noting the disestablishment of the Sector Engagement & Collaboration team across to the new Harm Prevention & Engagement team, and moving Ministerial Services into the Communication, Marketing & Media Team.

The DD CSD provided a brief summary of the proposed new Regulatory Operations Group noting that the proposed new name was simpler and more meaningful for the sector and reflected the way forward. The new Group would consist of a new Regulatory Planning, Practice & Notifications function, Regulatory Operations Planning & Performance team, General Regulatory Operations team, Regulatory Licensing team (formerly the Certification Team) and an increase in capacity to establish two Investigations teams.

The two Investigations teams will have different areas of focus. One team will specialise in the 'front end' management of investigative work, including triage and working with the Maritime Officers. The second team will specialise in 'post investigations'.

The Director summarised the changes in People Capability in particular the two new manager positions namely Manager, Health & Safety and Capability Systems and Manager HR Operations. The Director also explained the proposed name change for Safety and Response Systems to Response, Security and Infrastructure Services and the current consultation on proposed changes to RCCNZ.

The consultation period on the proposals closes on 6 July and all staff had been encouraged to provide feedback. Management will come back to the Board with an update on progress at their 18 July 2022 meeting.

The Board sought assurance from management that staff would be supported throughout the process which was confirmed by the Director.

## **Resolution**

The Board resolved to:

(a) **note** the oral update.

s 9(2)(a), *Justin Allan and Kate Weinberg joined the meeting*

## **4. Organisational reporting**

### **4.1 MPRS capital programme 2016-22 close-out report**

The Acting DD SRS introduced the paper and provided some context on the report back on the year six results for the Oil Pollution Fund (OPF)/Marine Pollution Response Service (MPRS) capital programme 2016-22 and a high level summary of the success of the programme as it comes to a close.

The Board queried the measures in place whilst the workboat was replaced and how MNZ would tackle building emissions reduction into the purchase of new vehicles. The Acting DD SRS responded that in respect of the workboat MNZ had boats at its disposal all around New Zealand. Robust vehicles are needed to get into some areas or to transport items but this would be worked through in relation to the low emissions policy.

In conclusion, the Chair concurred that the programme was a 'good news' story, in particular for levy payers, and management should endeavour to publicise.

**Resolution**

The Board resolved to:

- (a) **note** the update on Year Six (2021-22) of the MPRS capital programme;
- (b) **note** the successful, overall outcomes of the 2016-22 capex programme.

**4.2 MPRS capital programme 2022-23**

The paper outlining the capital purchase programme proposed for 2022-23 and high level summary of the outcomes of the overall programme was taken as read.

**Resolution**

The Board resolved to:

- (a) **note** that the proposed OPF annual budget for 2022/23 includes capital expenditure to a total of \$2,156,000 comprising \$906,000 of work carried over from FY 2021/22 and \$1,250,000 for Year One of the proposed capital programme from Year 1 of the Strategy Implementation Plan;
- (b) **delegate** to the Chief Executive the discretion to vary the details of the Year One annual programme within the overall annual total approved by the Board, and
- (c) **direct** management to report back on any significant variations, and any consequent changes, to the overall programme in the end-of-year annual update on the programme.

s 9(2)(a) left the meeting

**4.3 Continued provision of Maritime Distress & Safety Communications Services**

s 9(2)(b)(ii)  
[Redacted]  
[Redacted]  
[Redacted]

[Redacted]  
[Redacted]  
[Redacted]

**Resolution**

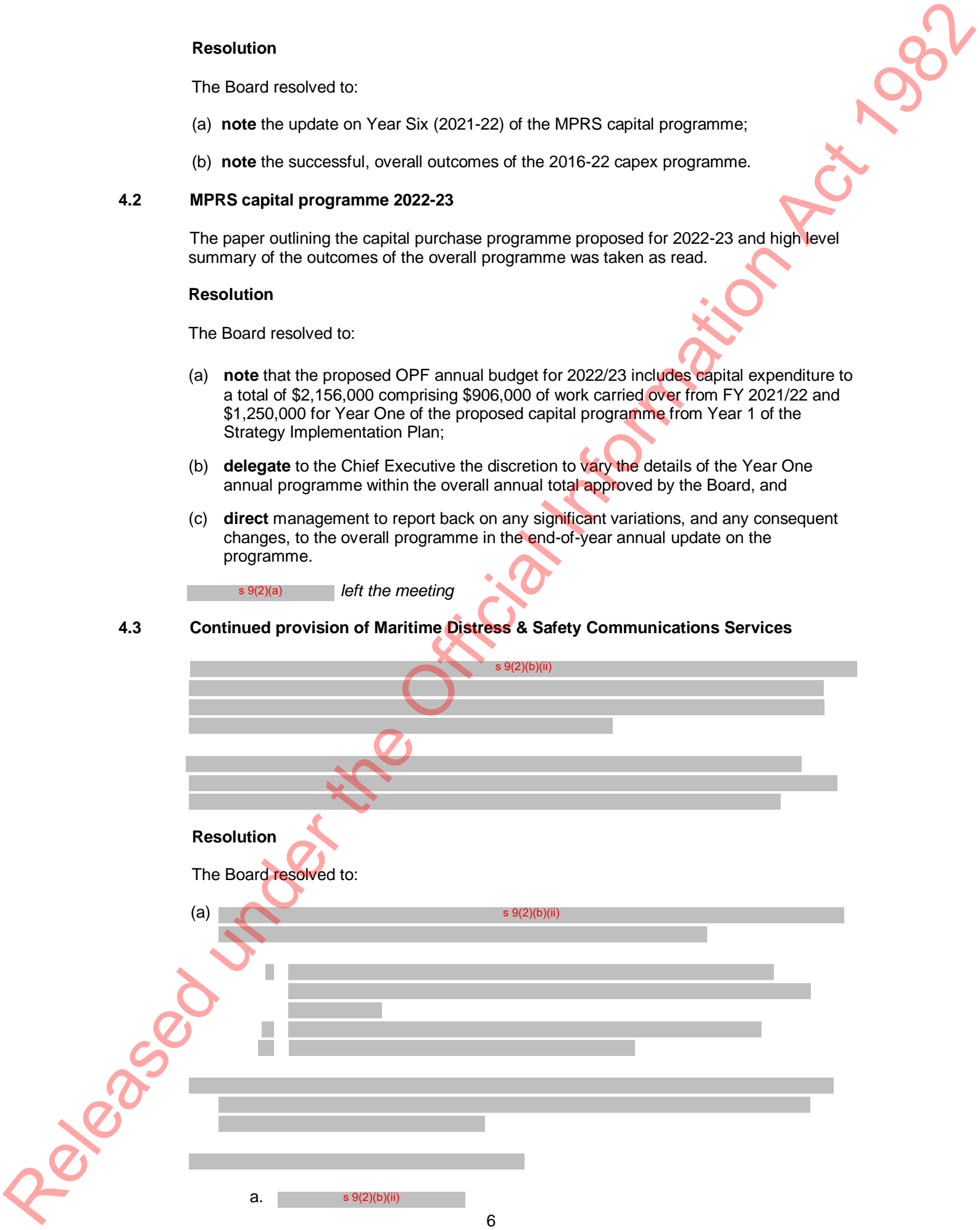
The Board resolved to:

- (a) s 9(2)(b)(ii)  
[Redacted]  
  - [Redacted]
  - [Redacted]
  - [Redacted]
  - [Redacted]

[Redacted]  
[Redacted]  
[Redacted]

[Redacted]

a. s 9(2)(b)(ii)





b. [Redacted] s 9(2)(b)(ii)

(d) **approve** the proposed approach to ensure the continued provision of maritime distress and safety communications services that will:

a. [Redacted] s 9(2)(b)(ii)

*Justin Allan and Kate Weinburg left the meeting and Rochelle Wengrzik and [Redacted] s 9(2)(a) joined the meeting*

#### 4.4 Statement of Performance Expectations (SPE) 2022-23

The DCE OSS introduced the paper seeking the final approval of the 2022-23 SPE and advising the Board that their feedback and that of both the Ministry and Audit NZ had been incorporated into this final version.

The Board discussed the underlying assumptions relating to cruise ships returning to NZ. Management outlined that Border Executive Board assumptions were used and projections were conservative at this point given there were further details to be worked through to completely re-open the maritime border to cruise ships. Management commented that subject to those regulatory aspects being resolved there was strong interest in resumption of cruise so the foreign passenger revenue may be higher than budgeted.

The Board pointed out an amendment required on page 13 of the SPE where there was a repetition of bullet points 3 and 6.

##### Resolution

The Board resolved to:

- (a) **approve** the 2022/23 SPE;
- (b) **note** the final budget and prospective financial statements have been circulated separately for Board approval (Item 4.5); and
- (c) **note** the Output Class schedule of costs and funding, at Item 4.5 - Appendix 4, will be included in the final SPE statement of performance section.

#### 4.5 Budget and Prospective Financial Statements 2022-23 (linked to 4.4)

The Chief Financial Officer introduced the paper which was taken as read. The Board's attention was drawn to management's efforts to continue to work with Te Manatū Waka in respect of the funding of the capital asset programme.

##### Resolution

The Board resolved to:

- (a) **note** the approach, assumptions and uncertainties for the 2022-23 budget;
- (b) **note** advice from the Oil Pollution Advisory Committee on the draft Oil Pollution Fund budget;
- (c) **approve** the 2022-23 Budget for Maritime NZ (Regulatory & Compliance) that comprises
  - i) an operating surplus for the year of \$1.107 million;

- ii) capital expenditure of \$4.874 million; and
- iii) an international travel budget envelope (including trans-tasman, Pacific and long-haul) of \$1.081 million;
- (d) **approve** the 2022-23 Budget for Rescue Coordination Centre that comprises
- i) an operating surplus for the year of \$0.191 million;
- ii) capital expenditure of \$0.105 million; and
- iii) an international travel budget envelope (including trans-tasman, Pacific and long-haul) of \$0.166 million;
- (e) **approve** the 2022-23 Budget for the Oil Pollution Fund that comprises
- i) an operating surplus for the year of \$0.027 million;
- ii) capital expenditure of \$2.156 million; and
- iii) an international travel budget envelope (including trans-tasman, Pacific and long-haul) of \$0.133 million;
- (f) **recommend** that the Minister of Transport approves the proposed Oil Pollution Fund Budget including relevant elements as necessary as required under Section 332(1) of the Maritime Transport Act;
- (g) **approve** amendments to the 2021-22 Forecast for Maritime NZ (Regulatory & Compliance) that comprises
- i) decrease forecast capital asset expenses by \$0.860m resulting in a full-year forecast of \$2.550m recognising these purchases will be deferred to 2021-22 and included in the 2022-23 budget;
- ii) increase forecast Crown liquidity funding by \$1 million to achieve a break-even forecast position for the year to 30 June 2022;
- (h) **approve** amendments to the 2021-22 Forecast for the Oil Pollution Fund as follows:
- i) decrease forecast capital asset expenses by \$0.906m resulting in a full-year forecast of \$2.27m recognising these purchases will be deferred to 2021-22 and included in the 2022-23 budget;
- ii) decrease forecast dispersant inventory purchases by \$1.1m noting this aspect of the 2016-2022 programme has been removed while further technical research and analysis is completed;
- iii) decrease forecast Crown liquidity funding by \$0.960 million due to the forecast cash reserves position for the Fund exceeding the agreed \$3 million as a result of the changes above, resulting in a forecast net deficit for the Fund to 30 June 2022 of \$0.349m;
- (i) **approve** the 2022-23 Prospective Financial Statements subject to final minor amendments on net taxes payable as advised by the CFO.

The Chair passed on thanks to the Manager Planning, Performance & Risk, the Chief Financial Officer and their teams for all of their efforts in bringing the SPE 2022-23, Budget and Prospective Financial Statements to a conclusion.

*Rochelle Wengrzik left the meeting*

#### 4.6 Maritime NZ Insurance Programme Renewal 2022-23

The report seeking the Board's approval to renew the Maritime NZ insurance programme with effect from 1 July was taken as read. The CFO drew the Board's attention to the insurance challenges with securing cyber policies and having secured cover, the conditions and changes. In respect of the risk mitigation aspect good progress had been made on resolving this issue.

Management commented that it was timely for MNZ to more fully consider provision of insurance brokerage and advice which will be considered in due course.

##### Resolution

The Board resolved to:

- (a) **note** the process and proposed coverage for the 2022-23 insurance programme renewal;
- (b) **note** the current policy writer for cyber-security (CFC Underwriting) has imposed a number of conditions on the coverage that may not be fully satisfied;
- (c) **approve** the proposed asset and liability insurance programme with an estimated premium and associated costs of \$520k.

#### 4.7 Monthly Finance Report | May 2022

The paper providing the Board with an update on the financial position for Maritime New Zealand and related entities for the period to 31 May 2022 was taken as read.

The CFO advised that TMW were keen to get a good resolution in respect of liquidity funding and Budget 2022 decisions and MNZ were working with them on the final detail.

The Chair and Board congratulated s 9(2)(a) on her new appointment and expressed their thanks for her significant work and wished her every success in her new role with Sport New Zealand.

##### Resolution

The Board resolved to:

- (a) **note** the financial results for the 11 months to 31 May 2022.

s 9(2)(a) left the meeting

#### 4.8 People Health & Capability report

The People Health & Capability report providing an update on Maritime NZ people and capability metrics and work initiatives was taken as read. The Board commented that it was a valuable report and they particularly liked the Working Parents Programme initiative.

##### Resolution

The Board resolved to:

- (a) **note** the report.

#### 5. Recurring business

##### 5.1 Correspondence

The report was taken as read.

## Resolution

The Board resolved to:

- (a) **note** the letter from Bryn Gandy, Acting Secretary for Transport, Te Manatū-Waka to the MNZ Chair dated 19 April 2022, informing of the outcome of Budget 2022;
- (b) **note** the letter from MNZ Chair to Hon Michael Wood, Minister of Transport, dated 11 May 2022, enclosing MNZ's Quarter 3 report for 2021-22;
- (c) **note** the letter from Hon Michael Wood, Minister of Transport to the Chair, dated 23 May 2022, acknowledging the draft Statement of Performance Expectations (SPE) for 2022-23 for review.

## 6. Meeting close

### 6.1 Any other business

No other business matters were raised.

### 6.2 Chair's close

The Chair closed the meeting and expressed thanks to the Board and Executive Team for their input.

*The meeting closed at 12.33pm*

## Future meetings:

<b>Monday 8 August 2022</b>	Audit & Risk Committee ( <i>via Zoom</i> )
<b>Monday 15 &amp; Tuesday 16 August 2022</b>	Stakeholder engagement and Board meeting in Queenstown

These minutes are a true and accurate record of the meeting



**Jo Brosnahan**  
Chair, Maritime New Zealand

**16 August 2022**  
Date

# Board minutes

DATE OF MEETING	16 August 2022
TIME AND VENUE	8:00am   @Meetingz Function Room, Novotel Queenstown Lakeside, Queenstown and via Zoom
MEETING	<b>Board meeting</b>
AUTHORITY	Jo Brosnahan (Chair), Belinda Vernon, Danny Tuato'o, Denis O'Rourke and Roy Weaver ( <i>via Zoom</i> )
ATTENDING	Kirstie Hewlett, Heather Horton (minutes)
EXECUTIVE TEAM	Andrew Saunderson, Peter Brunt, Sharyn Forsyth, Deb Despard
APOLOGIES	Kenny Crawford, <span style="background-color: #cccccc; color: red;">s 9(2)(a)</span>
GUESTS	Rob Warner (item 3.2)

## The Board held a closed session prior to the meeting

### 1. Meeting opening and administration

#### 1.1 Chair's welcome and apologies

The Chair welcomed Board members and management to the Board meeting and invited Danny Tuato'o to open the meeting with a karakia.

The Chair expressed thanks to the team for all the organisation and planning for the stakeholder engagement, etc. in Queenstown.

#### 1.2 Declaration of interests

The Board reviewed the interests register and no changes were made.

##### Resolution

The Board resolved to:

- (a) **note** the Register of Interests.

#### 1.3 Confirmation of previous minutes and actions arising

The Board reviewed minutes of the previous meeting held on 20 June 2022.

In relation to the item on the *Use of Māori name* it was noted that the name change should align with the Te Ao Māori approach.

##### Resolution

The Board resolved to:

- (a) **approve** the minutes of the Board meeting held on 20 June 2022 as a true and accurate record of the meeting; and
- (b) **note** the actions arising.

## 1.4 Board schedule and work programme

The Board reviewed the Board schedule and work programme 2022-23. They discussed future conversations on Te Ao Māori following the outcomes of the workshop on the agenda.

In assessing the schedule for 2023 the following comments were made:

- should be three regional visits per year aligned with where key issues are;
- a visit to at least one major port per year e.g. Auckland, Northland, Bay of Plenty;
- monthly Board meetings with every second one online;
- the Chair would like a three-year programme of stakeholder engagement established.

s 9(2)(f)(iv)

The Chair asked that thought be given to how in the Director's report or at meetings that any items where the Board's influence/assistance would be helpful be identified. This would enable the Board Chair to be able to raise issues with people like the Minister where needed.

### Resolution

The Board resolved to:

- (a) **note** the Board schedule, work programme and the discussion above.

## 1.5 Board member draft induction programme

The Board and management discussed the induction programme for new Board members and agreed this would include:

- A session with the Chair, which would cover the Culture, Values and Charter of the Board and how it operates;
- The Board induction programme that was attached;
- Sessions on
  - the role of the Minister, Te Manatu Waka, the Board and the Director;
  - Te Korowai o Kaitiakitanga
  - MNZ's strategic funding, different funding streams, the current Multi-Year Appropriation and potential challenges and opportunities.
  - key stakeholders
- All of the above sessions would be open for any Board member to attend.

Thought would be given to how the new Board members could meet and greet and socialise with the Chair and other Board members.

The Chair mentioned that there would also be a farewell for those Board members whose term would be expiring.

## 2. Director's report

The report was taken as read. The Board and Director discussed progress on the current major recruitment drive. The Board were advised that Te Korowai o Kaitiakitanga (TKK) 'Weaving the Cloak' workshops had been undertaken with all staff covering values, Te Ao Māori and diversity, sustainability and connection. The outcomes of the sessions would be framed into a set of organisational values and ways of working and presented at the Staff Conference in December 2022.

In relation to the litigation report, the Board discussed the **Nord Yilan** prosecution decision and the feasibility of guidance to change or replace the 30 minute rule. It was noted there

is currently no stevedoring Code of Practice. Such a Code would provide consistent standards for stevedoring and would have addressed the **Nord Yilan** case.

### Resolution

The Board resolved to:

- (a) **note** the contents of the report.

*10.05am - the Board adjourned for a short break*

*10.21am – the Board meeting reconvened*

## 3. Strategic conversations and decisions

### 3.1 Te Ao Māori workshop/discussion

Danny Tuato'o led a Te Ao Māori workshop with the Board and management covering:

- Te Ao Marama
- Whakapapa
- Te Tiriti
- Kāwanatanga including –
  - Te Reo: mihimihi, karakia, pepeha, signage, documentation, waiata
  - Wānanga + noho marae, Matariki, Te wiki o te reo Māori
  - Health and Wellbeing: resilience
  - Recruitment
  - Leadership, training, development and physical environment
  - Tikanga marae
  - Relationship marae including a visit to a marae

At the conclusion of the workshop, the Chair thanked Danny for his insightful and informative workshop, discussion and presentation and proposed that ongoing commitment to upskilling in Kāwanatanga should form part of Board agendas. Further dialogue and commitment to Te Ao Māori would ensue and it was proposed that a visit to a marae should be included in the Board's schedule.

*Rob Warner joined the meeting*

### 3.2 Board strategic uncertainties

The report, seeking feedback from the Board on Maritime NZ (MNZ) strategic uncertainties and next steps in scheduling its own strategic uncertainties discussion, was taken as read.

It was noted that given the pace of change in the global environment, it was important that the MNZ strategic uncertainties table was updated which would take place as part of the Board's November strategy session.

### Resolution

The Board resolved to:

- (a) **note** that strategic uncertainties have been a standing discussion item on Board agendas since early 2021;
- (b) **note** its previous discussions on the need to update and refresh this work;
- (c) **note** the proposed, updated draft of the Maritime NZ strategic uncertainties table (Appendix 1), using a 7 megatrend framework developed by CSIRO.

There was some concern expressed that this did not fully cover the specific uncertainties which the Board needed to address. It was agreed that the Board would have another session on this at the strategy session in November.

*Rob Warner left the meeting*

#### **4. Organisational reporting**

##### **4.1 Annual Report 2021-22**

The DCE OSS introduced the paper seeking the Board's insights and direction into the development of key performance story themes for the 2021-22 Annual Report and proposed approach and key steps in its production.

The Board discussed the themes and noted that the wellness aspect of 'Weaving the Cloak' would also be incorporated in the Annual Report.

In response to a query from the Board on management's assessment of the Kia Maatara campaign, they were advised that this was a three-year campaign but so far it had been encouraging and was tracking as planned.

##### **Resolution**

The Board resolved to:

- (a) **note** the proposed approach to developing the 2021/22 Annual Report;
- (b) **note** the key dates in the production of the 2022/22 Annual Report; and
- (c) **agree** the proposed performance story key themes.

##### **4.2 Financial end of year report June 2022**

The financial year end report was introduced by the DCE OSS and taken as read. Management responded to queries on persistent and non-persistent oil, confirmed the methodology on end of year doubtful debts and the discussion required with Audit NZ on software as a service arrangement.

##### **Resolution**

The Board resolved to:

- (a) **note** the financial results for the twelve months to 30 June 2022

##### **4.3 People Health & Capability report**

The People Health & Capability report providing an update on Maritime NZ people and capability metrics and summary of work initiatives was taken as read. The Board commented that they liked the comprehensive report and the improvement in the gender profile and staff turnover was encouraging.

