

# CONFIRMED MINUTES

## REA BOARD MEETING 16 FEBRUARY 2023



At the **REA Board Meeting 29 March 2023** on **29 Mar 2023** these minutes were **confirmed with the following changes:**

*Three typographical errors were corrected.*

<b>Name:</b>	Real Estate Authority
<b>Date:</b>	Thursday, 16 February 2023
<b>Time:</b>	9:00 am to 12:56 pm (NZDT)
<b>Location:</b>	REA Offices, Level 4, Todd Building, 95 Customhouse Quay, Wellington
<b>Board Members:</b>	Denese Bates KC (Chair), Vern Walsh, Latham Lockwood, Liz Nidd, Mele Wendt, Brooke Loader, Tony Stack
<b>Attendees:</b>	Belinda Moffat, Andrew Bulled, Victor Eng, Josh Doherty, Sarah Graydon, Saara Fourie
<b>Apologies:</b>	Nadine Thomas
<b>Guests/Notes:</b>	██████████ Legal Services Manager; ██████████, Junior Project Manager; ██████████ Business Analyst;

## 1. Opening Meeting

### 1.1 Board in Committee

Issues for discussion with the Chief Executive were agreed.

### 1.2 Board and CE alone time

Papers and issues identified by Board were discussed with the Chief Executive. The following key points were noted for the minutes:

- Detailed discussion of the Te Tiriti CPD topic was had including whether to pause the delivery (pros and cons discussed), how to address suitable consultation across iwi, engagement with the sector and REINZ
- CE to engage with key sector leaders and to report back if decision to proceed needs to be reviewed.
- CE to seek advice from Wananga on suitable consultation approach.
- Education generally: Level 4 certificate needs to be updated to better reflect and respond to industry needs, CPD content needs to have new topics and improved delivery packages (smaller size, more variety), professional skills useful topics including ethics (which is already provided).
- Pay recommendation to be discussed with Head of P+C and CE only.

### 1.3 Karakia

The Senior Leadership Team joined and the meeting was opened with a Karakia at 11.08am. Acting General Counsel, [REDACTED] and newly appointed Board member, [REDACTED] were welcomed to their first Board meeting and a round of introductions took place.

### 1.4 Confirmation of Agenda

The agenda was confirmed.

### 1.5 Interests Register

- No conflicts were identified and no changes were requested.
- The Board noted [REDACTED] interests had been added to the register.

### 1.6 Confirm Minutes

**Board Meeting 6 December 2022 6 Dec 2022**, the minutes were confirmed with the following changes:

*minor grammatical adjustments in Kia Toipoto update.*



**Minutes were approved subject to minor wording amendments to the Board meeting minutes.**

#### 1.6a Minutes from the Board Meeting – 6 December 2022

#### 1.6b Quarterly Report to the Minister for Q2 – by Written Procedure

On motions duly made and seconded, it is proposed that the minutes of 6 December 2022 and 25 January 2023 be approved as true and correct.

**Outcome:** Approved subject to minor wording amendments relating to the Kia Toipoto section of the minutes.

**Decision Date:** 16 Feb 2023

**Mover:** [REDACTED]

**Seconder:** [REDACTED]

**Outcome:** Approved

## 2. Actions from Previous Meetings

### 2.1 Action Item List

Due Date	Action Title	Owner
30 Jun 2022	2) Provide an update on ethnicity and tenure pay parity. <b>Status:</b> Completed on 6 Dec 2022	[REDACTED]
6 Dec 2022	3) Consider whether to bring forward the ISSP review from March 2023 <b>Status:</b> Completed on 6 Dec 2022	[REDACTED]
16 Feb 2023	4) Include in REAA amendment list, recommendation that Chair of REA need not be a lawyer <b>Status:</b> Completed on 8 Feb 2023	Belinda Moffat
16 Feb 2023	5) Select Committee questions around gender and ethnicity pay gaps <b>Status:</b> Completed on 8 Feb 2023	[REDACTED]
16 Feb 2023	6) [REDACTED] Ministry of Justice once the penalty decision is finalised. <b>Status:</b> Completed on 8 Feb 2023	Belinda Moffat