##### **Resolution**

The Board resolved to:

- (a) **note** the report.

#### **5. Recurring business**

##### **5.1 Correspondence**



The report was taken as read.

### Resolution

The Board resolved to:

- (a) **note** the letter from the MNZ Chair to Hon Michael Wood dated 30 June 2022 providing Maritime New Zealand's 2022-23 Statement of Performance Expectations;
- (b) **note** the letter and attachment from Hon Kieran McAnulty to the MNZ Chair advising that the Maritime New Zealand (Functions and Duties) Direction for the Pacific Islands 2022 had been signed.

### 6. Meeting close

#### 6.1 Any other business

The Chair discussed with management the requirement for the public sector to achieve carbon neutrality by 2025 which had been considered at the recent Crown Entities Chairs' Workshop.

**The Chair requested that management review the public sector expectations to achieve carbon neutrality by 2025 and report back to the Board on their findings.**

#### 6.2 Chair's close

The Chair invited Danny Tuato'o to close the meeting with a karakia.

*The meeting closed at 12.45pm*

### Future meetings:

<b>Tuesday 13 September 2022</b>	Virtual Board meeting
<b>Thursday 29 September 2022</b>	World Maritime Day event in Auckland
<b>Monday 31 October 2022</b>	Audit & Risk Committee and Board meeting in Wellington

These minutes are a true and accurate record of the meeting



**Jo Brosnahan**  
Chair, Maritime New Zealand

**13 September 2022**  
Date

# Board minutes

DATE OF MEETING	13 September 2022
TIME AND VENUE	2:00pm   via Zoom
MEETING	<b>Board meeting</b>
AUTHORITY	Jo Brosnahan (Chair), Belinda Vernon, Roy Weaver, Danny Tuato'o
ATTENDING	Kirstie Hewlett, Heather Horton (minutes)
EXECUTIVE TEAM	Andrew Saunderson
APOLOGIES	Denis O'Rourke
GUESTS	Item 3.1   s 9(2)(a) (Chief Financial Officer), Rochelle Wengrzik (Planning Performance & Risk Manager) & Brian Cosgriff (Senior Advisor Planning & Reporting) Item 3.2   Dave Whiteridge (Chief Legal Advisor)

## 1. Meeting opening and administration

### 1.1 Chair's welcome and apologies

The Chair welcomed Board members and management to the Board meeting and noted an apology for the meeting from Denis O'Rourke.

The Chair invited Danny Tuato'o to open the meeting with a karakia.

The Chair acknowledged the passing of Her Majesty Queen Elizabeth II and her life of service.

### 1.2 Confirmation of previous minutes and actions arising

The Board reviewed the previous minutes and actions arising. The Chair had identified items for strategic conversation within the Annual Report and would work with the Director to have these added to the Board work plan for the coming year.

The Chair also remarked that greater clarity was needed around the role of the Board in Te Korowai o Kaitiakitanga and what level of reporting around it was required.

It was suggested that discussion on how Board members could contribute either individually or collectively with organisational areas should be included on the agenda for their strategy session.

#### Resolution

The Board resolved to:

- approve** the minutes of the Board meeting held 16 August 2022 as a true and accurate record of the meeting; and
- note** the actions arising.

## 2. Director's report

The report was taken as read and the Director further updated the Board as follows:

- There will be a more detailed report back to the Board on the phishing incident.

- The IMSAS audit commenced on 12 September. The audit results will be shared by the IMO with the government but will not be publicly released. Any recommendations arising from the audit will be worked through with the Board.
- The draft Letter of Support was sighted by Audit NZ and advice sought prior to the draft being shared with the Board Chair.
- Investigation work is underway in respect of the Kaikoura incident on 10 September, to establish the cause of the accident.
- A documentary on the **Enchanter** fishing boat tragedy will be screened on TV Three on 20 September. DCE, Response, Security & Safety Services was interviewed for the documentary.

Referring to the Port Health & Safety work, the Chair queried if the survey to Port workers had been mindful of the large workforce of Maori/Pasifika. The Director responded that the survey, which had been provided in many different languages, had been both brief and easy to complete.

### Resolution

The Board resolved to:

- a) **note** the contents of the report.

## 3. Organisational reporting

### 3.1 Draft Annual Report 2021-22 review

The Manager Planning Performance & Risk introduced the paper seeking the Board's feedback on the draft 2021-22 Annual Report and Financial Statements.

The Chief Financial Officer advised that MNZ were working with Audit NZ to bring the timeline forward to enable the Board to sign off at their November Board meeting which our Audit Director would be present for. This would enable the Annual Report to be printed and lodged in the House in time.

The Board provided the following comments on the draft Annual Report:

Page 4, *Our year in review* – recommended that some further aspirational thoughts be included in the introduction, e.g. reflections on the last year and mention of climate change.

Page 6, *Compliance* – clarification was provided on whether the percentage of 84% and number of 30 successful prosecutions amounted to the same.

Page 7 – useful to see where the economic figures have come from.

Page 11 – agreed a photo of the Executive Leadership Team should also be included.

Page 15 – appears to be overuse of jargon, suggest it be simplified. Should there be a drill down on the information.

Page 16 – in discussing the trend information it was agreed that this would be further reviewed.

Page 20 – clarify if the paragraph following the final bullet point is related or separate.

There is a word missing in penultimate paragraph. Suggest review the wording on the way the requests from the Minister is expressed.

Page 22, *Six year fatality stats* – suggest the second sentence of the first paragraph would be stronger if the word 'how' was removed. Referring to the fourth paragraph, the Board queried if investigations were ongoing into why. In the paragraphs following perhaps some clarity on the groups is needed.

*Dave Whiteridge joined the meeting*

Page 23 – suggest it would be useful to add when MOSS was first introduced. In penultimate bullet point include the word 'commercial' before operators.

Page 24 – in second paragraph suggest the translation be added for 'Kia Mataara'.

Page 27 – MNZ does stakeholder engagement well, suggest this should be elaborated.

Page 28 – typo in fifth paragraph.

Page 56 – MNZ is doing well in the Pacific Maritime security field and suggest this should be elaborated.

Page 50 – suggest the fishing vessel story is unpicked and simplified to make it more compelling.

Page 55 – incorrect spelling of Te Manatu Waka in final paragraph.

Page 63 – suggest mention is made of the Chair and Director's involvement in WISTA.

Page 65 - appears to be a disconnect between the graphics.

Page 76 – suggest it is not necessary to have two decimal points in the tables, these should be rounded up.

Page 53, Financial Instruments, Appendix 2 – typo in heading.

Arising from the discussion of the Annual Report, the Board discussed the following items on which they would like to have more information/dialogue during ongoing Board strategic conversations.

- *designing and delivering shared solutions in partnership with iwi and the maritime sector* in preventing harm;
- *review of Maritime Rules on Navigation Safety (Part 91)*
- would like to have sight of the *MARPOL Annex VI brochure*;
- *MARPOL and ballast water implementation, MARPOL Annex VI implementation, Emissions reduction plan*;
- an update at the next Board meeting on the RCCNZ structure review;
- a briefing on the status of the review of the Maritime Transport Act.

In conclusion, the Chair and Deputy Chair acknowledged the huge amount of work that had been undertaken by the team to produce what was an excellent Annual Report.

### **Resolution**

The Board resolved to:

- a) **approve** the draft financial statements for submission to Audit NZ;
- b) **note** and **agree** the next steps and timelines.

*Rochelle Wengzrik, s 9(2)(a) and Brian Cosgriff left the meeting*

### **3.2 Standing Power of Attorney for safety infrastructure & other agreed transactions**

The Chief Legal Advisor introduced the paper seeking the Board's approval to delegate a limited standing Power of Attorney (PoA) authority to the Chief Executive to enable the Chief Executive to:

- authorise transactions involving the siting of safety infrastructure (e.g. aids to navigation) on land and which fall within approved financial delegations; and
- execute leases and associated documentation in relation to office space, where this relates to transactions that have been previously approved by the Board and fall within approved financial delegations.

The Board discussed the frequency the PoA might be used and the regularity of reporting back to the Board on the use of this and any other PoA. It was acknowledged that reporting in real time was more beneficial than waiting until the end of the year and that including in the quarterly litigation reports would address this.

It was noted that there was duplication in the first bullet point of Schedule 1 pertaining to *deed of renewal of lease* which should be corrected.

### **Resolution**

The Board resolved to:

- a) **note** the applicable law of section 127(2) of the Crown Entities Act 2004, regarding the manner in which deeds can be entered on behalf of Maritime NZ;
- b) **note** that pursuant to section 129(1) of the Crown Entities Act 2004, the Board may appoint a person as its attorney either generally or in relation to a specified matter;
- c) **note** the need for surrender of part of the existing Baring Head easement and registering a new right of way easement, which is a nil value transaction;
- d) **note** the need to execute a Deed of Renewal of Lease in relation to the Marine Pollution Response Service site;
- e) **note** the benefit of granting a standing power of attorney to the Chief Executive, and that Management has and will continue to source professional advice on key aspects of the decision (negotiation, legal and technical/structural) to support the process and decision;
- f) **note** that the Chief Executive will report back quarterly via the Litigation Report on the uses of this (and any other) Power of Attorney for the previous three-month period;
- g) **delegate** Power of Attorney to the Chief Executive to execute documentation on behalf of Maritime NZ in relation to the matter or matters set out in Schedule 1 of this paper;
- h) **delegate** Power of Attorney to the Chief Executive to agree, execute and deliver any documents that, in the opinion of the Chief Executive, are necessary, expedient or incidental to the transaction or dealing contemplated under this Power of Attorney; and
- i) **agree** that two members of the Board execute the Power of Attorney attached to this paper on behalf of the Board.

*Dave Whiteridge left the meeting*

**4. Meeting close**

**4.1 Any other business**

No other business matters were raised.

**4.2 Meeting review and close**

The Chair invited Danny Tuatoó to close the meeting with a karakia.

*The meeting closed at 3.52pm*

**Future meetings:**

<b>Thursday 29 September 2022</b>	World Maritime Day Event in Auckland
<b>Monday 31 October 2022</b>	Audit & Risk Committee and Board meeting in Wellington
<b>Monday 28 November &amp; Tuesday 29 November 2022</b>	Board strategy session and Board meeting in Wellington

These minutes are a true and accurate record of the meeting



**Jo Brosnahan**  
Chair, Maritime New Zealand

**31 October 2022**  
Date

Released under the Official Information Act 1982

# Board minutes

DATE OF MEETING	31 October 2022
TIME AND VENUE	11.15am   Ruma Korimako, TAIC, Level 7, 10 Brandon Street, Wellington
MEETING	<b>Board meeting</b>
AUTHORITY	Jo Brosnahan (Chair), Belinda Vernon, Roy Weaver, Denis O'Rourke, Danny Tuato'o (via Teams)
ATTENDING	Kirstie Hewlett, Heather Horton (minutes)
EXECUTIVE TEAM	Sharyn Forsyth, Andrew Saunderson, Kenny Crawford, Anne Greenwood, Deb Despard (via Teams)
APOLOGIES	Nigel Clifford, Peter Brunt
GUESTS	Item 3.2   Stuart Day & Rob Warner Item 3.4   Briar Gill-Michaels & s 9(2)(a)   Toitu Envirocare) Caroline Gall, Juanita Fraser, Megan Adamson & Sonia Edney (MNZ Education & Guidance Team) Item 4.4   Brent Healy, Rochelle Wengrzik & Brian Cosgriff

## **DRAFT MINUTES**

**The Board held a closed session prior to the meeting**

### **1. Meeting opening and administration**

#### **1.1 Chair's welcome and apologies**

The Chair welcomed Board members and management to the Board meeting and invited Danny Tuato'o to open the meeting with a karakia.

The Chair acknowledged this would be the last MNZ Board meeting for Belinda Vernon and Denis O'Rourke but noted they would both attend the Board strategy day on 28 November 2022.

#### **1.2 Declaration of interests**

The Board reviewed the interests register and no changes were made.

#### **Resolution**

The Board resolved to:

- (a) **note** the Register of Interests.

#### **1.3 Confirmation of previous minutes and actions arising**

The Board reviewed the minutes of the previous meetings held on 13 September and 4 October 2022.

The Board reviewed the actions arising and commented that the use of the Māori name should align with the Te Ao Māori approach and will be the responsibility of the Board.

## Resolution

The Board resolved to:

- (a) **approve** the minutes of the Board meeting held on 13 September 2022 and the 'out of session' Board meeting held on 4 October 2022 as a true and accurate record of the meetings; and
- (b) **note** the actions arising as discussed above.

### 1.4 Audit & Risk Committee resolutions

The ARC reviewed the *Financial delegations, Risk management policy & framework and Business travel & expenses policies* at their meeting immediately prior to the Board meeting.

## Resolution

The Board resolved to:

- a) **approve** the *Financial delegations policy* as endorsed by the ARC;
- b) **approve the** *Risk management policy & framework* incorporating the changes proposed as endorsed by the ARC; and
- c) **approve** the *Business travel & expenses policy* as endorsed by the ARC.

### 1.5 Board schedule and work programme

The Board reviewed the Board schedule and work programme 2022-23. The Chair advised that an extensive Board induction programme was being established for new members. This would be circulated to current Board members allowing them to select any aspects they would also like to participate in.

It was noted that Board engagement would be discussed at the Board strategy day and visits finalised following review.

## 2. Director's report

The report was taken as read with the Board observing it was a helpful and succinct summary.

The Board:

- Commented it would be beneficial for Board members to be invited to more stakeholder events. The Director agreed and confirmed that Board stakeholder engagement was on the agenda for discussion at the Board strategy day.
- In discussing the Staff Conference on 12 December, the Chair requested that the Director think about any future opportunities where the Board can connect with employees.
- Queried the scale of the certification back-log. The DCE RO explained that there had been a back-log of over 1,000 applications which had now reduced to 12. This was largely due to the impact of employing permanent staff.
- Would like to be involved in the review of the Maritime Transport and Maritime Security Acts.
- Discussed the Budget 2023 and Funding Review, remarking that the bids could be enhanced with reference to what has driven the baseline i.e. a summary of how we got to where we are now. To address this, add a couple more bullet points in the *Context* section.



## Resolution

The Board resolved to:

- a) **note** the contents of the report; and
- b) **approve** the Funding Review Terms of Reference, while noting the comments and recommendations made.

*12.45pm – the Board adjourned for lunch*

*1.10pm – the Board meeting reconvened and Rob Warner and Stuart Day joined the meeting*

### 3. Strategic conversations and decisions

#### 3.1 Strategic uncertainties

##### Resolution

The Board resolved to:

- (a) **note** the strategic uncertainty themes as at October 2022; and
- (b) **note** that these strategic uncertainty themes will be refreshed at the Board strategy day in November.

#### 3.2 MNZ outcomes – Te Korowai generative session

The paper providing context to an initial conversation, to review and refresh MNZ's Purpose, Vision, Role, Outcomes and Principles that over time will provide the strategic direction and connection for the Te Korowai programme was taken as read.

The Board embarked on an open conversation on potential outcome statements to describe what success could look like for the Safe, Secure, Clean and Sustainable aspects of MNZ's operation in the future.

##### Resolution

The Board resolved to:

- a) **note** that work stream 1 of the Te Korowai o Kaitiakitanga is progressing, including a specific project to review and refresh Maritime NZ's Purpose, Vision, Role, Outcomes and Principles (as per **Appendix 1**);
- b) **note** that two initial workshops have been held with ELT, prior to this conversation, to help kick start the generative phase of the work;
- c) **note** that the output of generative discussions with the Board will help inform and shape iteration of the Te Korowai o Kaitiakitanga strategic frame.

*2.16pm – Rob Warner and Stuart Day left the meeting and Briar Gill-Michaels and [redacted], Toitū Envirocare joined the meeting*

S  
9(2)  
(a)

#### 3.3 Carbon Neutral Government Programme (CNGP) expectations and progress

The Special Projects Lead introduced the paper providing an update on progress towards the CNGP requirements that apply to Crown Agents from 1 December 2023 and provide clarity on the public sector expectations to achieve carbon neutrality from 2025.

Discussion ensued on the emission reduction terminology as it related to the programmes MNZ participates in namely, the Toitū Envirocare carbonreduce programme and CNGP,

and its own terminology. It was noted that there are currently not global definitions for many of the terms.

s 9(2)(a) a specialist with Toitū Envirocare discussed with the Board the key expectations, challenges and observations common to the public service.

### Resolution

The Board resolved to:

- a) **note** the progress to date and that MNZ is well positioned to meet the required CNGP milestones<sup>1</sup> by 1 December 2023;
- b) **note** that we have three years of GHG emissions now audited. Our 2019/20 base year emissions have successfully achieved Toitū certification and our FY2020/21 and FY2021/22 GHG emission audits are complete, with certification expected in November;
- c) **note** that further engagement with the Board will occur in early 2023 to establish our 2030 reduction targets so we can complete our CNGP target setting requirements;
- d) **note** that the public service still await Ministerial direction on carbon offsetting whilst CNGP is still undertaking significant policy work in this area and further report backs to Cabinet are expected by early 2023;
- e) **note** that MNZ will report on progress in the 2021/22 Annual Report, a year ahead of the requirement to do so, as has been agreed by the Board.

2.47pm - Briar Gill-Michaels and s 9(2)(a) left the meeting and Caroline Gall, Juanita Fraser, Megan Adamson and Sonia Edney from the Education & Guidance Team joined the meeting

#### 4. Presentation from the MNZ Education & Guidance Team

The Education & Guidance Team provided the Board with a presentation explaining they were now part of the new Partnerships group formed from Te Korowai, their purpose, their function under Legislation, what the team were seeking to achieve and their challenges. The Team also gave the Board examples of both their completed and current work.

The Board thanked the Education & Guidance Team for their informative and insightful presentation.

3.19pm – the Education & Guidance Team left the meeting and s 9(2)(a), Rochelle Wengrzik and Brian Cosgriff joined the meeting

#### 5. Organisational reporting

##### 5.1 IMSAS post audit briefing

The DCE TAS introduced the paper providing the results of the recent IMO Member State Audit Scheme (IMSAS) audit of New Zealand and the next steps in responding.

The Chair queried how MNZ had compared with other organisations that had undertaken the audit and the DCE TAS responded that the observations were consistent with other organisations.

The Chair requested that this paper be included as an attachment to provide a cross reference when submitting the 'Corrective Action Plan' for review by the Board.

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<sup>1</sup> CNGP required by 1 December 2023 that MNZ: are measuring, verifying and reporting organisational GHG emissions; have set reduction targets in line with a 1.5C pathway; created a reduction plan to reduce your emissions.

## Resolution

The Board resolved to:

- a) **note** the findings and observations arising from New Zealand's first mandatory IMSAS audit;
- b) **note** the next steps and indicative timetable for responding to the audit;
- c) **note** the executive's initial high level thinking on the response to the findings that fall to Maritime NZ; and
- d) **note** that the executive will return to the Board with a draft 'Corrective Action Plan' and comms approach in the coming months.

### 5.2 Financial report | September 2022

The finance report for the three months to September 2022 was introduced by the Chief Financial Officer and taken as read. It was noted that the expectation was for cruise revenue to increase.

## Resolution

The Board resolved to:

- a) **note** the financial results for the three months to 30 September 2022.

### 5.3 People Health & Capability report

The People Health & Capability paper was introduced by the DCE PC and taken as read.

## Resolution

The Board resolved to:

- a) **note** the report.

### 5.4 Annual Report

The Manager Planning Performance & Risk introduced the report which provided the Board with a near-final draft of the 2021-22 Annual Report. The key steps for approval and publishing were recapped, noting that the final Annual Report 2021-22 would be presented at the November 2022 Board meeting for Board approval.

## Resolution

The Board resolved to:

- a) **note** the near-final draft of the 2021-22 Annual Report non-financial sections; and
- b) **note** the progress update and key dates of the final audit and production of the Annual Report.

3.31pm – s 9(2)(a) , Rochelle Wengrzik and Brian Cosgriff left the meeting

## 6. Recurring business

### 6.1 Correspondence

The correspondence report was taken as read.

**Resolution**

The Board resolved to:

- a) note the letter from Peter Hughes, Public Service Commissioner dated 4 October 2022;
- b) note the letter from Hon Chris Hipkins to the MNZ Chair received on 12 October 2022.

**7. Meeting close**

**7.1 Any other business**

No other business matters were raised.

**7.2 Meeting review and close**

In closing, the Chair acknowledged and thanked Belinda Vernon and Denis O'Rourke for their commitment to and time on the MNZ Board. She acknowledged Belinda's service to the Board over a long period of time, serving as Deputy Chair, Chair of the Audit and Risk Committee, and as Acting Chair in 2018. She acknowledged the wisdom, perspective, humanity and deep knowledge of the organisation that she had brought to the Board table. The Chair also acknowledged Denis's contribution over more than 3 years, providing a knowledge and a passion about the Authority's work, with a caring recognition of the work done by the staff. Both would be formally farewelled on 28 November.

*The meeting closed at 3.34pm*

**Future meetings:**

<b>Monday 28 November &amp; Tuesday 29 November 2022</b>	Board strategy day and Board meeting in Wellington
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These minutes are a true and accurate record of the meeting



**Jo Brosnahan**  
Chair, Maritime New Zealand

**29 November 2022**  
Date

# Board minutes

DATE OF MEETING	29 November 2022
TIME AND VENUE	8.30am   Runanga Room, Kumutoto Venue, PWC Centre, 10 Waterloo Quay, Wellington
MEETING	<b>Board meeting</b>
AUTHORITY	Jo Brosnahan (Chair), Roy Weaver, Danny Tuato'o and Annabel Davies (via Teams)
ATTENDING	Kirstie Hewlett, s 9(2)(a) (minutes) & Jane Wallace (minutes)
EXECUTIVE TEAM	Sharyn Forsyth, Andrew Saunderson, Kenny Crawford, s 9(2)(a), Deb Despard, Peter Brunt
APOLOGIES	Mike Purchase, Lesley Haines, s 9(2)(a)
GUESTS	Item 3.3   Rob Warner & Stuart Day Item 4   NZSF representatives Item 5   Paul Craven, Steve Peters & Louise Curtis Item 6   s 9(2)(a) (Audit NZ), s 9(2)(a) & Rochelle Wengrzik

**The Board held a closed session prior to the meeting**

**1. Meeting opening and administration**

**1.1 Chair's welcome and apologies**

The Chair welcomed Board members and management to the Board meeting and invited Danny Tuato'o to provide a karakia to open the meeting.

The Board noted apologies from Mike Purchase and Lesley Haines.

**1.2 Declaration of interests**

The Board reviewed the interests register. s 9(2)(ba)(i)

**Resolution**

The Board resolved to:

- (a) **note** the Register of Interests and that s 9(2)(ba)(i)

**1.3 Confirmation of previous minutes and actions arising**

The Board reviewed the minutes of the previous meeting held on 31 October 2022.

The Chair noted that the Board were well served by the information provided by the ELT. Maritime NZ was an excellent organisation that needed to enhance its brand.

**Resolution**

The Board resolved to:

- (a) **approve** the minutes of the Board meeting held on 31 October 2022 as a true and accurate record of the meeting; and

(b) **note** the actions arising.

#### 1.4 **Board schedule and work programme**

The Board reviewed the Board schedule and work programme 2022-23, noting that this will be further developed following the Board strategy day discussions and dialogue on Board engagement.

#### 1.5 **Board induction programme**

In discussing the proposed Board induction programme, the Chair confirmed that she will mentor new Board members until the end of February 2023 and new members will then have a separate Board buddy. A full induction pack will be loaded into the Diligent Boards resource centre including a full briefing, orientation dates, learning modules etc. Plans were also underway to shape a full induction day on 28 February 2023.

### 2. **Director's report**

The report was taken as read. Discussion ensued on Port Health & Safety noting that a lot of effort had been put in by MNZ staff but the Ports and companies had collaborated bringing a lot of spin-off benefits, including relationship building, increased trust, etc. One outcome of the trust building had been the Ports wanting the regulator to hold data by building a data lake.

It was noted that the Fatigue Risk Management System Good Practice Guidelines are to shortly be released. One of the challenges ahead would be developing the Approved Code of Practice on Stevedoring.

Following discussions with the Board, ELT, Managers and staff on values, a group of staff have worked on synthesising information to come up with a set of organisational values to be shared and discussed at the Staff Conference on 12 December.

The Board will be provided with a deep dive on Weaving the Cloak (Whiria te tangata) at their February 2023 meeting.

It was noted two new budget bids have been submitted seeking additional funding for Maritime Security, seafarer welfare and MARPOL.

#### **Resolution**

The Board resolved to:

a) **note** the contents of the report.

*The Board adjourned for morning tea and reconvened after 15 minutes*

### 3. **Strategic conversations and decisions**

#### 3.1 **Briefing for visit from New Zealand Shipping Federation (NZSF)**

The DCE, Partnerships introduced the paper providing the Board with a briefing on the visit from the New Zealand Shipping Federation.

#### **Resolution**

The Board resolved to:

(a) **note** the briefing.

### 3.2 People Health & Capability report

The DCE, People & Capability introduced the report informing the Board that there had been a large amount of recruitment activity in connection with Te Korowai and the calibre of applicants was very good.

Change support was in place for any impacts of Te Korowai. There was good feedback from staff on the culture and enthusiasm about the future. The Staff Conference on 12 December was an excellent opportunity to bring staff together.

The Board queried the external feedback on the size and growth with the Te Korowai programme. Management responded that there had been buy-in but it was essential that Maritime NZ was clear on its plans.

In regard to aggressive 'phone calls, the Board were interested to know how staff were supported and how complaints were captured. Management responded that there was proactive training on how to handle aggressive 'phone calls and EAP was available to all staff. The calls themselves were logged in the Vault recording system. Contact was also made with external parties advising them that aggressive 'phone calls were not acceptable.

#### Resolution

The Board resolved to:

- (b) **note** the report.

*Rob Warner, Chief Advisor Strategy and Stuart Day, Chief Advisor Regulatory Policy joined the meeting*

### 3.3 Maritime NZ outcomes and principles

The Board were provided with a presentation from the Chief Advisors Strategy and Regulatory Policy briefing them on progress with refining, refreshing and renewing Maritime NZ's principles and outcomes and seeking input to progress to a draft strategic frame for sign-off by the Board.

Discussion ensued with the Board on the definitions of Safe, Secure, Clean and Sustainable, if any outcomes or principles were missing, could be changed or could be enhanced.

The Board all agreed that Safe Secure and Clean remain along with the new outcome Sustainable made sense as MNZ's top line outcomes. There were suggested changes to the 9 intermediate outcome. For example the Board though the reference to the Tier 1 Ships under the Tokyo agreement was too narrow, the workforce outcome could add attractive and thriving as descriptors of the sector, and there was an absence of the readiness and response aspect of Maritime Work.

The Board also provided feedback on the five principles. They suggested Deliberate be replaced by Intentional, and dependable by trusted and credible. The Board also wanted more leaderful language and for foresight and horizon language to be used.

In summing up, the Board were advised that management would come back by the end of Q3 with a draft strategic frame for their approval.

The Chair thanked both Rob Warner and Stuart Day for their presentation and opportunity to discuss and also expressed thanks to Rob Warner for his work on the Board strategy day agenda and documentation.

#### Resolution

The Board resolved to:

(a) **note** the presentation.

*Rob Warner and Stuart Day left the meeting*

### 3.4 **Funding Review consultation document**

The DCE, Organisational Strategy & Systems (OSS) introduced the presentation providing an overview of the consultation document for the Funding Review 2022-23. The DCE, OSS and DCE, Regulatory Frameworks (RF) talked through the various proposals with the Board.

The Board noted the next steps of a draft Cabinet paper and Consultation Document about the proposals being shared with Te Manatu Waka. This would be followed by the first draft going up to the Minister by 16 December which would be shared with the Board noting the tight timeframes.

#### **Resolution**

The Board resolved to:

(a) **note** the presentation.

s 9(2)(a)

### 4. **Presentation from the New Zealand Shipping Federation (NZSF)**

The Chair welcomed representatives from NZSF and invited them to give a presentation to Board members.

The NZSF presentation covered their Strategic Plan 2021-25, emissions reduction plans, workforce issues, Port infrastructure and Rules and Regulatory compliance. The Board and the NZSF discussed environmental issues in depth, and considered the relationship between port infrastructure and safety and environmental outcomes. Discussion also covered cross-industry work in relation to building competent and capable workforces, and how Maritime and the industry could and did work together on such issues. The NZSF noted that they were supportive of the work being undertaken through the Te Korowai o Kaitiakitanga programme, and were appreciative of work underway to ensure that operational policies were appropriately targeted to areas of risk.

In conclusion the NZSF acknowledged their valuable relationship with Maritime NZ.

The Chair thanked the NZSF representatives for their time, insightful presentation and opportunity to discuss challenges and opportunities and invited them to join the Board members and ELT for lunch and further discussion.

*12.45pm – the Board adjourned for lunch with the NZSF*

*1.15pm – the Board meeting reconvened*

*Paul Craven, General Manager Regulatory Licensing, Steve Peters, Manager Operators and Louise Curtis, Manager Workflow & Administration and Jane Wallace (minutes) joined the meeting*

### 5. **Presentation from Maritime NZ Regulatory Licensing team**

The DCE, Regulatory Operations introduced members of the Regulatory Licensing team noting that this was a team that were under pressure with a heavy workload ultimately impacting on delivery. However, this was a success story despite not quite overcoming all challenges.



The General Manager Regulatory Licensing introduced Steve Peters and Louise Curtis and led the meeting through the presentation that outlined:

- Who the team were - regulatory decision makers with support and front facing portion of MNZ that do a wide range of work.
- The challenges, pressures and opportunities moving forward.
- The importance of the team, outlining an example of failure with a shipping disaster and the many checks that the team does trying to prevent these situations i.e. MTOCs, crew, surveyor, ship checks.
- History and impacts.
- Progress made to date and looking to build capability/training element for new staff.
- The next phases and how improvement will be measured.

The Chair and Deputy Chair thanked the team for a very succinct presentation and the progress being made.

*Paul Craven, Steve Peters and Louise Curtis left the meeting*  
s 9(2)(a) (Audit NZ), s 9(2)(a) and Rochelle Wengrzik joined the meeting

## 6. Organisational reporting

### 6.1 Annual Report 2021-22

The Chair welcomed s 9(2)(a), Audit NZ to the meeting. The DCE, OSS introduced the paper seeking the Board's approval to the Maritime NZ Annual Report and Financial Statements for 2021-22.

The DCE, OSS commented that there had been challenges last year in getting the Annual Report audited and able to be approved by the Board by the statutory timelines and expressed thanks for the team effort which had culminated in the current position.

s 9(2)(a) confirmed that Audit NZ have completed the Audit with an unmodified Annual Report. Audit NZ are comfortable with both the Maritime NZ and OPL performance. Audit NZ commented that there are paragraphs in both sets of financials which talk to Covid-19 pressures and revenue around levies.

The areas of focus have been closed out and Audit NZ are comfortable with the disclosures around Covid-19, processes recognising levy revenues and comfortable with financials.

*Performance reporting* – systems and processes have been reviewed with minor recommendations.

*Final audit* – reviewed the results and a sample of measures and comfortable with them and associated disclosures.

*Software as a service* – this is a change but content with judgements made in that space from the Ministry.

Audit NZ were currently in the process of drafting the final management report and any recommendations would be communicated through that. The formal management report would be considered at the Board meeting early in 2023 and meanwhile Matthew Geddes commented that Maritime NZ had been very helpful with the process.

The Chair thanked Audit NZ for their efforts and understood the pressure they were currently under and appreciated that with the audit complete, Maritime NZ could this year meet its statutory obligations.

## Resolution

The Board resolved to:

- a) **approve** the Annual Report 2021/22 and statements of performance (**Appendix 1**) including the financial statements (**Appendix 2**), for the year ended 30 June 2022 for Maritime NZ and for the NZ Oil Pollution Fund;
- b) **note** the content of the management representation letters to the Board from the Chief Executive and Chief Financial Officer, at **Appendix 5 and 6**;
- c) **note** the content of the going concern assessment from the Chief Financial Officer, at **Appendix 9**;
- d) **note** the content of the letter of comfort from Ministers of Finance and Transport, at **Appendix 10**;
- e) **approve** the content of the representation letter from the Board to Audit NZ at **Appendix 3 and 4**, and **authorise** the Chair and Deputy Chair to sign the letter on behalf of the Board (by electronic signature);
- f) **approve** the Statements of Responsibility for the financial statements and statements of performance for Maritime NZ and for the NZ Oil Pollution Fund and authorise the Chair and Deputy Chair to sign the statements for and on behalf of the Board (by electronic signature);
- g) **note** the timeline for presentation and publication of the Annual Report; and
- h) **note** that the management letter from Audit NZ will be advised and reported to the Board in early 2023.

s 9(2)(a), Audit NZ left the meeting

### 6.2 Q1 Forecast for FY 2022-23

The Chief Financial Officer introduced the paper noting that this was the first forecast for the year - there were usually two forecasts per year – October/November and February/March. From a high level perspective, there was nothing notably different from previous months.

The Board noted:

*Revenue* – rebound of cruise industry, full agenda for cruise season with an uplift of approx. \$7m balanced off by drop in liquidity fund. Foreign cargo still has a lower revenue month on month equating to about \$1.8m per year due to lower port visits.

*Expenses* – the major areas were outlined in the paper. Personnel made up 60% of costs. There was focus on how we track against forecasted FTE and contractors. Will continue to track progress.

*Travel* – approx. \$2.6m in travel costs and need to manage how we weigh off against increasing prices and be mindful of carbon commitments. At the moment we are just tracking carbon and reporting. The current spend is consistent with budget. Consultancy is also tracking and there will be a watch on this over the coming months.

*Capital programme* – steady start to year with spend of \$1.1m so far and no adjustment at present. Predominantly in the IT area. Mid-way through refurbishment of the National Office in Grey Street plus some regional work.

*Cost and liquidity funding* – Strong cash balance with no concerns. We will see this on a monthly basis as cruise revenue increases.

Overall there was a forecast decrease in surplus. Balancing against liquidity fund and Te Manatu Waka are comfortable with Maritime NZ's position - it is not causing any concerns.

The Chair enquired as to how air travel was impacting Maritime NZ's CNGP targets. Management responded that there was no concern at the moment on the reductions planned on emissions. Current focus is on international travel and Maritime NZ has commenced quarterly reporting on emissions which means we will be better placed to report back to the Board in 2023.

### Resolution

The Board resolved to:

- a) **note** the Quarter One forecast for 2022-23 has been completed which incorporates Te Korowai o Kaitiakitanga capability & capacity changes;
- b) **note** the proposed forecast surplus, or an adjusted surplus following decisions in the ELT meeting, being:
  - i. \$0.722m surplus for Maritime NZ, being a decrease of \$0.385m on the budgeted surplus of \$1.107m
  - ii. \$0.153m surplus for the Rescue Coordination Centre of NZ, being a decrease of \$0.038m on the budgeted surplus of \$0.191m
  - iii. \$0.051m surplus for the Oil Pollution Fund, being an increase of \$0.024m on the budgeted surplus of \$0.027m
- c) **note** the capital expenditure forecast of \$7.135m which remains unchanged from budget;
- d) **note** the financial results for the four months to 31 October 2022

s 9(2)(a) and Rochelle Wengrzik left the meeting

### 6.3 Annual Legislative Compliance Survey results

The DCE RF introduced the item noting that the outcomes were relatively good in terms of responses and thanking the Board for their participation.

Partial compliances which are listed at page 3 are essentially items captured under other projects, e.g., incorporation by reference, public records (focus response) and various other items and of most interest is the HSWA activity which will now drop into H&S internal processes.

In summary:

- Good level of response.
- Generally giving a good level of compliance.
- Some items being picked up and being undertaken by current processes in play.

s 9(2)(g)(i)

**Management agreed to research the use of DocuSign and report back.**

### Resolution

The Board resolved to:

- a) **note** the results of this annual legislative compliance survey;

- b) **note** that the results do not identify any material issues; and
- c) **advise** the Audit & Risk Committee accordingly.

**7. Recurring business**

**7.1 Correspondence**

The correspondence report was taken as read.

**Resolution**

The Board resolved to:

- a) **note** the letter from the Maritime NZ Chair to Hon Kieran McNulty, Associate Minister of Transport.

**8. Meeting close**

**8.1 Any other business**

No other business matters were raised.

**8.2 Meeting review and close**

The Chair thanked both Danny Tuato'o for attending the Board meeting online and Annabel Davies for attending both the Board strategy day and Board meeting online.

The Chair thanked ELT for their efforts over the Board strategy day and Board meeting noting it was a difficult time of year but that a lot had been achieved over the two days.


Thanks were also expressed for the organisation of the farewell function and dinner for Belinda Vernon and Denis O'Rourke.

The Chair invited Danny Tuato'o to close the meeting with a karakia.

*The meeting closed at 1.58pm*

**Future meetings:**

<b>Monday 27 February &amp; Tuesday 28 February 2022</b>	Board meetings and Board induction day with Executive Leadership Team in Wellington
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<p>These minutes are a true and accurate record of the meeting</p>  <p><b>Jo Brosnahan</b> Chair, Maritime New Zealand</p>	<p><b>27 February 2023</b> Date</p>
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# Board minutes

DATE OF MEETING	27 February 2023
TIME AND VENUE	9.15am   Meeting Room 3.4, Level 3, MNZ, 1 Grey Street, Wellington
MEETING	<b>Board meeting</b>
AUTHORITY	Jo Brosnahan (Chair), Roy Weaver, Danny Tuato'o, Mike Purchase, Lesley Haines, Annabel Davies
ATTENDING	Kirstie Hewlett, Heather Horton (minutes)
EXECUTIVE TEAM	Sharyn Forsyth, Andrew Saunderson, Kenny Crawford, s 9(2)(a), Deb Despard, Peter Brunt, Shelley Tucker
APOLOGIES	
GUESTS	Item 3.1   Rob Warner & Stuart Day

***Prior to the opening of the Board meeting Danny Tuato'o led a mihi whakatau for the new Board members Lesley Haines, Mike Purchase and Annabel Davies and concluded with a karakia to close off the whakatau and open the Board meeting***

## 1. Meeting opening and administration

### 1.1 Chair's welcome

The Chair welcomed Board members and in particular the newly appointed Board members and management to the Board meeting and thanked Danny Tuato'o for the mihi whakatau.

### 1.2 Declaration of interests

The Board reviewed the interests register.

#### Resolution

The Board resolved to:

- (a) **note** the Register of Interests.

### 1.3 Confirmation of previous minutes and actions arising

The Board reviewed the minutes of the previous meeting held on 29 November 2022.

#### Resolution

The Board resolved to:

- (a) **approve** the minutes of the Board meeting held on 29 November 2022 as a true and accurate record of the meeting; and
- (b) **note** the actions arising.

### 1.4 Board meeting schedule and work programme

The Board reviewed the Board schedule and work programme 2022-23 noting the inclusion of the strategic deep dives in the work programme.

The Chair acknowledged that Lesley Haines had agreed to take on the role of Audit & Risk Committee (ARC) Chair and further that it was the ARC's Chair intention to appoint an independent adviser to the ARC.

The Chair outlined the format of the meetings and invited Board members to work with her on areas where they would like further involvement. If there were no other major agenda items for the virtual Board meetings other than the Director and Finance reports then those particular reports could be circulated via e-mail and the meeting cancelled.

## 1.5 Board Charter review

The Chair introduced the review of the Board Charter which included the mark-ups from the Chair and Chief Executive.

The Board discussed:

- the amendment to Clause 21 in relation to the independent powers of the Director and by way of explanation for the change in the clause, some examples of such independent decisions;
- the Māori translations and correct use of words in respect of the Values and principles and whether it was better in some cases to just use English. Management commented that sometimes these were not intended to be a direct translation but rather the English and te reo words were to go together to frame a concept;
- the Board business processes section is being reviewed at a later date.

The Board commented that this was a good document for new Board members.

### Resolution

The Board resolved to:

- a) **approve** the *Board Charter* as amended noting any Māori translations for the Values and principles section will automatically be amended.

## 2. Director's report

The Chief Executive introduced the report which was taken as read. The Board were advised that most of the Ports had coped well during the recent Cyclone Gabrielle but the main issue now lay with getting goods to Ports with the huge impact on supply chains around the coast that could potentially result in job losses. s 9(2)(g)(i)

At the request of the Police, MNZ took over as the SAR (Search and Rescue) coordinating authority for all SAR aviation assets. This is not a usual function for MNZ, but we were eager to support the system given pressures on it and the fact it was a National Emergency. We have an integrated strategy for response but have some lessons resulting from the last two weeks. There is a general internal review of response services underway but a post-evaluation review of the response to Cyclone Gabrielle will also take place with a view to capturing improvements and recommendations. The outcome of these reviews will be communicated to the Board.

In response to queries from the Board on whether the scope of response would increase organisational resilience and potential weaknesses, they were advised that the business continuity policies were currently being refreshed and will be coming to the Board in due course.

In respect of staff impacted by the Cyclone, the Board queried if all staff had a PLB. The Board were advised that some staff do have one and that there was a supply of satellite 'phones available.

The Board were advised that the first discussion with the new Associate Minister took place on 9 February which was very positive. [REDACTED] s 9(2)(f)(iv)

[REDACTED] s 9(2)(ba)(i) [REDACTED] In respect of KiwiRail, it was noted that conditions have been imposed on the Kaitaki whilst inspections of its maintenance programme and vessels get underway.

In respect of the potential extension of Maritime NZ's Health & Safety at Work designation from ship and ship to shore to the Port gate, the Cabinet paper is nearing completion with an announcement likely in April. The Cabinet paper seeks additional funding to undertake this role and if funding is not forthcoming then Maritime NZ will not take on the function.

[REDACTED] s 9(2)(f)(iv) [REDACTED]

In response to a general query on the morale of the organisation, management informed the Board that there were a number of people already tired early in the year but there was also positivity off the back of growth and the journey Maritime NZ was taking. Staff were responding well to the 'Deliberate and Disciplined' thinking.

### **Resolution**

The Board resolved to:

- a) **note** the contents of the report;
- b) **note** that the Board will be kept up-to-date on lessons and recommendations from the incident response and any response services reviews;
- c) **note** that the Board will be provided with the date for the formal opening ceremony of Level 11 in CHQ.

*The Board adjourned for morning tea and reconvened after 15 minutes and Stuart Day, Chief Advisor Regulatory Policy and Rob Warner, Chief Advisor Strategy joined the meeting*

## **3. Strategic conversations and decisions**

### **3.1 Maritime NZ outcomes**

The Chief Executive introduced the report providing some context and seeking finalisation of the Maritime NZ Outcomes subject to any final feedback from the Board. Once finalised the implementation phase will commence.

The Board were led through a short presentation on the proposed Outcomes set of four high level Outcomes: Safe, Secure, Clean and Sustainable and the eight supporting intermediate Outcomes and concepts. The Board provided feedback that the incorporation of the feedback from engagement sessions has resulted in more purposeful and clearer Outcomes. The question was asked how these would be measured and what would external reporting look like. The response to this was that now the outcomes are agreed measures will be designed to sit underneath them and will be tracked through reporting and the SPE.

A questionnaire was tabled at the meeting seeking views on a proposed Vision, with three options. The Board feedback was that any vision needs to represent our domain, be dynamic and future focussed. The Board were invited to send any further comments back to management via the Governance Support Coordinator.

In concluding the discussion, the Chair recognised the work done thus far by Stuart Day and Rob Warner.