Due Date	Action Title	Owner
28 Feb 2023	7) Te Tiriti CPD Proposal Review <b>Status:</b> Completed on 9 Feb 2023	Belinda Moffat
28 Feb 2023	1) Consider deferral of CPD review to 2023/24 <b>Status:</b> Completed on 22 Mar 2023	Belinda Moffat
28 Feb 2023	3) Seek any feedback from REINZ on the Regulation of Property Management <b>Status:</b> Completed on 22 Mar 2023	Belinda Moffat
29 Mar 2023	5) Establish separate cost code to capture time & cost spend on Regulation of Property Management. <b>Status:</b> Completed on 22 Mar 2023	
29 Mar 2023	6) Explore ways to expand REA's network across Māori and Pacific peoples. <b>Status:</b> Completed on 22 Mar 2023	
29 Mar 2023	7) Develop a leadership programme for SLT and Tier 3 Leaders <b>Status:</b> In Progress	
31 Mar 2023	10) REA Emails for Board <b>Status:</b> In Progress	
31 Mar 2023	11) Review of the Real Estate Agents Act <b>Status:</b> Completed on 22 Mar 2023	Belinda Moffat
31 Mar 2023	12) Priorities Review <b>Status:</b> Completed on 22 Mar 2023	Belinda Moffat
31 Mar 2023	13) Add remuneration to the strategic focus areas <b>Status:</b> Completed on 22 Mar 2023	Belinda Moffat
31 Mar 2023	14) Separation of aged cases <b>Status:</b> In Progress	
31 Mar 2023	15) Confirm REA's support for the MPP housing strategy and action plan <b>Status:</b> In Progress	Belinda Moffat
30 Apr 2023	16) Transaction Reports <b>Status:</b> In Progress	
30 Apr 2023	17) Prepare Terms of Reference for the Board Advisory Committee - Regulation of Property Management <b>Status:</b> Not Started	Belinda Moffat
31 May 2023	19) Flexi by Default review <b>Status:</b> In Progress	
31 May 2023	20) Licence Expiry Reminders <b>Status:</b> In Progress	
31 May 2023	21) Finalise a plan for rolling out project management training to all staff and Board. <b>Status:</b> In Progress	Belinda Moffat
31 May 2023	22) Explore internship programmes for Pacific peoples (e.g. Tupu Tai/Tupu Toa) <b>Status:</b> Completed on 22 Mar 2023	
30 Jun 2023	23) Māori Engagement Framework - Board Marae Visit <b>Status:</b> In Progress	Belinda Moffat

Actions were taken as read and the following updates were given:

- There are a few actions recorded as 'not started' due to other priorities that have been the focus for the beginning of 2023. These will be progressed shortly.
- Action 23: The CE advised that she has now written to the Secretary for Pacific Peoples, [REDACTED] confirming REA's support for the housing strategy and their objectives and inviting engagement. The action will be updated and closed.
- Action 12: Expanding networks action to be updated to note that [REDACTED] will support focus on Māori networks and [REDACTED] will focus on Pacific networks.

The Board had no questions or comments about the actions.

### 3. Chief Executive's Report

#### 3.1 CE Report

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

- Pending change in Minister: new delegations have not yet been confirmed by MoJ.
- CE confirmed that Associate Minister Sio had been thanked for his support of REA and acknowledged in the letter that accompanied the recent quarterly report to the Minister.
- REINZ meeting with the CE and new Board Chair was positive. An invitation was extended to [REDACTED] to an REA Board meeting later in the year and suggested an increased frequency of meetings between the Board Chairs.
- Flexible working: a meeting took place with managers to empower and support them to encourage staff to return to work in the office and for working from home to be managed through the flexible working policy (which is scheduled for review).
- Upcoming events: the Board was encouraged to attend any of the planned stakeholder events and confirm their availability.
- Settled's 5<sup>th</sup> birthday was marked with a celebration and publicity on social media.

The Board discussed the following matters:

- Analysis on flexible working and pros and cons of hybrid working arrangements. Benefits on being in the office are engagement and cohesion, plus increased supervision of newer staff.
- The Board acknowledged the three very good ratings from the audit confirmed in the letter to the Minister from the Office of the Auditor-General.
- Digital marketing of Settled.govt.nz: EIE had met with [REDACTED] about options for future marketing strategy. Decline in traffic is reflective of the cooling market, fewer people seeking Covid guidance, the shift in data environment, the clamp down on the use of cookies etc, and in line with declining traffic for other entities. The digital marketplace has become more challenging to target. [REDACTED]  
[REDACTED] The Ask Belinda columns are getting good reach across Stuff.
- Alongside digital marketing is drive to link Settled to diverse communities and to promote via stakeholder engagement not just digital marketing.
- New Senior Digital Marketing Advisor will review marketing approach and update assess website content and effectiveness across both sites.

#### Recommendations

It was recommended that the Board:

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

**Outcome:** Noted, discussed and feedback provided.



**8) Send diary placeholders to the Board for all upcoming events**

Send diary placeholders to the Board for all upcoming events including RELF, Conversation with REA, and key CPD events.

Board members to advise which events they can attend.

March: [REDACTED] sending placeholders in week of 22 March.