### **Resolution**

The Board resolved to:

- a) **note** that, as a result of feedback provided by the Board at its November 2022 Board meeting, and from further staff engagement late in 2022, Maritime NZ's Outcomes have been updated into the final draft set attached as **Appendix 1** to the Board paper.
- b) **agree** that subject to any final feedback the Board has at this meeting on the final draft set of Maritime NZ's Outcomes, those Outcomes should be finalised.
- c) **note** that once agreed, the Outcomes will be used to prioritise and align Maritime NZ's work for the 23/24 FY (and beyond)
- d) **note** that implementing our Outcomes will involve activities such as building them into planning frameworks and accountability documents over time, and presented using various forms of collateral alongside other aspects of the strategic frame (Vision, Principles and Values).

*Rob Warner and Stuart Day left the meeting and Sarah Bailey, Vicky Robson, Briar Gill-Michaels and Paula Evans joined the meeting*

## **3.2 Strategic Focus Area: Values, Principles and Weaving the Cloak (Whiria te tengata)**

### **3.2.1 Introduction**

The Chief Executive led the Board through the presentation on Principles, Values and Weaving the Cloak explaining the history and story of the Cloak, where the Principles and Values have landed, an outline of the Weaving the Cloak work and engagement with the Board on each of the pillars under the Cloak.

The Board were complimentary of the Māori proverbs. However, under the courage/kia maia value, questioned if this could include reference to having the courage to be wrong.

The Board noted that Danny Tuato'o and the Chief Executive would discuss Māori translations offline.

### **3.2.2 Diversity, Equity and Inclusion (DEI)**

Vicky Robson and Sarah Bailey introduced their presentation on the overview of the DEI pillar including the Purpose, link to MNZ Principles and Values, the proposed approach, progress to date and work over next three months, challenges, risks and opportunities, measures and Board support.

In discussing the presentation the Board commented as follows:

- Is leadership quality tested at the recruitment stage? – *there are some constraints on data gathering.*
- The ultimate outcome should be the sense of belonging.
- The terminology of 'best person for the job' should be eliminated in order to achieve diversity.
- What is the connection between this area and that of Connect? – *the Connect value is well aligned to DEI work and will inform the work programme.*



- Does Maritime NZ have frameworks/pathways to raise issues? – *confirmed there is an open culture that encourages staff to raise issues and support for staff is available.*
- Pleased with the work and proposed strategic approach, it looks really good and look forward to further engagement on the work programme.

### 3.2.3 Internal emissions reduction plus inaugural carbon emissions deep dive report

Briar Gill-Michaels introduced and led the Board through the CNGP/Environmental Sustainability Pillar covering the linkages to Maritime NZ's Principles and Values, approach, progress to date challenges, risks and measures.

The Board noted that it was the intention of Maritime NZ to write to the Minister in respect of the barriers and risk SAR activity presents in achieving CNGP requirements and there would be future opportunities for the Board to feed into the Environmental Sustainability Strategy.

#### Carbon Neutral Government Programme (CNGP) 2030 target setting

The report seeking feedback and the Board's approval to the proposed 2030 emission reduction target was taken as read.

The Board commented that they were comfortable with separating out the SAR component from the target. Management advised that a draft broader strategy had been prepared and there will be engagement with the Board, hopefully by the end of the financial year, in agreeing that to set the long-term targets.

#### Resolution

The Board resolved to:

- a) **approve** the 2030 emission reduction target;
- b) **note** that we are not setting emission intensity targets for 2030 at this stage;
- c) **note** that further engagement with the Board will be needed to set our long-term targets;
- d) **note** that MNZ intends to take a 'no surprises' approach by writing to our Minister to flag the challenges and risks our Search & Rescue activity has on MNZ not being to meet an absolute emission reduction in line with CNGP requirements.

### 3.2.4 Connectivity

Paula Evans introduced the Connected pillar overview outlining the work over the next three months, the challenges, risks and opportunities and the proposed approach.

The Chair commented that online relationships were not covered in the overview, i.e. how to socialise online and maintain connection. It would be beneficial to include hybrid working.

The Board mentioned that onboarding was also integral and meeting value proposition and also queried if thought had been given to external focus.

The Chair thanked all the staff for their presentations and good work.

*1.15pm – the Board adjourned for lunch*

*1.40pm – the Board meeting reconvened and Wayne Rhodes, Mary Sinclair Jones, Tere Scotney and Rob Warner joined the meeting*

### 3.2.5 Te Ao Māori

Wayne Rhodes introduced the Te Ao Māori pillar overview. The strategy will align with the overarching organisational strategy and supports and adds value to the Crown, Māori relationship. The intention is to build our capacity and capability to work confidently with Māori. Staff are eager for cultural awareness and Te Reo Māori and establishing an Advisory Group will assist in delivery of a capability plan but such a plan will require funding.

Success would mean that Maritime NZ is seen as an organisation who is culturally sensitive, that Te Ao Maori is part of BAU and MNZ is self-sufficient in Te Reo Māori. There is a big role for the Board and ELT in leadership, culture and an empowered organisation. We should demonstrate cultural competence and understanding of the significance of Te Tiriti o Waitangi for Maritime NZ.

The Board agreed that the values and strategic pillars are fine but were interested in how we intend to engage with Māori. Danny Tuato'o confirmed that he is committed to help with the Te Ao Māori journey wherever he can.

The Chair commented that she would like to see all Board members have their own commitment to Te Ao Māori both as individuals and as a Board.

The Board queried if there was a plan to breakdown what success would look like. Management confirmed that this breakdown was outlined in the Vision through a Te Ao Māori strategy document.

The Chair confirmed that the Board will sign off the Te Ao Māori Strategy.

### 3.2.6 Growing our People

s 9(2)(a) introduced the Growing our People overview and led the Board through the purpose, objectives, scope, progress to date, challenges, risks and measures.

### 3.2.7 Internal Health & Safety

In her capacity as Chair of the Health & Safety Committee, the Chief Executive led the Board through the Health & Safety pillar presentation and outlining what support management would like from the Board and conversely asked what support the Board would like on health and safety.

Following a staff workshop, Maritime NZ is changing its philosophy on health and safety to focus on the critical risks in the organisation. Three critical risks have been identified and a process by which a lead for each risk is appointed. As noted in the presentation, a review of the Health, Safety and Wellbeing (HSW) Committee and its membership will be undertaken and appropriate training provided to HSW members on risk management and bow ties. The workshop also culminated in the formation of a HSW plan.

The Chief Executive raised a question on whether the critical risks should be put up as part of the enterprise risks discussed at ARC and taken out of People Capability; and discussed the use of SafePlus as opposed to internal audit to get an 'on the ground' read out.

The Chief Executive also suggested that the Board might want to meet with the HSW representatives and that this could be built into the Board's Health & Safety Charter.

The Chair commented that the Board's Health & Safety Charter needed to be reviewed and renewed.

**It was agreed that (1) management would place the minutes from the HSW Committee and the Security Committee meetings into the Board's resource centre and (2) a review of the Board's Health & Safety Charter would be put on the agenda for the April meeting.**

The Chair thanked all the staff for their presentations and good work.

In summary, the Board agreed that they would like to see, on a quarterly basis, an update on the A3s presented at this meeting in order to track progress. They appreciated staff members presenting to them which worked well.

### 3.3 Board Strategy Day follow-up: Leadership, Influence

The DCE Regulatory Frameworks introduced the paper summarising the areas the Board identified as priorities for strategic leadership and influence over the longer term by Maritime NZ and seeking input on any other areas the Board would like to influence.

The Board commented as follows:

- should we be considering the sea level rise impact for the Ports;
- the major themes are what we agreed on and where to put our effort but we need to have a constant awareness of the environment;
- we should not lose sight of the other conversations we have and should find a way of capturing these, perhaps under 'strategic uncertainties'.

The Board also commented that perhaps we should check if we were in sync globally.

#### Resolution

The Board resolved to:

- a) **note** the key themes identified at the Board Strategy Day where the Board wishes to build strategic influence as opportunities allow;
- b) **note** the progress made to date in these areas.

*The Board adjourned for afternoon tea and reconvened after 15 minutes. Rob Warner joined the meeting*

### 3.4 Strategic uncertainties

The Chief Advisor Strategy introduced the paper and led the Board through an emerging strategic uncertainties discussion with reference to the CSIRO mega trend framework included in the paper and previously shared at the November 2022 strategy session.

The Board noted the growing importance of considering emerging disruptions and changes in both Maritime NZ's contextual and transactional operating environments, with this highlighted by recent cyclone related events and the pace/extent of disruptive change facing all organisations.

The Board agreed that it should schedule a dedicated session to workshop strategic uncertainties as part of its 2023 Work Programme. The Chair noted that Board would be comfortable for the Chief Advisor, Strategy to develop a suitable approach. This should include framing some initial questions to, and collecting feedback from Board members about: their views on specific strategic uncertainties over various time horizons (now/near/next) for Maritime NZ operations; how they would like conduct strategic uncertainty conversations going forward, and; their perspectives on how to ensure topics are kept at the right level of relevance for governance decision making and risk management (i.e. less Global, more local).

The Chair thanked the Chief Advisor, Strategy for his continuing support around strategic foresight and futures thinking, and acknowledged the Board was fortunate to have this level of specialist capability/expertise to assist it with its anticipatory governance role.

#### Resolution

The Board resolved to:

- a) **note** that strategic uncertainties have been a standing discussion item on Board agendas since early 2021;
- b) **note** that the Maritime NZ strategic uncertainties table (Appendix 1) was updated late last year using a 7 megatrend framework developed by CSIRO, and was included as part of the pre-reading information provided to the Board for the November 2022 strategy workshop;
- c) **agree** a dedicated (i.e. generative) session be scheduled as part of its 2023 work programme to fully refresh the strategic uncertainties table content including 'What; So What; Now What' aspects for Maritime NZ.

*Rob Warner left the meeting and Rachel Butler, Matt Patterson & Bonita Gestro joined the meeting*

#### 4. **Presentation from the Research, Analysis & Intelligence (RAI) team**

The Chair welcomed Rachel Butler, Matt Patterson and Bonita Cooper to the meeting who introduced themselves and the wider team and their purpose in providing analytical expertise to generate and share insights that guide and inform harm prevention and regulatory decision-making.

The main components of the presentation to the Board were about the team's journey, what they do, the work enabling them to do it and the challenges and opportunities. The presenters explained their work programme and how the intelligence programmes build an understanding of the drivers of harm for different sectors, inform intervention design decisions and help and direct frontline operational activity. The presenters also discussed the challenge of using and having access to all available data and information and the tools to undertake analytical functions.

The Chair thanked the RAI team for their attendance at the Board meeting and the interesting and insightful presentation.

##### **Resolution**

The Board resolved to:

- (a) **note** the presentation.

*Rachel Butler, Matt Patterson & Bonita Gestro left the meeting*

#### 5. **Organisational reporting**

##### 5.1 **Finance report**

The report providing an update on the financial results and other financial matters for Maritime NZ, Rescue Coordination Centre and the Oil Pollution Fund for the seven months to 31 January 2023 was introduced by the DCE Organisational Strategy and Systems (OSS).

The Board noted that Te Manatu Waka will provide a capital injection to cover the costs for the recent SAR activities.

##### **Resolution**

The Board resolved to:

- a) **note** the financial results for the seven months to 31 January 2023

*Rochelle Wengrzik joined the meeting*

## 5.2 Statement of Performance Expectations (SPE) - approach

The Manager Planning Performance & Risk introduced the paper outlining the proposed approach and timelines for developing the 2023-24 Statement of Performance Expectations (SPE). The Board were asked to note that the first draft of the SPE including budget will be presented at the 17 April 2023 Board meeting.

### Resolution

The Board resolved to:

- a) **note** the approach and timelines to develop the 2023-24 SPE;
- b) **note** a Statement of Intent will be developed in 2024.

*Rochelle Wengrzik left the meeting*

## 5.2 People Health & Capability report

The DCE People Capability introduced the report, providing the Board with an update on Maritime NZ people and capability metrics and summary work initiatives. A large tranche of recruitment has been completed and despite the labour market still being tight, Maritime NZ has managed to attract a good calibre of staff.

The Board congratulated management on the gender balance achievement which was hugely positive.

### Resolution

The Board resolved to:

- a) **note** the report.

## 5.3 Whanganui Board stakeholder engagement

The DCE Partnerships introduced the paper outlining the proposed focus for the forthcoming visit to Whanganui and seeking the Board's comments on the proposal and input based on their own networks, connections and areas of focus.

The Board commented as follows:

- should thought be given through engagement with stakeholders to understanding staff health and safety issues and risks and observing their contexts;
- engagement with councils should be at the Councillors and Senior Executive level.

The Board asked to receive regular information about events that they may be interested in attending. The Board were also encouraged to visit the regional offices.

For the New Plymouth engagement, Roy Weaver offered to assist the Partnerships team with their plans/contacts.

### Resolution

The Board resolved to:

- a) **confirm** the 'Board engagement overview' document with the addition of reference to understanding stakeholders' staff health and safety issues and risks;
- b) **agree** the proposed programme and stakeholders noting that engagement with councils should be at a senior level;

- c) **note** the intended approach to supporting the Board to engage; and
- d) **agree** on the approach for the upcoming visit to New Plymouth.

**6. Recurring business**

**6.1 Correspondence**

The correspondence report was taken as read.

**Resolution**

The Board resolved to:

- a) **note** the letter from the Office of the Auditor-General to Maritime NZ Chair to and Chief Executive;
- b) **note** the interim Briefing to the Associate Minister.

**7. Meeting close**

**7.1 Any other business**

No other business matters were raised.

**7.2 Meeting review and close**

The Chair invited Danny Tuato'o to close the meeting with a karakia.

*The meeting closed at 5.15pm*



**Jo Brosnahan**  
Chair, Maritime New Zealand

**Future meetings:**

Monday 20 March 2023 Via videoconference	Audit & Risk Committee meeting Virtual Board meeting
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# Board minutes

DATE OF MEETING	17 April 2023
TIME AND VENUE	11.00am   Whanganui
MEETING	<b>April 2023 Board meeting</b>
AUTHORITY	Jo Brosnahan (Chair), Roy Weaver, Danny Tuato'o, Mike Purchase, Lesley Haines, Annabel Davies
ATTENDING	Kirstie Hewlett and Lizzy Cohen (minute taker)
EXECUTIVE TEAM	Sharyn Forsyth, Andrew Saunderson, Kenny Crawford, Deb Despard, Peter Brunt, Shelle Tucker
APOLOGIES	s 9(2)(a)
GUESTS	Rob Warner   Item 4.1, Rochelle Wengrzik   Item 5.1, s 9(2)(a)   5.4, Carolyn Leatherby / Renee Randall   Item 5.5

**The Board opened the meeting with a karakia.**

## 1. Meeting opening and administration

### 1.1 Chair's welcome

The Chair welcomed Board members and the Executive Team. Lizzy Cohen is providing interim Board support and was introduced to Board members.

### 1.2 Declaration of interests

The Board reviewed the interests register.

### 1.3 Confirmation of previous minutes and actions arising

The minutes of the previous meeting held on 27 February 2023 were reviewed by the Board. The Board:

**approved** the minutes of the Board meeting held on 27 February 2023 as a true and accurate record of the meeting.

**Jo Brosnahan and Danny Tuato'o** (carried)

### 1.4 Actions arising report

**noted** the actions arising report.

### 1.5 Audit and Risk Committee resolutions

*Audit & Risk Committee Charter*

**a) adopted** the Audit & Risk Committee Charter with agreed changes.

*Organisational policies review*

(a) **adopted** the Reserves Policy

(b) **adopted** the Internal Assurance and Framework policy;

- (c) **adopted** the Fraud, Bribery and Corruption policy
- (d) **noted** that the minutes from the 20 March 2023 meeting will be presented at the next Board meeting for Board approval.

**Lesley Haines and Roy Weaver** (carried)

**1.6 Board meeting schedule and work programme**

The Board reviewed the Board schedule and work programme 2022-23. The Chief Executive/Director noted that staff plan to refresh the work programme which will be presented back to the Board for their review at an upcoming Board meeting.

**2. Chair's Report – verbal update**

The Chair provided a verbal update to Board members on key topics and activities since the last Board meeting. The Board:

**noted** that the Chair sent a letter to the Associate Minister of Health, Hon Kiri Allan regarding the funding review 2023/24 which highlighted some concerns to this year's process and timing, the potential impact on the delivery of our work and the need to give the sector more certainty on levies. Subsequent to the letter, the Chair was asked to meet with the Associate Minister of Health, Hon Kiri Allan regarding the funding review for 2023/24.

**noted** that the Chief Executive/Director and staff had their regular meeting with Minister Allan to provide further detail on the efficiency and effectiveness programme. Staff are working with the Ministry of Transport on a revised Cabinet paper on the funding review 2023/24 which is expected to go to Cabinet in May in order to meet the 1 July deadline. Staff noted that there is a potential risk with election year and the uncertainty post-election.

**noted** the recent cabinet decision on HSWA designation extension, which will be discussed in the Director's report.

**3. Director's report**

The Chief Executive/Director introduced the report which was taken as read. The Board noted the report and discussed the following topics:

*Sector workforce issues*

[Redacted] s 9(2)(g)(i)

[Redacted]

[Redacted]

*Emergency vessel towage capability*

[Redacted] s 9(2)(f)(iv)



**noted** that there is increased media attention on this topic.

*Media*

**noted** that the recent Paihia ferry collision which has raise the issue of skipper licensing, an issue Maritime NZ has raised in advice to Ministers before. Staff intend to include this in the weekly report to the Minister

**noted** the recent decision by the Chief Ombudsman regarding the MIQ settings for NZ seafarers during COVID-19 lockdown. Staff noted, as reflected in the Ombudsman's findings, that Maritime NZ provided clear advice to MBIE on the MIQ settings, which was not included. The Ombudsman has ruled that MBIE must formally apologise. Staff are also working with MBIE to plan for if there was another outbreak

**noted** the recent OIAs from s 9(2)(a) on MIQ settings for seafarers and that staff are responding to provide him with the above information to provide clarity on Maritime NZ's advice and role in the development of the settings

**noted** that staff will consider how we best inform Board members on key messages in relation to issues of interest in the media.

*IMSAS Interim Audit Report and Corrective Action Plan*

**noted** that the IMSAS Audit report and corrective action plan will be presented to the Board at the next meeting.

*Use of DocuSign*

**noted** that DocuSign, an electronic signature solution, is on the ICT roadmap which is being prioritised against other ICT technology initiatives

**noted** that staff intend to share the ICT roadmap with the Board at an upcoming Board meeting.

*The Board adjourned for lunch and reconvened at 1.11pm.*

**4. Strategic conversations and decisions**

**4.1 Overview of Maritime NZ risks, assurance and monitoring**

The Board were provided with some supporting material; Board focus areas table, and the risk, assurance and monitoring diagram, and an overview from the Chief Executive/Director to support the Board discussion on the next item, Strategic Uncertainties.

**4.2 Strategic uncertainties**

At the February Board meeting, it was agreed that a workshop should be held to refresh/update the information the Board uses to track/monitor/update strategic uncertainties for Maritime NZ going into 2023. To assist with the workshop, the Board members provided feedback prior to the meeting to identified strategic uncertainties Now (present/short term); Near (soon/around the corner); and Next (later/longer term).

The Board discussed the key strategic uncertainties impact ('so what') and the mitigations ('now what').

**noted** that staff will capture the information from this workshop which will inform a report back to the Board at the June Board meeting to inform further discussion on strategic uncertainties.

#### 4.3 'Safe' Strategic deep dive

At the February 2023 Board meeting, the Board agreed on the Maritime NZ Outcomes for 2023/24, which are Safe, Secure, Clean and Sustainable. The Board's strategic conversation for this meeting was centred on the 'Safe' Outcome. The Executive team prepared material to support Board discussion on the key work areas that we are progressing within 'Safe', which are; ports and harbours and oceans, other domestic maritime transport operators and seafarers, foundational/cross-sector issues, readiness and response and recreational craft. The Board discussed the current context, risks and opportunities for each area.

##### *Recreational craft*

The Board discussed the opportunities open to Maritime NZ, noting the changing strategic context for recreational craft currently. Leadership discussions are happening across the water safety sector, and Te Manatū Waka are considering taking up a role as government steward for this sector. The Board were keen to see Maritime NZ continue to work at a strategic leadership level for recreational craft, and to explore how our "on" the water role might support "in and around" the water outcomes too. This should include an increased focus on our value add as a regulator (with regional councils) and in exploring alignment between recreational and some commercial activities.

In terms of risks, the Board discussed the relative lack of profile of Maritime NZ in this sector compared with some other organisations, and asked management to consider how our profile and value be made more apparent.

s 9(2)(f)(iv)

##### *Ports, Harbours and Oceans*

The Board noted that this is a key focus area for MNZ. They discussed the current issues and safety concerns such as insufficient crew, high demand for vessels, and deferred maintenance during COVID-19 leading to poor quality vessels and errors which results in higher acute and catastrophic harm incidents and near misses as well as contributing to ongoing serious injury and fatality risks in loading and unloading vessels. With regards to risks for Maritime NZ, detentions are up after the Maritime Inspections team was put in place, however inspections are down due to intensive work on Maersk and Inter-islander ferries, in addition to the need to training new staff. Our team are working long hours which is a fatigue and health and safety risk and a potential staff retention risk.

The Board noted Maritime NZ's positive work with the sector through PHMSC and Port Health and Safety Leadership Groups, fora that we can use to progress our work and tell our story. It was noted that we have made a case for more resources to support this work. The HSWA designation extension is a good example of what we can do with funding available and if done well, provides an opportunity to also increase presence on ports with benefits on both sea and land and delivery of outcomes. Staff noted that we will provide updates on implementing the HSWA designation in the Director Report.

##### *Foundational / Cross-Sector Issues*

The Board recognise that a Regulator's core activities must be well maintained and invested in. Maritime NZ's approach, guided by the work done in the Te Korowai o Kaitiakitanga workstream, has been to build a robust Operational Policy and Practice Framework to guide the activities of our frontline. The Board discussed the opportunities to improve our practice in terms of consistency and quality, and noted that we are bringing together a set of policies, processes, practice tools and guidance to bring about improved results. This will also offer greater levels of clarity and accountability for regulated parties.

The Board noted, in respect of our 3rd party areas (those that do work on our 'behalf'), that this is an area that is of importance to Maritime NZ. In terms of risks, 'regulatory failures' have occurred because regulators did not have the understanding or the resource to be able to conduct appropriate oversight of 3rd parties. s 9(2)(g)(i)

The Board noted that the Te Korowai o Kaitiakitanga Program surfaced improvement opportunities with Maritime NZ systems for managing enquiries and notifications. A notifications and enquiries team (NET) has been introduced to enhance 'user experience', manage notifications and improve decision-making in respect to those notifications. This function will enhance credibility with the sector and stakeholders. The information that is received by the NET will allow us to more easily pick-up trends and common issues, enabling improved response choices. Enquiries will be managed and monitored to facilitate more efficient and effective turnaround. In turn, this creates some relief for the front line who will no longer need to be distracted by matters that are not technically their core role.

#### *Readiness and response*

A core role of Maritime NZ is incident response in the maritime domain. This requires a system approach with investment in capability, capacity, planning, processes, systems, working with a range of partners. MNZ is also part of the National Security System, supporting all-of-government responses to events like the Christchurch terrorist attack, COVID-19, severe weather events (e.g. Cyclone Gabrielle).

The Board noted that the readiness and response approach, across government generally, tends to be reactive and focused on response and recovery (with some reduction and readiness activities that may be "biased" towards the most recent event or highlighted risk), rather than being intelligence led and future focused.

MNZ currently has different structures for different types of incidents and we need to do more work to be integrated, for both readiness and response (otherwise we risk having silos, duplication of effort, inconsistency and not enough clarity about how different functions in a maritime incident will work together – SAR, oil recovery, salvage etc).

The Board discussed the opportunities to support investment in our vision in integrated readiness and response from all levels of leadership and all parts of MNZ. The Board supported the opportunity to continue to build a flexible framework that can adapt to the changing environment, and to be more proactive than reactive – requiring linkages with harm prevention, regulatory operations, intelligence-led.

Staff agreed to report back to the Board to provide an overview of roles and responsibilities including the Board's role and the lessons learnt from recent incident responses.

#### *Other Domestic Operators and Seafarers*

The other Domestic Operators and Seafarers sector is a high diverse one. The Board noted that Maritime NZ was earlier on in its harm prevention journey with this group of Operators; but work is beginning now on a new harm prevention programme. Opportunities are also emerging to look at our approaches in areas like MOSS and the application of HSWA. Workforce and certification are critical for this sector; and Maritime NZ is likely to need to look for ways to assist here.

Staff noted that they are developing measures for 'Safe', and will report back to the board on the areas they were interested in through the Directors Report.

The Board noted that the next strategic conversation will be on the 'Clean' Outcome scheduled for the June Board meeting.

## 5. Organisational reporting

### 5.1 Statement of Performance Expectations (SPE) – approach

The purpose of this paper is to provide the Board with the draft 2023/24 Statement of Performance Expectations (SPE) to be provided to the Minister for consideration by 30 April 2023 to meet statutory timelines. The Board:

**reviewed** and provided feedback to staff on the draft 2023/24 SPE (non-financial sections)

**noted** that the draft SPE 2023/24 has been prepared without guidance from the Minister's Letter of Expectations (LoE) which has not yet been received, however staff are expecting to receive one soon

**noted** that staff have reframed the SPE to align with Te Korowai

**noted** that due to uncertainties regarding funding review, Budget 23 decisions and HSWA designations, a final draft budget for FY2023/24 has not yet been prepared. The draft budget and financial statements will be presented to the Board at a later date once budget decisions are known

**noted** following Budget decisions the SPE foreword and key focus areas will be reviewed and the letter from the Chair to the Minister will be finalised with the Chair

**agreed** that without a Cabinet decision on the next steps of funding review, including an extension of a letter of support, the Board cannot authorise the SPE or prospective financial statements

**noted** that Management has considered changes to the Accounting and Performance Reporting standards and incorporated where appropriate within the SPE

**noted** that Deloitte and the Ministry will be asked to provide feedback on the draft which will be considered and reflected in the final version

**noted** the draft SPE will be presented to the Minister for review on 28 April

**noted** that due to Board meeting cycles further iterations of the SPE may require out of session treatment prior to submitting to Board for approval

**noted** the final 2022/23 Budget and SPE will be presented to the Board at the 19 June Board meeting for approval.

**Jo Brosnahan and Roy Weaver** (carried)

### 5.1 Finance report

The report providing an update on the financial results and other financial matters for Maritime NZ, Rescue Coordination Centre and the Oil Pollution Fund for the nine months to 31 March 2023 was introduced by the DCE Organisational Strategy and Systems (OSS). The Board:

**noted** the financial results for the nine months to 31 March 2023.

### 5.2 People Health & Capability report

The DCE People Capability introduced the report, providing the Board with an update on Maritime NZ people and capability metrics and summary work initiatives. The Board:

**noted** that the next quarterly report to the Board will include more information on 'weaving the cloak' work.

### 5.3 Maritime Distress & Safety Communications Services project update

The Board were provided with an update on the progress of the maritime distress and safety communications services project. The Board:

**noted** [redacted] s 9(2)(f)(iv), s 9(2)(b)(ii)

**noted** [redacted] s 9(2)(f)(iv), s 9(2)(b)(ii)

**noted** that staff have briefed Te Manatū Waka Ministry of Transport and they did not raise any concerns with this approach

**approved** [redacted] s 9(2)(b)(ii), s 9(2)(f)(iv)

**approved** the Maritime NZ Procurement Exemption attached to this report

**noted** that regular updates on the progress of negotiations will be presented to the Board.

**Mike Purchase and Danny Tuato'o (carried)**

### 5.4 Whanganui Board stakeholder engagement

The DCE Partnerships introduced the paper outlining the proposed focus for the forthcoming visit to Whanganui. The Board:

**noted** the briefings provided by staff in preparation for the stakeholder visits on Tuesday 18 April

**noted** that Horizon Horizons Regional Council were unable to meet with the Board on this occasion.

## 6. Recurring business

### 6.1 Correspondence

The purpose of this report is to present incoming and outgoing correspondence to the Board as dispatched since the previous Board meeting.

The correspondence report was taken as read. The Board:

- (a) **noted** the letter from the Maritime NZ Chair to Hon Kiri Allan providing the Maritime NZ Quarter 2 report
- (b) **noted** the letter from Peter Hughes, Public Service Commissioner to Maritime NZ Chair relating to political neutrality in the Public Service
- (c) **noted** the letter from the Maritime NZ Chair to Hon Kiri Allan in regarding Maritime NZ's Funding Review
- (d) **noted** the letter from the Maritime NZ Chair to Audrey Sonerson, Secretary for Transport & Chief Executive, Te Manatū Waka.

**7. Meeting close**

**7.1 Any other business**

No other business matters were raised.

**7.2 Meeting review and close**

The Chair thanked staff for their work and the meeting was closed with a karakia.

*The meeting closed at 5.08pm*



**Jo Brosnahan**  
Chair, Maritime New Zealand

**Future meetings:**

<b>Monday 22 May 2023</b> Via videoconference	Virtual Board meeting Audit & Risk Committee meeting
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# Maritime NZ May 2023 Board Meeting Minutes

Date of meeting:	22 May 2023
Time and venue:	11.51am   Virtual
Meeting:	<b>May 2023 Board meeting</b>
Board members:	Jo Brosnahan (Chair), Roy Weaver, Danny Tuato'o, Lesley Haines, Annabel Davies
Attending:	Deb Despard and Lizzy Cohen (minute taker)
Executive team:	Sharyn Forsyth, Andrew Saunderson, Kenny Crawford, Peter Brunt, Shelley Tucker and Esther Livingston
Apologies:	Mike Purchase and Kirstie Hewlett
Guests:	Mark Leeming and Richard Cromie   Item 4.1 and 4.2, Michael Whitham and Briar Gills-Michaels   Item 4.4, Chris Barber   4.5

## 1. Meeting opening and administration

### 1.1 Chair's welcome

The Chair welcomed Board members and the Executive Team.

It was noted that Board member, Lesley Haines will leave the meeting at 12.40pm.

### 1.2 Confirmation of previous minutes and actions arising

The minutes of the previous meeting held on 17 April 2023 were reviewed by the Board.  
The Board:

**approved** the minutes of the Board meeting held on 17 April 2023 as a true and accurate record of the meeting.

**Jo Brosnahan and Danny Tuato'o** (carried)

#### Out-of-cycle Board papers

##### National Office future property options

**approved** by Board members 15 May 2023

##### *Strategic Context*

**noted** that Maritime NZ has a future property objective to accommodate all its Wellington CBD staff in one location

**noted** that future realistic planned growth will result in high density challenges with our current footprint

**noted** that with Board approval in 2022 Maritime NZ entered into a new lease for 1 Grey Street [REDACTED] s 9(2)(b)(ii)

**noted** [REDACTED] s 9(2)(b)(ii)

*Current State is across two locations*

**noted** Maritime NZ have long operated within Government office accommodation guidelines and objectives and have set in place a long-term solution at Grey Street to late 2037, with option to exit Customhouse Quay in mid-2025.

*The Opportunity to consolidate into a single location*

**noted** [redacted] s 9(2)(b)(ii)

**noted** [redacted] s 9(2)(b)(ii)

**noted** [redacted] s 9(2)(b)(ii)

**noted** that management have engaged property consultants TwentyTwo Ltd to carry-out due diligence and lead initial engagement / negotiations with the Landlord

**noted** [redacted] s 9(2)(b)(ii)

**noted** the preferred option as it relates to the exit of Level 1, 99 Customhouse Quay (in accordance with current lease terms).

*Considerations*

**noted** that Government Property Group will need to endorse any office accommodation acquisition

**agreed** [redacted] s 9(2)(b)(ii)

**agreed** [redacted] s 9(2)(b)(ii)

**delegated** [redacted] s 9(2)(b)(ii)

### **Maritime NZ: Q3 Report for Board review and feedback**

**reviewed** and provided feedback to management on the Q3 Report

**endorsed** on 17 May 2023, subsequent to inclusion of Board feedback, for the Q3 report to be circulated to the Minister.

### **1.3 Actions arising report**

**noted** the actions arising report

**agreed** that the action in relation to the use of Maritime NZ's Māori name will be considered and actioned through the implementation of Tā Mātou Ruataki Māori, and removed from the Board Actions arising report.



#### 1.4 **Audit and Risk Committee resolutions**

**approved** the minutes of the 20 March 2023 Audit and Risk Committee meeting, reviewed by the Committee at the May meeting.

**Lesley Haines and Danny Tuato'o** (carried)

#### 2. **Chair's Report – verbal update**

There were no key topics and activities since the last Board meeting.

#### 3. **Director's report**

The Chief Executive/Director introduced the report which was taken as read. The Board noted the report and discussed the following topics:

##### *Funding review*

**noted** that the Minister has indicated they are comfortable with the revised cabinet paper which will be presented to Cabinet on 7 June

##### *Stakeholder Engagement*

**noted** the positive engagements with key stakeholders as detailed in the report

##### *Maritime Incidents*

**noted** the impact on MNZ staff time and wellbeing in response to recent incidents and that there is a plan in place to help manage staff fatigue

**noted** that the Shiling, a Singapore flagged vessel, is being towed to Wellington harbour. MNZ staff have done everything that is required of them in relation to the Shiling vessel incident. There are still some unknowns as to what went wrong on the water and we are considering third party risks

##### *Statement of Performance Expectations (SPE) 2023/24*

**noted** the letter from Minister Allan providing feedback on MNZ's draft SPE 2023/24. Staff are incorporating aspects of the feedback into the narrative of the draft SPE and a response letter is being prepared to send to the Minister which will accompany the draft SPE including the financial statements, due with the Minister on 24 May

**noted** that staff will consider expanding the narrative regarding other regulatory risks to better articulate what they are

**noted** that the final draft SPE will be presented to the Board at their June Board meeting

##### *Legal update*

**noted** the legal update as at 3 May 2023.

#### 4. **Organisational reporting and accountability**

##### 4.1 **Finance report**

This report provided an update on the financial results and other financial matters for Maritime NZ, Rescue Coordination Centre and the Oil Pollution Fund for the ten months to 30 April 2023. The Board:

**noted** the financial results for the ten months to 30 April 2023

**noted** that operating activities are tracking lower than forecast. This is partly due to an ambitious work programme and staff availability to undertake activities while managing events that have occurred towards the end of this financial year such as the Cyclone Gabrielle response, and response to recent maritime incidents.

#### 4.2 Budget 2023/24

The purpose of this paper was to seek Board approval for the Maritime NZ (including RCCNZ) and OPF budgets. The Board:

**noted** staff efforts to pull together the 2023/24 budget not knowing the outcome of the funding review

**noted** that, in recent years, MNZ completed a efficiencies and effectiveness review as a cost saving exercise

**approved**, subject to further costs breakdown and explanations to be provided by staff, the 2023/24 budget for Maritime NZ (including RCC) that comprises:

- i) revenue of \$89.89 million, expenditure of \$89.88 million and an operating surplus for the year of \$0.01 million; and
- ii) capital expenditure of \$3.755 million.

**noted** that the Chair will coordinate input from Board members with regards to budget explanations and has the authority to approve the budget

**approved** the 2023/24 budget for the Oil Pollution Fund that comprises:

- i) revenue of \$8.88 million, expenditure of \$7.41 million and an operating surplus for the year of \$1.47 million; and
- ii) capital expenditure of \$1.405 million

**recommended** that the Minister of Transport approves the proposed Oil Pollution Fund Budget including relevant elements as necessary, as required under Section 332(1) of the Maritime Transport Act

**noted** that MNZ anticipates receiving a letter of support from the Ministers of Finance and Transport to enable MNZ and the Oil Pollution Fund to satisfy the going concern basis

**noted** in relation to the international travel budget, that while our emissions are trending down for Q1 to Q3, the cost of ticket prices are increasing. The Board will receive updates on these trends through regular reporting.

**Jo Brosnahan and Roy Weaver**

**(carried)**

#### 4.3 MPRS Capital Programme 2023/24

This paper provided the Board with a report back on Year One results for the Oil Pollution Fund (OPF) / Marine Pollution Response Service (MPRS) Capital Programme and the proposed capital purchase programme for Year Two. The Board:

**noted** the update on Year One (2022/23) of the MPRS capital programme

**endorsed** the proposed budget for Year Two

**noted** [REDACTED] s 9(2)(g)(i)

**approved** delegation to the Chief Executive to authorise expenditure for any programme related purchases that are beyond standing financial delegation limits.

**Jo Brosnahan and Roy Weaver**

**(carried)**

#### 4.4 SG Fleet Master Lease Agreement

The purpose of this paper was to obtain board approval to enter into a Master Lease Agreement between SG Fleet and Maritime NZ as it is anticipated that the costs are greater than Director Delegations. This decision enables MNZ to continue the transition to Electric Vehicles as part of the Emissions Reduction Plan and government requirements. The Board:

**noted** that our transition to electric vehicles represents a fleet carbon footprint reduction of almost 75% by 2025

**noted** [REDACTED] s 9(2)(b)(ii)

**noted** that we have undertaken a procurement process to identify a vehicle fleet provider and have identified SG Fleet as the preferred provider

**noted** that the terms of the Master Lease agreement have been oversights by Maritime NZ Legal

**noted** there is no minimum dollar amount or fixed term period associated with the Master Lease Agreement and the individual lease vehicle agreements will be in line with the Financial Delegations policy

**approved** to delegate authority to the Chief Executive to approve and sign the agreed SG Fleet Master Lease Agreement document in accordance to the board guideline and signatory process.

**Jo Brosnahan and Danny Tuato'o** (carried)

#### 4.5 IMSAS Audit Findings

This paper was presented for the Board's consideration and feedback on the Corrective Action Plan that responds to the results of the International Maritime Organization Member State Audit Scheme (IMSAS) audit of New Zealand, and to lay out the next steps of the audit process. The Board:

**noted** the findings and observations arising from New Zealand's first mandatory IMSAS audit

**noted** the Corrective Action Plan, which sets out New Zealand's response to the final audit interim report

**noted** the next steps and indicative timetable for responding to the audit

**noted** that staff will present back to the Board with information on Maritime New Zealand's approach towards implementing the Corrective Action Plan

**agreed** that the audit recommendations will be incorporated into the audit framework which is regularly updated and monitored by the Audit and Risk Committee

**noted** the executive team will consult with the Board prior to the proactive release of the Corrective Action Plan and audit report. The Board noted the importance of framing this with the broader context of the Te Korowai programme and more broadly MNZ's role/remot.

**Jo Brosnahan and Danny Tuato'o** (carried)

**7. Meeting close**

**7.1 Any other business**

No other business matters were raised.

**7.2 Meeting review and close**

The Chair thanked staff for their work and the meeting was closed with a karakia led by Danny Tuato'o.

*The meeting closed at 1:32pm.*



**Jo Brosnahan**  
Chair, Maritime New Zealand

**Future meetings:**

<b>Monday 19 June 2023</b>	Board meeting in New Plymouth
<b>Tuesday 20 June 2023</b>	Board Stakeholder Engagement in New Plymouth

Released under the Official Information Act 1982

# Maritime NZ June 2023 Board Meeting Minutes

Date of meeting:	19 June 2023
Time and venue:	8:30am   New Plymouth
Meeting:	<b>June 2023 Board meeting</b>
Board members:	Jo Brosnahan (Chair), Roy Weaver, Danny Tuato'o and Lesley Haines
Attending:	Kirstie Hewlett and Lizzy Cohen (minute taker)
Executive team:	Deb Despard, Sharyn Forsyth, Andrew Saunderson, Kenny Crawford, Peter Brunt and Esther Livingston
Apologies:	Annabel Davies and Shelley Tucker
Guests:	Rob Warner   Item 4.1, Wayne Rhodes   Item 4.3, Mark Leeming   Item 5.1, Mark Leeming and Rochelle Wengrzik   Item 5.2, Mark Leeming and Dorothy Lee   Item 5.3, Mark Leeming   Item 5.4, Shelley Tucker   Item 5.5, Carolyn Leatherby   Item 5.7

## Directors Only

### **Board annual evaluation**

The Chair presented the 2022/23 Board evaluation report and discussed the collective Board responses with Board members.

§ 9(2)(g)(i)

[Redacted content]

The Board Chair will review the survey questions to identify any updates for next year's annual evaluation questionnaire.

The Chair agreed to discuss the ELT Board evaluation responses with the Director/Chief Executive.

The following actions were agreed as a result of the survey:

- Question 1.7 to be reworded to single out international conventions/audits.
- The Board would like reassurance around how management engages with other Government agencies and to consider for future Board meetings in Wellington whether there is the opportunity to engage with key government stakeholders.
- More work needs to be undertaken on reflecting in an accessible way individual regulatory risks as part of risk and assurance (including through enterprise risk management traffic light reporting, directors report and other performance reporting).
- Could management please pull together key measures and benchmarking around efficiency and effectiveness where possible.
- The Board would like more opportunities to engage with staff, both through meetings and out in the field or through engagements. Consider this as part of Board forward work programme.
- Add Board reflection time into the end of meetings.

- Redo 4.3, 4.4 and 11 and 12 questions for next survey and address concerns with the “phrase optimal”.
- Check in on Director/Chief Executive success agreement once a quarter and include Chief Executive revised position description in the resource centre.
- Ensure Board and ARC papers have a context section to show how they relate to the Maritime NZ vision and organisational strategy.
- Consider how we can get feedback on how we engage and circulate the User Experience findings.
- Circulate the development opportunities for Board members and the Board Chair to work with Board members on Individual Development Plans.
- Ensure Minister’s report is circulated to Board Members.
- Continue to progress conversations with Te Manatū Waka on Board fees and also to raise the issue with Ministers.

**Director/CE success agreement**

The Chair noted that she met with the Director/Chief Executive for the 2022/23 Annual Performance discussion. The Director/Chief Executive will present an updated success agreement to the Board.

**Karakia led by Danny Tuato’o.**

**1. Meeting opening and administration**

**1.1 Chair’s welcome**

The Chair welcomed Board members and the Executive Team.

**Independent advisor for ARC**

The Chair noted that, in Directors Only time, the Board:

**discussed** and **agreed** to appoint s 9(2)(a) as an independent Advisor on the MNZ Board’s Audit and Risk Committee for a 12 month term

**noted** s 9(2) will likely join for the next Audit and Risk Committee meeting in July.

**Jo Brosnahan and Danny Tuato’o (carried)**

**1.2 Apologies**

Annabel Davies, Future Director.

s 9(2)(ba)(i)

The Chair noted that, as she is traveling in July, the Deputy Chair, Roy Weaver will Chair the July Board meeting. It was noted that only 3 board members will be present.

Staff agreed to confirm with the Chair the running of Board business and the quorum of the Board now that membership numbers are four.

**1.3 Declaration of interests**

Board members disclosed the following updates to the interests register.

s 9(2)(ba)(i)

#### 1.4 Confirmation of previous minutes

The minutes of the previous meeting held on 22 May 2023 were reviewed by the Board. The Board:

**approved** the minutes of the Board meeting held on 22 May 2023 as a true and accurate record of the meeting.

**Jo Brosnahan and Danny Tuato'o** (carried)

#### 1.5 Actions arising report

The Chief Executive presented the status update on the actions presented in the actions arising report. The Board:

**noted** the actions arising report

noted that staff aim to present a report back to Board on key lessons learnt from recent incident responses in August, not July as reflected in the report.

#### 1.6 Board meeting schedule and work programme 2023

The Board:

**noted** that Roy Weaver, Deputy Chair will not be available to attend in person for the October and November meetings, however he can be available to join remotely, by videoconference.

**noted** that the next regional Board visit is in Whangarei.

**noted** that staff will discuss engagements with local iwi with the Chair and Board Director, Danny Tauto'o.

#### 2. Chair's Report – verbal update

No other items.

#### 3. Director's report

The Chief Executive/Director introduced the report. The Board noted the report and discussed the following topics:

##### *Funding review*

Cabinet have agreed the funding review discussion document, with release of the document subject to Minister of Finance and Associate Minister of Transport approval. Staff expect to have approval from the Minister of Finance and the Minister of Transport on the funding review discussion paper on 25 July. Once Ministerial approval is received, then MNZ has the authority to go out for public consultation, at which point, staff will move quickly to conduct webinars with the sector and present back to DEV before the election. This will enable MNZ to provide funding arrangements to stakeholders who need to pass on any costs (ie levies) and enable MNZ to meet the cost recovery model by 1 July 2024 deadline.

The Board Chair noted that, although we won't need a letter of support should the funding review go through, we are not comfortable to confirm we don't need the letter until we have final confirmation of the funding review. This will mitigate risk to the organisation should the funding review not go through.

Staff will circulate the consultation document and messaging to Board members.

## *Media*

Staff noted that Kiwirail and MNZ have been in the media in the last week regarding the safety management of inspections in relation to Kiwirail. Subsequent to this, MNZ have received a large number of OIA's.

### *Approach for media*

Staff presented an approach for Board reporting on media issues, which will involve an update in the Director's Report on key media themes and will also provide an overview of OIA's and ministerials. The Board supported this approach, provided that this is not too much burden on staff time.

### *Seafarer Welfare Board*

It was noted that the Seafarer Welfare Board are in discussions about their role. This is due to the board's focus changing to service delivery instead of oversight, an impact of COVID-19 requirements. As such, there are discussion options for both a service delivery group and a Board oversight group.

### *Niagara wreck*

It was noted the recent attention on the Niagara wreck and the lack of funding to progress with options to assess the wreck. [REDACTED] s 9(2)(g)(i)

### *Ocean going tugs*

[REDACTED] s 9(2)(f)(iv)

### *International visits*

The Director/Chief Executive provided an overview of her recent international visits with stakeholders in Singapore and the UK. Key highlights were:

- The high levels of automation at the Singapore Port (autonomous electric container movers, cranes loading vessels operated from a control centre, drones undertaking maintenance onshore and under the water). However, despite the efficiencies, health and safety and human factors will still need to be a continued focus. Also, Singapore are training their workforce now for the future.
- Learnings from response issues – meeting with contractors who advise in the event of a significant maritime incident; the industry body for protection and indemnity insurers; administrators of the International Oil Pollution Compensation Funds; and the Oil Spill Response Limited (which is like MPRS). Our relationships remain strong, which is particularly important post COVID-19 and with some of the issues we are seeing around our coast so we can connect with these organisations to support a maritime incident response. Emerging global challenges were also discussed ie plastics and green fuels.
- Green fuels and corridors – working towards and influencing internationally on the emissions reduction goals and preparing our ports and country to support green shipping with the aim of protecting the security of supply chains that bring critical goods to New Zealand.
- Signing the Cape Town Convention –to improve the standards for the design and construction of fishing vessels. A big milestone.
- Maritime Women's Day – discussion centred around women sharing their stories of working in maritime and how we continue to encourage women, and other diverse participation in the maritime sector.

## **3.1**

### **Funding and Priorities**

The Board agreed to discuss this paper after lunch.



## 4. Strategic conversations and decisions

### 4.1 Strategic uncertainties

This paper frames/reflects the Board's ongoing strategic uncertainties discussions, capturing the items raised during the April 2023 meeting for the Board's review and comment and provides the Board with an opportunity to explore and discuss the 'What?', 'So What?' and 'Now What' aspects for Maritime NZ of these, and any emerging new, strategic uncertainties. The Board:

**noted** that the output from the Board's strategic uncertainties workshop held in Whanganui in April 2023 has been collated into a draft table for reference

**noted** that the Board's ongoing strategic uncertainties conversations are 'generative' insofar as they help to provide context for considering 'what if?' and frame Maritime NZ's strategic choices and responses

**noted** that any strategic risk that becomes more certain and requires controls will become a risk as part of Maritime NZ's enterprise risk management framework and process

**considered** and **reviewed** changes to the content and format of strategic uncertainties table to best support the Board's anticipatory governance conversations

**discussed** the following issues which are manifesting locally, regionally, and/or globally, with a view to updating and tracking them in the strategic uncertainties table:

*disinformation*, particularly AI enabled, and the risk of people's declining trust in the government and government agencies and, the potential threat to democracy by malicious actors

*the fight for the oceans* (emerging strategic risk) – there is more ~~desire~~ pressure to use the ocean domain for a range of economic purposes ~~them~~ e.g. Windfarms.

*Security of shipping supply chains* – the risk that industries are moving and New Zealand is not keeping up. Te Manatū Waka are developing a freight strategy, however the Board acknowledged the importance of implementation.

*Failure of the shipping system* – the impact on our regulatory delivery if the quality of ships coming to New Zealand is poor. There is also an international risk for New Zealand if our maritime regulatory regime looks slow, unresponsive, and/or too expensive for shipping companies.

*Disruptive Tech* – the risk that we do not have the resources (i.e. capability and capacity) and/or an adaptive regulatory framework to respond. Wing in Ground effect craft (e.g. Seaglidors) are a good test case for us – it is clear Maritime NZ is the regulator.

*Rate or pace of change* – this continues to accelerate, testing New Zealand's ability to look over the horizon and respond. As a country we don't do that well at this (election cycle) because planning is so long. Some other countries (ie Nordic countries), use cross-party coalitions and dedicated foresight teams to address this issue.

*Workforce* – need a future ready maritime workforce and a strategy to address this. A line item will be added to the enterprise risk framework relating to institutional arrangements to mitigate with this risk.

*Break for lunch.*

### 3.1 Funding and priorities

The Director/Chief Executive presented a report for the Board's information and to support discussion on MNZ's funding and priorities. The report included an "on a page" overview of our organisational strategy and work programme, outlined where MNZ's funding goes and the prioritisation that has occurred over the last two years around our capacity, focussed on achieving good regulatory performance; and provides for an opportunity for the Board to test whether there is anything in the prioritisation the Board has issues with or would like further conversation around. It also outlined the lack of flexibility in our funding movement, given our different funding sources. The Board:

**noted** and **discussed** this report which provides an overview of the Maritime NZ organisational strategy and work programme and the funding and prioritisation that has occurred in the last couple of years

**noted** that, in addition, staff are reflecting on the last Board meeting and how to better and more simply portray for the Board how our risk and assurance programme relates to our organisational strategy, Te Korowai o Kaitiakitanga, and how we can provide more streamlined performance reporting to the Board on our work. Staff are also refining how we do this internally as a leadership team

**noted** that staff intend to, over the next few months, present different types of reporting to see if they meet the Board's need and reflect this in the forward work programme

**noted** that with Crown Funding, staff expect this to taper off from 1 July 2024

**noted** that this report provides a useful overview, particularly for the larger pieces of work that MNZ have submitted budget bids for.

### 4.2 'Clean' Strategic Deep Dive

In February 2023, the Board agreed on the Maritime NZ Outcomes for 2023/24, which are Safe, Secure, Clean and Sustainable.

The Board's strategic conversation for this meeting was centred on the 'Clean' Outcome. The Executive team prepared a presentation on: the history of "clean" in the maritime world, understanding our current mandate through legislation, a table to identify other agencies' 'Clean' roles in the marine domain, and information on what is occurring internationally.

The Board discussed the current context, risks and opportunities to address marine plastic litter – a significant emerging environmental issue.

The Board discussed the issue of the increasing amount of plastics off ships (primarily fishing gear) and that currently it is not possible to identify if plastics are international or domestic. We would like to be able to hold people to account, however there appears to be no prevention, liability and response to enable this.

The Board noted more broadly that internationally, there is an opportunity to consider if we have enough presence and influence. The Board acknowledged the importance of partnering with other countries, such as Australia, to work with them to influence on an international (IMO) level. The 'Pacific voice' will also help and they are currently working on agreeing the priorities ie plastics.

It was noted that currently, with existing resources, we don't think about the cumulative harms of plastics in our readiness and response work. Staff believe that we could quantify plastics as more of an issue than oil. There is an opportunity for our prevention and response to be an integrated maritime response (responding to all hazards), however it is currently not set up to cover dangerous goods, plastics etc. Staff noted that the internal review they are conducting on our response Security and Safety Services is expected to highlight what is required to enable this. It was noted that legislative reform will help to drive this change.

The Board acknowledged that this is a complex, emerging issue which we need a plan to respond to. This review will help inform our response, then we need to maximise our input for what we can do.

The Board noted that there is a risk of doing too much with too little, however agreed that this is important to do for New Zealand.

The Board noted that the next strategic conversation will be on the 'Secure' Outcome scheduled for the August Board meeting.

#### 4.3 Tā Mātou Rautaki Māori

This paper sought Board endorsement of the proposed Te Ao Māori strategy "Tā Mātou Rautaki Māori". The Board:

**noted** that Kaihautū Māori has lead the development of Tā Mātou Rautaki Māori

**noted** our obligations to Te Tiriti o Waitangi sit across all the work that we do and Tā Mātou Rautaki Māori provides a framework for how we will deliver on our obligations which sit within the Weaving of the Cloak Pillar in Te Korowai o Kaitiakitanga

**noted** that staff intend to develop a Capability Plan to support the delivery of the objectives outlined in this strategy.

**noted** that the delivery will be subject to resources and funding availability. Staff intend to create MNZ staff working groups with a spread of staff from across the organisation to progress the actions, and the Terms of Reference for these working groups will provide the focus for the groups

**agreed** that the Board will discuss individual and collective board accountabilities and, with staff support, will look at training and development opportunities

**noted** that they can see that this strategy is already embedded in the MNZ organisational strategy and that the principles in Tā Mātou Rautaki Māori will help to guide us. The strategy works with our values and how we want to work with each other

**endorsed** Tā Mātou Rautaki Māori.

**Danny Tuato'o and Jo Brosnahan** (carried)

## 5. Organisational reporting and accountability

### 5.1 May Financial Report

This report provided an update on the financial results and other financial matters for Maritime NZ (incl. Rescue Co-Ordination Centre) and the Oil Pollution Fund for the eleven months to 31 May 2023. The Board:

**noted** the financial results for Maritime NZ and the Oil Pollution Fund for the eleven months to 31 May 2023

**noted** that based on current run-rate there will be reduced draw-down of approximately \$1.5m liquidity funding than anticipated through our February forecast.

**noted** that significant events have drawn on our resource which has impacted our progress and ability to spend, which has resulted in an underspend

**noted** that the MNZ reserves provide for a risk mitigation for potential delays in the funding review

**noted** that MNZ has a healthy budget allocation for staff training. This is hard to prioritise when staff are under pressure, however, staff have a plan in place for next year, in particular for HSWA.

## 5.2 Final Draft Maritime NZ 2023/24 Statement of Performance Expectations

This report sought Board approval of the final draft Maritime New Zealand 2023/24 Statement of Performance Expectations (SPE) and Financial Statements. The Board:

**noted** the summary of changes since last Board review on 17 April and 22 May

**noted** that MNZ are unlikely to receive a Letter of Expectation from the Minister for 2023/24, however the Minister has reviewed the draft MNZ 2023/24 SPE which outlines our plans for the coming year

**noted** the specified amount able to be drawn down from liquidity funding in 2023/24 is \$18.5m

**noted** that, provided the funding review proceeds in accordance with our expected timeframe, then it is anticipated that a letter of support will not be required beyond 2023/24

**agreed** that, as also discussed as part of the Directors Report item, the Board Chair would like this proviso to be included in the prospective financial statements – if the funding review stalls at all, the letter will be required.

**approved** the 2023/24 SPE and Prospective Financial Statements.

**Jo Brosnahan and Lesley Haines** (carried)

## 5.3 Maritime NZ Insurance Programme Renewal 2023/24

This paper sought to obtain Board approval to renew the Maritime NZ insurance programme with effect from 1 July 2023. The Board:

**noted** the process and proposed coverage for the 2023-24 insurance programme renewal

**noted** that proposed insurance programme costs are a 15% increase over prior year

**noted** that in some cases final proposals are not yet received (MNZ are not the only clients experiencing delays) and have been estimated based on brokers advice

**approved** the proposed asset and liability insurance programme, with an estimated premium and associated costs of \$597k. An increase of \$1k since the report was written to reflect the increase in the Fire Service Levy

**requested** confirmation on the amount allocated for Directors Liability cover to ensure adequate cover for board directors

**agreed** to **delegate** to the Director/Chief Executive to approve the overarching 2023/24 Insurance Programme costs once received, subject to staff's confirmation on the directors liability cover.

**Danny Tauto'o and Roy Weaver** (carried)

## 5.4 Audit Proposal Letter and Engagement Letters for MNZ and OPF

The Deloitte audit engagement letters and audit proposal for the 2023 and 2024 financial years were presented for Board consideration and approval. The Board:

**noted** that the Audit and Risk Committee met the auditors in May and discussed key aspects of the upcoming audit

**discussed** and **approved** the audit proposal letter and the two audit engagement letters for Maritime NZ and the Oil Pollution Fund

**noted** that, as mentioned at the May Audit and Risk Committee meeting, Deloitte have honoured the Audit NZ fees.

**Lesley Haines and Danny Tauto'o**

**(carried)**

## 5.5 **Massey University Contract Renewal**

This paper sought Board approval for Maritime New Zealand (Maritime NZ) to renew a contract with Massey University (the University) for the provision of preparedness and response capabilities to assist oiled wildlife in the event of a marine oil spill. The Board:

**noted** that Maritime NZ has maintained a contract with Massey University for the provision of a wildlife response capability since 1998

**noted** that this contract provides valuable training and monitoring in the event of an oil (or other chemical) spill and the impact on wildlife

**requested**, for their interest, that staff provide an overview of the number of spills that impact wildlife

**noted** that the services under the contract are deemed by Management to be a critical component of Maritime NZ's overall marine oil spill response capability

**noted** that the current contract was signed in 2020 with a three-year term and the option to renew the contract for a further three years

**noted** that since the proposed renewal covers the period 1 July 2023 to 30 June 2026 at a total cost of s 9(2)(b)(ii) over three years, s 9(2)(b)(ii) the total amount is outside the Chief Executive's standing financial delegation

**delegated** the authority to sign the contract extension to the Chief Executive Maritime NZ.

**Roy Weaver and Danny Tuato'o**

**(carried)**

## 5.6 **People and Capability Report**

This paper provided an update to the Board on Maritime NZ people and capability metrics and a summary of People and Capability work initiatives. The Board:

**discussed** and **noted** this report providing an update on People Capability key metrics and work initiatives

**noted** that staff are reviewing Maritime New Zealand metrics and reporting to reflect the new Office of the CE and People Capability Group structure and the culture and capability reporting within the Weaving of the Cloak of Te Korowai o Kaitiakitanga

**noted** the recent decision for health and safety reporting to be presented and discussed at the Audit and Risk Committee. However, the Board wants assurance that the Board are still meeting its health and safety obligations, as set out in the Board Charter and Board Health and Safety Charter.

## 5.7 **Agenda and Briefings on New Plymouth stakeholder visits 19/20 June**

**noted** the briefings and agenda for Monday night and Tuesday local stakeholder engagement

**noted** that staff will consider and discuss engagement with local iwi for regional visits with Board members.

**6. Recurring business**

**6.1 Correspondence Report**

noted the correspondence received and prepared on behalf of the Board since the April 2023 Board meeting

noted that a letter from the Public Service Commission regarding code of conduct standards was sent by the Chair to Board members.

**7. Meeting close**

**7.1 Any other business**

No other business matters were raised.

**7.2 Meeting review and close**

The Chair thanked staff for their work and the meeting was closed with a karakia led by Danny Tuato'o.

*The meeting closed at 4:35pm.*



**Jo Brosnahan**  
Chair, Maritime New Zealand

**Future meetings:**

<b>Monday 17 July 2023</b>	Board meeting (videoconference) Audit and Risk Committee (videoconference)
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# Maritime NZ July 2023 Board Meeting Minutes

Date of meeting:	17 July 2023
Time and venue:	12:17pm   Virtual
Meeting:	<b>July 2023 Board meeting</b>
Board members:	Roy Weaver (Deputy Chair), Danny Tuato'o and Lesley Haines and Annabel Davies
Attending:	Kirstie Hewlett and Lizzy Cohen (minute taker)
Executive team:	Sharyn Forsyth, Andrew Saunderson, Shelley Tucker, Peter Brunt and Esther Livingston
Apologies:	Jo Brosnahan, Deb Despard and Kenny Crawford
Guests:	Mark Leeming   Item 4.1, Brian Cosgriff and Saul Simmonds   Item 4.2

## Directors Only

The Board Chair has recently engaged with Public Service Commission and completed a process to review the Director/Chief Executive's remuneration. The Board discussed and approved the recommended changes to the Director/Chief Executive's remuneration with effect from 1 July 2023.

### 1. Meeting opening and administration

#### 1.1 Chair's welcome

The Chair welcomed Board members and the Executive Team.

#### 1.2 Apologies

Jo Brosnahan, Deb Despard and Kenny Crawford.

#### 1.3 Declaration of interests

Board members disclosed the following updates to the interests register.

s 9(2)(ba)(i)

#### 1.4 Confirmation of previous minutes

The minutes of the previous meeting held on 19 June 2023 were reviewed by the Board.  
The Board:

**approved** the minutes of the Board meeting held on 19 June 2023 as a true and accurate record of the meeting.

**noted** that the CE's success agreement is being updated post the June performance discussion which will be brought back to the Board along with their position description in August.

**Danny Tuato'o and Lesley Haines**

**(carried)**

#### 1.5 Audit and Risk Committee Recommendations – 22 May 2023 meeting

This paper provided an overview to the Board of Audit and Risk Committee (ARC) meeting held on 22 May 2023 and present any recommendations from the ARC to the Board. The Board:

**noted** that the Board Chair has provided written feedback on the minutes prior to this meeting

**approved** the minutes of the Audit and Risk Committee meeting held on 22 May 2023, subject to updates provided by the Board Chair

**endorsed** the internal assurance programme 2023-25 which was reviewed and endorsed by the Committee at its 22 May 2023 meeting.

**Danny Tuato'o and Lesley Haines** (carried)

## 1.6 Actions arising report

The Chief Executive presented the status update on the actions presented in the actions arising report. The Board:

**discussed** the status of the actions in the actions arising report

**noted** that there are a lot of actions in the report from the June meeting and agreed that the Board will clarify which actions are required by management to ensure it is not too onerous for staff.

## 1.7 Board meeting schedule and work programme 2023

The Board:

**noted** the 2023 work programme

**noted** that Board members and ELT will travel the night before regional Board visits to ensure staff are not too tired and to minimise impacts to Board engagements and business due to travel delays.

## 1.8 Redesigned Board Annual Agenda and 2024 meeting dates

This paper presented proposed 2024 Board meeting dates and locations for Board discussion and agreement and a proposal to redesign the Annual Board Agenda and Board meeting agenda to focus on key governance activities. The Board:

**discussed** and **agreed** the redesigned Annual Board Agenda template

**noted** that once the Board has endorsed the Annual Board Agenda template, staff will populate the agenda to reflect 2024 regular Board reporting, focused strategic discussions and Board stakeholder engagement opportunities

**discussed** and **agreed** the proposed 2024 Board meeting dates and that staff would further engage with the Board on meeting locations.

**Danny Tauto'o and Lesley Haines** (carried)

## 2. Chair's Report – verbal update

The Board Chair noted the upcoming Crown entities panel discussion with Te Manatū Waka regarding how the monitoring agency works best with Boards and asked for Board member input on key points for Lesley to raise, who is attending on behalf of the Maritime NZ Board. Key points made by the Board were:

- *Better engagement with the Board* - a desire for the Ministry to engage with the Board at a strategic level, with the appropriate senior Ministry staff and on key strategic topics i.e. the freight strategy or emissions reduction plan.
- *Transport Sector Board Forum* – that this forum facilitates a two way discussion rather than just information from the Ministry to Board's, i.e. a discussion on what are the challenges Transport Boards are facing and how can the Ministry support.



- *Board members are valued and respected* – Board members are valued for their experience, wisdom, value and contributions. The Ministry is engaged and supports an efficient and effective Board membership appointment process including strategic conversations with Board Chair's on membership terms and succession planning. That Board members are compensated appropriately for their time, noting that the Cabinet fees framework was updated in 2022 and engagement with s 9(2)(g)(i)
- *The Ministry's monitoring role* – a suggestion that the Ministry asks themselves what is their monitoring role? How does this flow into meetings with the Minister – governance versus management.

### 3. Director's report

The Director/Chief Executive introduced the report which, in the spirit of Matariki, was themed around things to celebrate and reflect on. The Board noted the report and discussed the following topics:

*Celebration of the benefits of change: Maritime Inspections team* - since the establishment of the Maritime Inspections team, Maritime NZ is receiving notable attention with key stakeholders commenting positively about the work that has been done and the changes made. In particular ports and unions who recognise the risks that poorly maintained ships create. With the recent big vessel issues around our coast, the Board discussed the team's wellbeing. The Board would like to pass on their thanks to the team.

*Shiling vessel* – the vessel has left Wellington harbour to make the journey back to Singapore. The Board noted the teams work particularly on the negotiations of the conditions for the Shiling to leave New Zealand waters.

*Media* – the Kaitaki's loss of power in January 2023 (the release of the preliminary TAIC report occurring during the month). Staff are responding to OIA requests and will be releasing information between Maritime NZ and Kiwirail regarding individual deficiencies which were found on vessels and our work with Kiwirail to address them. The information for release also includes correspondence between Maritime NZ and Kiwirail highlighting, more broadly, issues on maintenance and health and safety culture on vessels and our conversations with other regulators about these issues. It was also noted that Maritime NZ are currently investigating the Kaitaki incident.

s 9(2)(f)(iv)

*Funding review* – staff provided a verbal update to the Board on the Funding review. MNZ has received agreement from Ministers and staff are working hard to go out to consultation on the funding review in an effort to meet the 1 July 2024 timeframe. Consultation will be open from Wednesday, 19 July to Wednesday, 16 August 2023. It was noted that consultation and advice to Ministers will pause during the election and be picked back up in the New Year. Staff agreed to provide a copy of the consultation document and key messages to the Board and the Audit and Risk Committee.

The Board discussed the timing of the publication of our 2023/24 Statement of Performance Expectations (SPE). The Board:

**agreed** that we publish the 2023/24 SPE once we have received the agreed and signed Letter of Support.

**Lesley Haines and Danny Tuato'o**

**(carried)**

#### 4. Organisational reporting and accountability

##### 4.1 Snapshot Maritime NZ Financial Result to 30 June 2023

This report provided an update on the financial results and other financial matters for Maritime NZ (incl. Rescue Co-Ordination Centre) and the Oil Pollution Fund for the eleven months to 31 May 2023. The Board:

**noted** the draft financial results for the Full year to 30 June 2023

**noted** that the results are close to forecast and expectations at May month end

**noted** that we have spent significantly less liquidity funding than budget largely due to higher revenue than expected and will have \$18m remaining in the liquidity fund at the end of the financial year. Our forecast had predicted the balance at year end would be \$13.8m

**noted** that we have received Crown revenue for our work in the Cyclone Gabrielle response

**noted** final adjustments are still being completed and that a more fulsome report will be provided to the Board at the next meeting, which will have in-depth analysis and commentary.

##### 4.2 Maritime NZ 2022/23 Annual Report

The paper and presentation by staff outlined the proposed approach and key steps in the production of the 2022/23 Annual Report, and sought the Board's views and insights into the development of key performance story themes to be used. The Board:

**noted** the proposed approach and considerations to developing the 2022/23 Annual Report

**noted** the key dates in the production of the 2022/23 Annual Report

**discussed** and **agreed** the proposed performance story key themes, including highlighting the high trust and confidence feedback from the sector that we are a good and effective regulator (and examples of where we have gone beyond our mandate) and that we are visible and engaged with our stakeholders (i.e. Board and ELT regional visits and stakeholder engagement). It was noted that staff are considering the option to conduct a stakeholder engagement survey, and that this can be challenging for a regulator but could provide useful feedback. Other suggestions from the Board were; our approach to risk management, partnering as a delivery model (i.e. Massey University contract), commitment to CNGP, and digitalisation journey

**noted** that sustainability will be covered in next year's Annual Report.

**Danny Tuato'o and Lesley Haines**

**(carried)**

#### 5. Meeting close

##### 5.1 Any other business

No other business matters were raised.

##### 5.2 Meeting review and close

The Chair thanked staff for their work and openness is appreciated by the Board and the meeting was closed with a karakia led by Danny Tuato'o.

The meeting closed at 1:48pm.



**Roy Weaver**  
Deputy Chair, Maritime New Zealand

**Future meetings:**

Tuesday 15 August 2023	Board meeting (Whangarei)
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Released under the Official Information Act 1982

# Maritime NZ August 2023 Board Meeting Minutes



Date of meeting:	15 August 2023
Time and venue:	8:50am   in Whangārei
Meeting:	<b>August 2023 Board meeting</b>
Board members:	Jo Brosnahan (Chair), Roy Weaver, Danny Tuato'o and Lesley Haines and Annabel Davies (joined on Zoom due to illness)
Attending:	Kirstie Hewlett and Lizzy Cohen (minute taker)
Executive team:	Deb Despard, Sharyn Forsyth, Andrew Saunderson, Shelley Tucker, Peter Brunt and Esther Livingston
Apologies:	Kenny Crawford
Guests:	Vicky Robson, Sarah Bailey, Wayne Rhodes, Briar Gill-Michaels   Item 4.1, Rob Warner   Item 4.3, Natasha Hallett and Alexis Bannister   Item 4.4 Mark Leeming   Item 5.1

## Directors Only Discussion

### Director/Chief Executive success agreement and professional development proposal

The Director/Chief Executive presented an updated success agreement and a professional development proposal for Board approval. The Board:

[Redacted text block containing several lines of greyed-out content. A small red label 's 9(2)(a)' is visible above the first line of redaction.]

#### 1. Meeting opening and administration

Karakia lead by Danny Tuato'o.

##### 1.1 Chair's welcome

The Chair welcomed Board members and the Executive Team.

The Chair thanked staff for organising engagements with local stakeholders on Monday 14 August, acknowledging the work that goes into the regional visits. They hope that the depth of these conversations will benefit the organisation. The Chair noted the opportunity the visits provide to hear from the ground, locally and nationally, with some themes from Whangārei being – climate change, port safety and security, poverty, racial tensions, opportunities for the maritime industry, sustainable freight movement and the importance of road and rail connectivity to the Port.

##### 1.2 Apologies

Kenny Crawford.

### 1.3 Declaration of interests

Board members noted the interests register.

### 1.4 Confirmation of previous minutes

The minutes of the previous meeting held on 17 July 2023 were reviewed by the Board. The Board:

**approved** the minutes of the Board meeting held on 17 July 2023 as a true and accurate record of the meeting.

**Roy Weaver and Danny Tuato'o (carried)**

### 1.5 Audit and Risk Committee Recommendations – 17 July 2023 meeting

This paper provided an overview to the Board of Audit and Risk Committee (ARC) meeting held on 22 May 2023 and present recommendations from the ARC to the Board. The Board:

**approved** the updated Capital Expenditure Policy which was reviewed by the ARC at the July meeting and endorsed for Board approval

**noted** that the minutes of the Audit and Risk Committee meeting held on 17 July 2023 will be presented to the Board once endorsed by the ARC at their next meeting on 30 October 2023.

**Lesley Haines and Roy Weaver (carried)**

### 1.6 Actions arising report

The Chief Executive presented the status update on the actions presented in the actions arising report. The Board:

**discussed** the status of the actions in the actions arising report which will be updated accordingly.

### 1.7 Board meeting schedule and work programme 2023

The Board:

**noted** the 2023 work programme which will be rolled into next year while the new work programme template is being populated by staff. This will come back to the Board for review, input and approval

**agreed** with staff's recommendation to move the September short, virtual Board meeting on 18 September to a short in person meeting on 28 September when members are in Wellington for World Maritime Day function.

## 2. Chair's Report – verbal update

The Chair noted that they have been working with Te Manatū Waka on potential candidates for the vacant Board Director positions, which were expected to be presented to cabinet last week, so we should hear this week. Once the Chair is notified, they will advise the Board and staff will arrange their induction.

## 3. Director's report

The Director/Chief Executive introduced the report. The Board noted the report and discussed the following topics:

*New Associate Minister of Transport*

After providing a Briefing to Incoming Minister, staff recently met with the newly appointed Associate Minister of Transport, Hon Damien O'Connor, following a request by staff for an introductory meeting and to discuss the advice on the Niagara and Emergency Towage Capabilities. It was agreed that staff will meet with the Minister on an issue by issue basis due to the House rising and the lead up to the election and workload pressures.

During the Board meeting, at 10:10am, the Letter of Comfort arrived by email from the Ministers of Finance, Transport and Associate Transport to the Board Chair. It confirms funding left in the Multi-Year Appropriation could be used in the 2024/25 year.

The Board **agreed** to publish the 2023/24 Statement of Performance Expectations, now that the Letter of Comfort has been received.

**Jo Brosnahan and Danny Tuato'o**

**(carried)**

*Emergency response and Te Korowai o Kaitiakitanga – Integrated Readiness and Response and Security Refresh*

The Director/CE noted that the team has been very busy responding to vessel issues, most recently Achilles Bunker, while maintaining and managing good relationships. Recent events have demonstrated the importance of the availability of emergency ocean response capabilities (towage).

The Board noted that the Integrated Readiness and Response and Security Refresh has been completed.

*Te Korowai o Kaitiakitanga – Health and Safety at Work at (HSWA) designation*

The Director/CE noted that the HSWA designation is a very large piece of work; however, we have a good programme manager and we are making progress. It was noted that WorkSafe NZ are going through some challenging financial times which has meant that our staff are doing a lot of the work on this.

*Collective bargaining*

The Board noted the update from staff that collective bargaining has now completed.

*World Maritime Day*

The Board noted the theme for this year's World Maritime Day is 'MARPOL at 50 – Our commitment goes on' and staff's outline of the World Maritime Day function which has a 'Clean' element. They noted that Kenny Crawford will lead the function and will talk to the transition that has happened post Rena, Dr Rob Carr of the Climate Change Commission will also speak, and the Board Chair will provide the introduction.

*TAIC preliminary report - Enchanter*

The Board noted the recently published TAIC preliminary report, into the fatal Enchanter capsizing. [REDACTED] s 9(2)(g)(i)

[REDACTED] The recommendations from the report have gone to Te Manatū Waka. [REDACTED] s 9(2)(g)(i)

*Funding Review*

The Board noted that the Funding Review consultation closes on Wednesday 16 August. Staff will provide an update to the Board and Minister, once submissions have been analysed.

*Property Update on 1 Grey St*

The Board noted the update from staff that negotiations s 9(2)(b)(ii) are going well.

*Legally privileged and in confidence – Legal update as at 2 August 2023*

The Board noted the regular legal update from staff. They suggested that staff consider how this report is presented in future so that is provided as more of a summary ie workload has increased due to more and complex investigations etc.

*Workforce*

s 9(2)(g)(i) Maritime NZ is working with a group of people within the sector to address workforce pressures. While many of the solutions are in the hands of the sector, Maritime NZ is undertaking actions where we have levers to continue to look at how to improve Workforce settings.

#### 4. Strategic conversations and decisions

##### 4.1 Weaving of the Cloak Pillars Update

This paper provided an update to the Board on the work underway on four pillars that are part of the Weaving the Cloak programme and progress since the last update to the Board in February 2023. It also included MNZ's Environmental Sustainability strategy for the Board's endorsement. The Board:

*Weaving the Cloak Pillars update*

**discussed** and **noted** this report providing an update on four of the Weaving the Cloak (Whiria te tangata) pillars, being:

- Diversity, Equity and Inclusion (DEI)
- Te Ao Māori
- Connection & National Office Project
- Environmental Sustainability

**noted** that staff are refocusing the Growing our People pillar to focus on organisational capability and employee experience.

**noted** the overview given at the meeting from each of the pillar leads on the key opportunities, focus areas, and risks associated with the work programmes:

*Te Ao Māori* – now that Tā Mātau Rautaki Māori has been approved, the main focus is the development of the capability plan, which is being developed in conjunction with Te Amokura and which will be our action plan. Success, as defined by the pillar lead, is when staff feel comfortable in Te Ao Māori, which will happen over time and with the support of the capability plan activities.

*DEI* – staff noted that the outputs of the programme will be measured once staff are surveyed to determine things like; how inclusive are we, do staff feel like they belong? The pillar leads noted that their goal is that DEI is considered as business as usual – it is built in to how we work.

*Connection* – leadership of this pillar is a key focus as the current staff member leading this work programme is not continuing in the role. This pillar was established to look at addressing silos across the organisation and to support staff to work well across the organisation. The Director/CE noted that it is likely this will be a shorter term work programme.

*Environmental sustainability* – the new organisational values have enabled a clear story for how our identity is linked to environmental sustainability and there has been a lot of staff engagement. There are some clear themes emerging from the data collected so far and the new analytics staff member is bringing some of this data to life. The data collected is measurable and auditable.

**noted** that while there is a lot of work to be done across these programmes, significant progress has been made over a short period of time, the leads feel supported, and the establishment of the staff engagement/working groups will help drive progress. It was noted that we have had broad engagement from staff across the organisation to join and be part of these staff engagement/working groups, which has been very positive to see.

**noted** that Health and Safety as agreed previously by the Board is being reported through the Audit and Risk Committee and work is underway to revise reporting which staff are planning to discuss with the Board in October

#### *Environmental Sustainability Strategy*

**endorsed** our Environmental Sustainability Strategy

**noted** the organisation's commitment to environmental sustainability predates the CGP reporting requirements. This has meant that we have a good data base which can be audited to an international standard. It was noted that our focus has largely been on emissions due to responding to CGP. Staff believe we are tracking well to meet our targets and are currently finalising an action plan to 2025. Future reporting to the Board will provide visibility of the action plan. Recent reporting from the CNPG for August 2023 identified Maritime New Zealand as the best performing agency.

**noted** the great progress made by staff which provides Board comfort in this work programme

**noted** when considering the Board's role in contributing to environmental sustainability, their aspiration to be a sustainable influencer – promoting good practice and also stimulating discussion more broadly e.g. the recent stakeholder discussions on 'Clean', specifically plastics. While it is not MNZ's core responsibility, as a future focused regulator it is important to have these discussions with stakeholders in an effort to influence positive change.

**Danny Tuato'o and Roy Weaver**

**(carried)**

Annabel left the meeting.

Break for lunch.

#### **4.2 Briefing to Incoming Minister**

Staff presented potential key themes for the BIM to the Board for their feedback and input. The Board:

**noted** their support of the key themes as presented by staff:

- Enhancing resilience and response
- Supporting and enabling growth and productivity
- Operation of safe, secure and efficient supply chains
- Reducing inefficiency, complexity and cost

**noted** their desire to have front end story in the BIM to highlight: the story around MNZ's role, the breadth of its role and the investment it has made into its capability and value for money; the 'burning platform' Maritime sector issues that are here now and need to be addressed (ie green shipping / new technologies, the need to build integrated transport links for ports), and the consequences of not doing so, now and into the future.

**noted** that staff will present a draft BIM to the Board.



### 4.3 Strategic uncertainties

This paper frames/reflects the Board's ongoing strategic uncertainties discussions, capturing the items raised during the April 2023 meeting for the Board's review and comment and provides the Board with an opportunity to explore and discuss the 'What?', 'So What?' and 'Now What' aspects for Maritime NZ of these, and any emerging new, strategic uncertainties. The Board:

**noted** that the output from the Board's strategic uncertainties workshop held in New Plymouth in June 2023 has been collated into a draft table for reference

**considered** and **discussed** updates or changes to the content of strategic uncertainties table to reflect the Board's best current thinking

**noted** any specific strategic risks identified by the Board (flowing from these strategic uncertainties) that have become realised (i.e. Now risks), as per our risk approach, have been included in Maritime NZ's enterprise risk management framework and process

**discussed** the following issues which are manifesting locally, regionally, and/or globally, with a view to updating and tracking them in the strategic uncertainties table:

*Future ready workforce* – there is currently no future strategy for workforce in NZ; however there are good examples of this globally ie Singapore and India. s 9(2)(g)(i)

Staff noted that there is a group working on a pathway to addressing workforce issues and staff will update the Board as the work progresses.

*Geostrategic shock* – feedback from the shipping sector that NZ are seen as distant and expensive. Lack of clarity as a country on what good looks like and how we position NZ for the future i.e. green shipping lanes – low carbon supply chains. Increased geo political positioning at IMO and the need for agencies to send the right people to get 'our voice' (and the Pacific's voice) heard. It is essential that MNZ maintains a suitable international engagement and intelligence sharing posture to stay on top of developments.

*Disinformation* – we monitor through social media channels, however more likely to come through RSSS channels. We receive regular intelligence updates..

*Fight for the oceans* – NZ lacks a coherent overarching approach to oceans, but we have set some principles as part of our agency role - MNZ our strategic outcomes set out our contribution. ...

*Radical market, supply chain or maritime industry failure* – noted the link to earlier conversation around NZ being seen as distant and expensive as how we respond to that. Staff stress, finite capacity and fatigue in responding to events will be ongoing (something highlighted in earlier BIM discussion). Increasing public expectation that agencies are able to respond and respond well to events, yet overall resilience could be dropping due to the impact of consecutive events.

*Climate change effects* – have heard from local Whangārei stakeholders the impact locally of climate change with disruption to rail and road links and the subsequent impact on ports and the ability of the maritime sector to operate effectively. Acknowledged previous discussions on highlighting this to Ministers.

*What else?* – Physical events/Natural hazards (escalating risk) i.e. catastrophic floods, earthquake or tsunami – the probability of an occurrence is increasing. These should be considered separately to climate change effects.

#### 4.4 'Secure' strategic discussion

In February 2023, the Board agreed on the Maritime NZ Outcomes for 2023/24, which are Safe, Secure, Clean and Sustainable.

The Board's strategic conversation for this meeting was centred on the 'Secure' Outcome. The Acting DCE, Response Security and Safety Services and staff presented to the Board on; Maritime NZ's strategic framework and "Secure", why is maritime security important, a recap on our strategic and legislative framework and Maritime NZ's responsibilities and key areas of focus, and our work programme's challenges and opportunities.

### 5. Organisational reporting and accountability

#### 5.1 June 2023 YTD Financial Results

This report provided an update on the financial results and other financial matters for Maritime NZ (incl. Rescue Co-Ordination Centre) and the Oil Pollution Fund for full year end 30 June 2023. The Board:

**noted** the financial results for the full year to 30 June 2023

**noted** that the oil pollution levy revenue and volumes have changed with industry changes that have occurred due to the closure of Marsden Point Oil Refinery and departure of the two domestic coastal oil tankers. Staff agreed to provide a comparison of these changes in the next financial report to the Board.

#### 5.2 People and Capability Report

This paper provided an update to the Board on Maritime NZ people and capability metrics and a summary of work initiatives. The Board:

**discussed** and **noted** this report providing an update on People Capability key metrics and work initiatives

**noted** that work is underway to review this reporting as the new structure becomes operational, which will include aligning with the Weaving the Cloak pillars reporting.

### 6. Recurring business

#### 6.1 Correspondence

The Board noted that during this Board meeting, the Board Chair has received the following correspondence:

15 August 2023 - Letter of Support from the Ministers of Finance, Transport and Associate Transport to the Board Chair, Jo Brosnahan

15 August 2023 – Letters of appointment from Minister O'Connor to two new Board members, Parke Pittar and Ross Wilson, copied to the Board Chair.

### 7. Any other business

The Board noted a verbal update from the DCE, Partnerships that staff have been approached by the Fair Go television show for comment on the complaint by a person injured in Southland. The complainant is questioning the level of fines given (\$200) by the local council and if this was appropriate and has raised concerns around the lack of licensing of recreational craft. MNZ staff noted that local councils can choose to prosecute under section 65 of the Maritime Transport Act.

MNZ staff have been looking more broadly at how we engage with local government and local bylaws and also how we make/triage regulatory decisions. MNZ will provide clarity of roles and how they operate in our response.

**8. Chair's close and meeting reflections**

The Chair thanked staff for their work and said that openness is appreciated by the Board. The meeting was closed with a karakia led by Danny Tuato'o.

*The meeting closed at 3:35pm.*



**Jo Brosnahan**  
Chair, Maritime New Zealand

**Future meetings:**

28 September 2023	September Board meeting (Wellington)
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# Maritime NZ September 2023 Board Meeting Minutes

Date of meeting:	28 September 2023
Time and venue:	1:15pm   Wellington
Meeting:	<b>September 2023 Board meeting</b>
Board members:	Jo Brosnahan (Chair), Roy Weaver, Danny Tuato'o and Lesley Haines, Ross Wilson, Parke Pittar and Annabel Davies
Attending:	Kenny Crawford (Acting Director/CE) and Lizzy Cohen (minute taker)
Executive team:	Deb Despard, Andrew Saunderson, Shelley Tucker and Esther Livingston
Apologies:	Kirstie Hewlett Sharyn Forsyth and Peter Brunt
Guests:	Brian Cosgriff and Mark Leeming   Item 4.1, Mark Leeming   Item 4.2

## Mihi whakatau for new Board members

Danny Tuato'o led a mihi whakatau for the new Board members, Ross Wilson and Parke Pittar.

## Directors Only Discussion

The Audit and Risk Committee (ARC) membership is made up of all Board members. The two new Board members, Ross Wilson and Parke Pittar will therefore become members of the ARC.

### 1. Meeting opening and administration

Karakia lead by Danny Tuato'o.

#### 1.1 Chair's welcome

The Chair welcomed Board members and the Executive Team.

#### 1.2 Apologies

Kirstie Hewlett, Sharyn Forsyth and Peter Brunt.

#### 1.3 Declaration of interests

Board members noted the interests register which has been updated to include the interests of the new Board members, Ross and Parke.

The Chair noted that it is a timely reminder of the process for interests – if the Board members have an interest that they feel might be a conflict to raise this before the Board meeting, if possible, so it can be managed.

#### 1.4 Confirmation of previous minutes

The minutes of the previous meeting held on 15 August 2023 were reviewed by the Board. The Board:

**approved** the minutes of the Board meeting held on 15 August 2023 as a true and accurate record of the meeting

**Jo Brosnahan and Roy Weaver**

**(carried)**

## 1.5 Actions arising report

The Acting Chief Executive presented the status update on the actions presented in the actions arising report. The Board:

**noted** the verbal update by staff on the action relating to the number of spills that impact wildlife, an outcome of the Massey University Contract Renewal. Staff noted that there are relatively low numbers of incidents (and therefore impacts to wildlife have also been limited) and that this information is captured in specific incidents rather than a total across all incidents. Some specific examples were referenced. Staff agreed to keep the Board updated on the success of the investment with the Massey University contract.

MNZ is currently monitoring and supporting the response to a Tier 2 diesel spill in banks peninsular as a result of a 25m grounded fishing vessel, which occurred on 24 September. The crew have been winched to safety and MNZ Regulatory Operations has commenced an investigation. It is believed the bad weather has helped disperse any diesel spilled which has lowered the risk to local wildlife which is being monitored by Environment Canterbury (ECAN) who is the lead for this event.

On 26 September, a dumb barge "Pohonui" grounded on the western sea-wall of the river mouth in Ōpōtiki harbour due to the strong river flow. Four workers were lifted off by helicopter. There is currently evidence of an oil spill.

**discussed** the status of the actions in the actions arising report which will be updated accordingly.

## 1.6 Board meeting schedule and work programme 2023

The Board:

**noted** the 2023 work programme which will be rolled into next year while the new work programme template is being populated by staff

**noted** that the 2024 meeting dates have been set and a draft work programme will be included in the October Board meeting pack.

## 2. Chair's Report – verbal update

None.

## 3. Director's report

The Acting Director/Chief Executive introduced the report. The Board noted the report and discussed the following topics:

### *Funding review update*

The Board noted the summary of submissions from public consultation, which closed on 15 August. These were largely supportive from the sector which demonstrates collaborative leadership – something to highlight in our next Annual Report.

s 9(2)(g)(i)

### *Budget 2024*

s 9(2)(f)(iv)

### *Briefing to Incoming Minister (BIM)*

The Board noted the progress update from staff on our BIM and agreed to consider a short virtual meeting to discuss the draft BIM once circulated for their review.

### *Review of MNZ's OIA function*

The Board noted that the OIA review, undertaken by Info by Design, provides an opportunity to address some capability gaps and process and procedural efficiencies. A work programme will be developed to address the recommendations from the review report. Staff will consider if this is a potential internal audit for our audit programme once processes have been updated, implemented and in use. The Board are interested in an update on the outcome of the review, once completed.

The Board noted that there seems to be a lot of incidents and investigations at the moment, some of which TAIC are also investigating, and the impact on staff's time.

### *Embedding our organisational design changes*

The Board noted that new RSSS Group structure will take effect on 30 October.

The Board noted that the challenge to recruit a Chief Advisor Health and Safety is likely due to timing however staff are looking at criteria to help attract candidates.

### *Our External Facing Harm prevention programmes*

The Board noted an update on our three programmes. They requested from staff a copy of the Litmus Community Research report, the Safer Boating Forum Recreational Craft Strategy and the Safer Boating Forum October agenda to support the consideration of Board member attendance.

### *Audit and Risk Committee (ARC) Chair – Audit fraud risk questionnaire*

The ARC Chair noted that our external auditors, as part of the regular external audit process, have requested the completion of a fraud enquiry questionnaire relating to fraud mitigation and other controls. To the question 'what is the views of those charged with governance on fraud risk activity?' the Board responded – not concerned.

The ARC Chair raised the matter of regulatory corruption and fraud (not specifically captured in the fraud enquiry questionnaire) and it was noted that our fraud, bribery and corruption policy and procedures sets out principles in relation to fraud, bribery and corruption, and expectations for the prevention, detection and response to fraud, bribery and corruption incidents including non-financial fraud matters. Management agreed to include an item on our fraud, bribery and corruption controls to support a conversation on non-financial fraud at the next ARC meeting.

## **4. Organisational reporting and accountability**

### **4.1 Draft 2022/23 Annual Report including Financial Statements**

The purpose of this report was to provide the draft 2022/23 Annual Report, draft Financial Statements, and going concern assessment, for Board review and feedback. The Board:

**discussed** the draft annual report and provided feedback to staff to incorporate into the final draft report. High level feedback included:

- Opportunities to align key themes from our BIM with the Annual Report as a way to consistently tell our story.
- Further work on our case studies. In particular, the harm prevention case study to better reflect and quantify the pressure on MNZ with the increased use of recreational craft.
- The theme of innovation is missing from the report – while this report looks back at the year just been, MNZ is always looking to the future (ie NZ is a signatory to the Clydebank Declaration to support the establishment of green shipping corridors). Highlight what we are focussed on and how we are contributing to the work by Government and the sector.

- Foreword – to consider adding our work in relation to climate change (ie increased search and rescue response). To add information on governance (ie Board membership changes, the role the Board has played, stakeholder engagements).

**noted** the draft annual financial statements

**noted** that our external auditors from Deloitte have been in the office and that the audit is going well with no concerns at this stage

**agreed** Management’s Going Concern Assessment

**noted** the next steps and timeline.

#### 4.2 August 2023 YTD Financial results

The purpose of this report was to provide an update on the financial results and other financial matters for Maritime NZ, and the Oil Pollution Fund for the two months ended 31 August 2023. The Board:

**noted** the financial results for the two months to 31 August 2023

**noted** that Legal & Consultancy is above budget due to major legal cases occurring earlier than anticipated. Legal & Consultancy is excluded from our overall Crown funding consultant spend however, staff are being mindful about consultant and contractor spend particularly in relation to the current Governments commentary of efficiency dividends and responsible spending of Crown funding.

#### 5. Any other business

None.

#### 6. Chair’s close and meeting reflections

The Chair thanked staff and Board members.

*The meeting closed at 4:12pm.*



**Jo Brosnahan**  
Chair, Maritime New Zealand

#### Future meetings:

30 October 2023	October 2023 Board meeting and Audit and Risk Committee meeting (Wellington)
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# Minutes of the Maritime NZ October 2023 Out-of-Cycle Board Discussion

Date of meeting:	16 October 2023
Time and venue:	3:30pm   Zoom discussion
Meeting:	<b>Out-of-cycle Board discussion – October 2023</b>
Board members:	Jo Brosnahan (Chair), Danny Tuato'o, Lesley Haines and Parke Pittar
Attending:	Kirstie Hewlett, Peter Brunt, Sean Cooper and Lizzy Cohen (minute taker)
Apologies:	Roy Weaver, Ross Wilson and Annabel Davies

## 1. Meeting opening and administration

Karakia lead by Danny Tuato'o.

### 1.1 Chair's welcome

The Chair welcomed Board members and staff to a short meeting to discuss the draft Briefing to the Incoming Minister. The Chair noted the written feedback provided by email from members which will be considered as part of the discussion.

The Chair noted the permanent appointment of the Principal Advisor Governance, Lizzy Cohen and congratulated her on her appointment.

### 1.2 Apologies

Roy Weaver, Ross Wilson and Annabel Davies.

## 2. Draft Briefing to the Incoming Minister

The Deputy Chief Executive - Regulatory Frameworks introduced the draft Briefing to the Incoming Minister (BIM) to the Board, presented for their early input and discussion. This follows an earlier discussion with the Board at the August Board meeting on the themes for the BIM.

The Board noted the timeframes that management are working towards; early engagement with the Board on the draft BIM this week, then socialising the BIM with Te Manatū Waka, and Board input on the final draft of the BIM at the October Board meeting. It was acknowledged that these timeframes may change depending on the formation of the government.

The Board noted the draft BIM and provided the following feedback to management.

- A desire for the section on 'who we are' to be at the front of the Briefing and to utilise diagrams to best explain our role.
- Highlight the pressing issues for the Minister up the front of the Briefing, for example:
  - the Funding review and the sustainability to take the sector forward to address the opportunities and challenges and to fund the proposals for change identified by the sector
  - progress on Te Korowai o Kaitiakitanga – how we have modernised ourselves to be an efficient regulator



- our resilience and response role and pressures
- our regulatory approach – collaborative leadership model eg Port Health and Safety Leadership Group
- legislative reform and funding to improve systems, reduce costs and enable productivity
- supply chains (e.g. green shipping corridors – keeping us relevant as an international partner).

**3. Draft Briefing to the Incoming Minister - Building an Efficient and Effective Maritime Regulator**

The Director/Chief Executive introduced the draft Briefing to the Incoming Minister - Building an Efficient and Effective Maritime Regulator, presented for the Board's early input and discussion. The intention is to send this Briefing alongside the BIM.

The briefing provides information on work undertaken by Maritime NZ to be an efficient and effective regulator. It also provides background information on the Maritime Levies and Oil Pollution Levies review and seeks the Minister's agreement to take final policy decisions on the review to Cabinet before the end of the year in order to provide financial certainty to Maritime NZ and release funds back to the Crown.

The Board noted the draft Briefing which they were largely supportive of, with a minor suggestion to the structure of the paper to include the funding diagram up the front of the Briefing and to also include this diagram in the BIM.

**4. Chair's close**

The Chair thanked staff and Board members and Danny Tuato'o closed the meeting with a Karakia.

*The meeting closed at 4:25pm.*



**Jo Brosnahan**  
Chair, Maritime New Zealand

**Future meetings:**

30 October 2023	October 2023 Board meeting and Audit and Risk Committee meeting (Wellington)
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# Maritime NZ October 2023 Board Meeting Minutes

Date of meeting:	30 October 2023
Time and venue:	12:00pm   Wellington
Meeting:	<b>October 2023 Board meeting</b>
Board members:	Jo Brosnahan (Chair), Danny Tuato'o and Lesley Haines, Ross Wilson, Parke Pittar and Annabel Davies
Attending:	Kirstie Hewlett and Lizzy Cohen (minute taker)
Executive team:	Sharyn Forsyth and Peter Brunt, Deb Despard, Andrew Saunderson, Shelley Tucker and Esther Livingston
Apologies:	Roy Weaver and Kenny Crawford
Guests:	Rob Warner   Item 4.1 and 4.2, Blair Simmons and Briar Foster   Item 4.3, Vicky Robson   Item 5.2 and 5.3

## Directors Only Discussion

### 1. Meeting opening and administration

Karokia led by Danny Tuato'o.

#### 1.1 Chair's welcome

The Chair welcomed Board members and the Executive Team.

#### 1.2 Apologies

Roy Weaver and Kenny Crawford.

#### 1.3 Declaration of interests

Board members noted the interests register.

#### 1.4 Confirmation of previous minutes

The minutes of the previous meeting held on 28 September 2023 were reviewed by the Board. The Board:

**approved** the minutes of the Board meeting held on 28 September 2023 as a true and accurate record of the meeting

**Jo Brosnahan and Danny Tuato'o**

**(carried)**

#### 1.5 Actions arising report

The Chief Executive presented the status update on the actions presented in the actions arising report. The Board:

**discussed** the status of the actions in the actions arising report which will be updated accordingly.

## 1.6 Board meeting schedule and work programme 2023 and 2024

The Board:

**noted** the 2023 work programme

**noted** that the 2024 meeting dates have been set and a draft work programme is included in the October Board meeting pack

**agreed** to the addition of a regional stakeholder engagement visit in April 2024 with the suggestion of Southland for the Executive to potentially consider

**agreed** to a regional visit to Tauranga to align with the Safer Ports Programme (extension of the HSWA designation)

**noted** the discussion at the October Audit and Risk Committee (ARC) meeting regarding the desire to move the October 2024 ARC meeting to September to allow for sufficient time to sign off the Annual Report and Financial Statements, which will be reflected on the Annual Board Agenda and the Annual ARC Agenda.

## 1.7 Audit and Risk Committee Recommendations – October meeting

The ARC met on 30 October, prior to the Board meeting. The ARC Chair provided a verbal update to the Board from that meeting, highlighting the following key points. The Board:

**noted** the minutes of the Audit and Risk Committee meeting held on 17 July 2023, included in the Board pack

**noted** that the ARC:

- met with external auditors from Deloitte
- endorsed the final draft 2022/23 Annual Report and the end of year Audit documentation which is presented for Board approval at the October 2023 Board meeting (refer to Agenda Item 5.1)
- endorsed the representation letter from the Board to Deloitte for signature by the Board Chair and ARC Chair on behalf of the Board
- endorsed the statements of responsibility for the financial statements and statements of performance for MNZ and the NZ oil pollution fund and recommend that the Board authorise the Chair and ARC to sign the statements on behalf of the Board
- reviewed the external audit open recommendations and agreed to the closure of seven audit recommendations
- reviewed and discussed the enterprise risk report
- reviewed and discussed the health and safety report and noted the progress on our Critical Risks
- reviewed the Legislative Compliance Survey results and the corrective actions underway
- endorsed two policies (Insurance Policy and the Treasury, Funding and Reserves Policy) to be approved by the Board at the November 2023 Board meeting.

## 2. Chair's Report – verbal update

The Chair noted that she had been asked to speak at the Te Manatū Waka Board induction session on 31 October, which Ross Wilson and Parke Pittar are attending.

3. **Director's report**

The Director/Chief Executive introduced the report. The Board noted the report and discussed the following topics:

*Funding review*

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*Safer Ports Programme*

Staff are making steady progress on the Safer Ports Programme (HSWA designation extension).

The Safer Ports Programme work streams (attached to this report) provide a high level overview for the Board. The Director/Chief Executive noted that each work stream includes detailed plans and provided an overview of each of the work streams to Board members. The Board expressed a desire to be kept up to date with how the work streams are tracking and the Director/Chief Executive noted that the Independent Quality Assurance (IQA) will provide oversight of what we expect to have in place by 1 July 2024 and after 1 July. Additional Crown funding of \$1.2m was provided for designation transition work during 2023/24 and additional Working Safer Levy funding of \$2.0m commences in 2024/25.

*TAIC report*

[Redacted text block with a red watermark 's 9(2)(g)(i)' visible in the top right corner of the redaction area]

*Letter to the Security for Transport & CE, Te Manatū Waka*

The Director/Chief Executive provided the Board with a copy of a letter to the Secretary for Transport & Chief Executive, Te Manatū Waka regarding the NZSAR Council and the Recreational Safety and Search and Rescue Review. The Board agreed with the opportunity to highlight MNZ's operational role to lead and deliver on our role in SAR.

*Our External Facing Harm prevention programmes*

Seafarers Welfare Board – last meeting went well so work to clarify the role and activities of the board appear to be improving.

The Board acknowledge the work of the MNZ staff in their contribution to develop and finalise the Safer Boating Strategy.

## 4. Strategic conversations and decisions

### 4.1 Strategic uncertainties

The Board discussed specific strategic uncertainties and:

**noted** that the output from the Board's last strategic uncertainties discussion (in August 2023) has been collated into a draft table for reference

**considered** and **discussed** updates or changes to the content of strategic uncertainties table to reflect the Board's best current thinking, and how these uncertainties may interact to shape Maritime NZ's strategic and operating context

**noted** that any specific strategic risks identified by the Board (flowing from these strategic uncertainties) will feed into Maritime NZ's enterprise risk management framework and process

**noted** that an update on Te Korowai o Kaitiakitanga at the November annual Board strategy meeting may result in deeper understanding and discussion on assurance of strategic risks

**discussed** the following issues which are manifesting locally, regionally, and/or globally, with a view to updating and tracking them in the strategic uncertainties table:

*climate change effects* – to what extent are the impacts of climate change limiting our ability to operate, recognising that various downstream effects are distributed through a number of the strategic uncertainties headings. Management will consider if any specific risks are captured, or should be captured, in our enterprise risk management framework

*Digitisation* – the recognition of the potential positive impacts of AI and the opportunities that come with this i.e. smart shipping, maritime autonomy, and port operations

*Future ready sector workforce* – recent reports which have found that people intend to work past the age of 65 and the challenges and opportunities an aging workforce creates for organisations

*Radical market, supply chain or maritime industry failure* – although this may be predominantly a commercial issue and for 'the market' to address, aging port infrastructure, lack of larger vessel reception facilities, and the possibility of the increasing presence of poor quality ships in New Zealand waters all could have major ripple effects for Maritime NZ delivery (as the regulator) and national supply chain resilience overall

*Physical events & natural disasters* – if one of more key New Zealand ports get knocked out through a major natural disaster (e.g. volcanic activity in Auckland) then the flow of freight will be disrupted, with longer term recovery efforts required. Our ability to scale up coastal shipping (in the event road and rail freight transportation is affected through a physical event) is quite limited without more investment in infrastructure and the maritime mode.

### 4.2 Post Government preparedness

The Board noted a revised version of the MNZ Briefing to the Incoming Minister (BIM) presented for Board feedback. The Board:

**agreed** that overall the draft BIM is shaping up well and provided some detailed feedback to Management to include in the next iteration of the BIM.

#### 4.3 Readiness and Response presentation

The Maritime Incident Strategy and Systems team, Blair Simmons and Briar Foster, joined the Board meeting to present an overview of:

- the roles and responsibilities in maritime incident response, including the Board's role in maritime which is largely related to financial delegations
- the journey to implement an integrated maritime response structure
- the lessons identified and applied during recent maritime incident responses

This presentation responds to actions from previous Board meetings. Staff noted that today, 30 October is the first day of the new team structure.

Management noted the importance of being able to call on international relationships for advice and resources during an incident.

The Board acknowledged the work of the team, particularly with an increase in incident responses and the impact on staff involved in responding to incidents.

### 5. Organisational reporting and accountability

#### 5.1 Final Draft 2022/23 Annual Report including Financial Statements

The purpose of this report was to provide the draft 2022/23 Annual Report, draft Financial Statements, and going concern assessment, for Board review and feedback. The Board:

**noted** that Deloitte have completed the audit of Maritime NZ and the New Zealand Oil Pollution Fund for the year ended 30 June 2023

**noted** that the Audit and Risk Committee met with Deloitte at the October meeting to discuss the findings and recommendations from the audit

**approved** the Annual Report 2022/23 and statements of performance (Appendix 1) including the financial statements, for the year ended 30 June 2023 for Maritime NZ and for the NZ Oil Pollution Fund

**approved** the content of the representation letter from the Board to Deloitte (Appendix 2 and 3), and **authorised** the Board Chair and Audit and Risk Committee Chair to sign the letter on behalf of the Board (by electronic signature)

**noted** the content of the management representation letters to the Board from the Chief Executive and Chief Financial Officer

**noted** the content of the Deloitte Report to the Authority

**noted** that a going concern assessment and current letter of comfort was provided to the Board at the September meeting

**approved** the Statements of Responsibility for the financial statements and statements of performance for Maritime NZ and for the NZ Oil Pollution Fund and authorise the Board Chair and Audit and Risk Committee Chair to sign the statements for and on behalf of the Board (by electronic signature)

**noted** the timeline for presentation and publication of the Annual Report

**noted** and thanked the MNZ staff for their work to finalise the 2022/23 audit.

Lesley Haines and Jo Brosnahan

(carried)

## 5.2 Health and Safety Charter review discussion

**noted** that the Board last reviewed its Health and Safety Charter (the Charter) in April 2021, and that since then:

- Maritime NZ has reviewed its organisational strategy, vision, outcomes, principles and values
- progress has been made by Maritime NZ in relation to Health and Safety
- these changes, and other external developments, may impact whether the current Board Health and Safety Charter continues to reflect the Board's position in relation to health and safety at Maritime New Zealand.

**discussed** amendments to the Health and Safety Charter (the Charter), in light of all of the above, in particular that the Charter:

- is the statement of reality, linking it to actual commitments of the Board to ensure that it discharges its legal responsibilities but also engages in the appropriate way to ensure that the health and safety requirements are being maximised as much as possible e.g. Board members engage with staff on critical risks and to ensure they are aware of any issues
- should reflect best practice (ie Better Governance guidance) including that we aim to be exemplary in health and safety
- is time bound
- reflects the desire to proactively monitor health and safety. The Board reconfirmed their previously agreed approach that health and safety critical risks are governed with other enterprise risks to provide a Board oversight total risk profile and enable reassessment of health and safety critical risks, if (when) other enterprise risks change
- is updated to incorporate Te Korowai o Kaitiakitanga – our strategy, vision, outcomes, principles and value (including a good health and safety culture)

**agreed** to ongoing capability development in health and safety at a governance level

**agreed** that Management revise the Charter to reflect the Board's discussion and then present back to the Board for further discussion and input.

## 5.3 MNZ Workforce Metrics report

This paper provided an update to the Board on workforce metrics. The Board:

**noted** that this report has evolved from the People and Capability report to a Workforce Metrics report, to recognise that the organisational culture reporting now sits within Te Korowai, Weaving the Cloak reporting which is a regular report to the Board

**discussed** the report and **noted** that work continues to review this reporting as the new Group structure is operationalised

**noted** that Management expect to have identified a fit for purpose staff engagement survey tool and the frequency of surveying staff (engagement survey or pulse surveys) by early to mid 2024

**agreed** that the metrics report is updated to include staff turnover by group

**5.4 September 2023 YTD Financial results**

The purpose of this report is to provide an update on the financial results and other financial matters for Maritime NZ and the Oil Pollution Fund for the three months ended 30 September 2023. This report also updates the approved forecast. The Board:

**noted** the financial results for the three months to 30 September 2023

**noted** the revised forecast approved by the Director, which reflects a reallocation of budget to respond to areas of the organisation under pressure.

**6. Correspondence report**

**noted** the list of correspondence received and prepared on behalf of the Board since the August 2023 Board meeting.

**7. Any other business**

The Deputy Chief Executive – Partnerships noted that Management are expecting a response from the Ombudsman in relation to an OIA request from a journalist relating to the Niagara wreck. [REDACTED] s 9(2)(g)(i)

Management noted that the recommendations from the Info by Design review into the MNZ OIA function highlight opportunities for improvement for future triaging of OIA's.

The Board thanked Shelley Tucker, Acting Deputy Chief Executive, Response Security and Safety Services for her contribution over the last approximately 9 months while covering the role.

**8. Chair's close and meeting reflections**

The Chair thanked staff, noting that the organisation is reasonably well placed for a new government, thanks to a lot of hard work over the last couple of years in particular.

Board members reflected on a good meeting, noting that it was a full but beneficial day with the October ARC meeting and Board meetings.

The Chair thanked Board members and the meeting was closed with a karakia led by Danny Tuato'o.

*The meeting closed at 4:10pm.*



**Jo Brosnahan**  
Chair, Maritime New Zealand

**Future meetings:**

27 and 28 November 2023	Annual Board strategy meeting and November Board meeting (Wellington)
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