**Due Date:** 29 Mar 2023

**Owner:** [REDACTED]



**24) Invite the REINZ Board Chair to a future REA Board meeting.**

Invite the REINZ Board Chair to a future REA Board meeting.

March: underway dates being arranged.

**Due Date:** 31 Aug 2023

**Owner:** Belinda Moffat

**4. Committee Updates**

**4.1 People & Capability Committee Update**

The P&C Committee Chair, [REDACTED] noted that the primary focus of the People & Capability Committee meeting on 2 February was pay which was discussed at item 5.1

**4.2 Break**

**5. Board Papers for Approval or Discussion**

**5.1 PSPA Update and Pay Recommendation**

The paper was taken as read and the Chief Executive provided the following overview:

- The P+C Committee recommended the adoption of option 3 of the pay recommendations (point to point pay increase applying 2022 Korn Ferry market pay for REA pay bands) subject to further advice from [REDACTED]

- Chief Executive provided update [REDACTED]

[REDACTED]

[REDACTED]

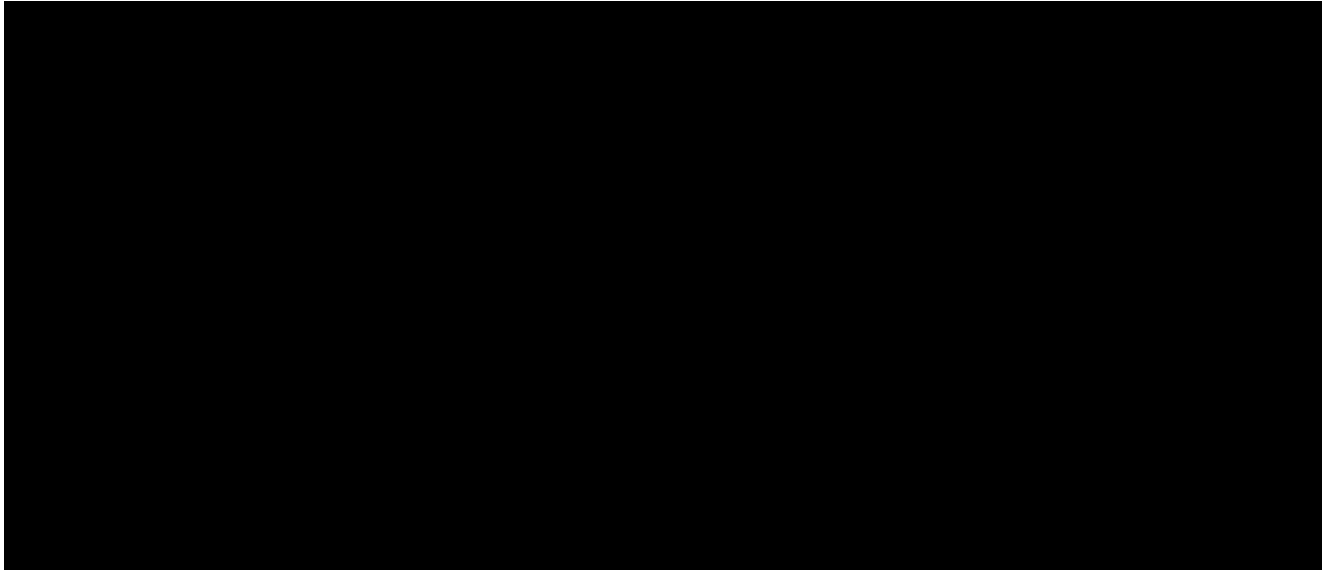
[REDACTED]

[REDACTED]

[REDACTED]

The Board discussion covered the following:

- Board members support the recommendation of the P+C Committee to adopt Option 3 pay adjustment, and to not opt into the PSPA



- Correspondence with staff will emphasise the importance of an ongoing prudent approach to spending in line with the economic environment
- A letter will be sent to PSC advising that REA does not opt in to PSPA, but has made a modest adjustment in line with its statutory obligations and the Workforce Policy Statement and noting the key drivers for the adjustment.



4) [Redacted]



**Due Date:** [Redacted]  
**Owner:** [Redacted]



**Recommendations were noted and approved.**

**Recommendations**

It was recommended that the Board:

- **Note** the updates on the PSPA and early guidance on the PSC Pay Advice for 2023
- **Discuss** the three out of cycle pay options presented to the People & Capability Committee in October 2022.
- **Approve** the People and Capability Committee’s recommendation to adopt Option 3.

**Decision Date:** 16 Feb 2023  
**Mover:** [Redacted]  
**Seconder:** [Redacted]  
**Outcome:** Approved

**5.2 2021/22 Select Committee Annual Review**

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

- Attrition is high yet consistent with previous years, attrition continues to be a challenge for REA.

- Increased use of consultants and contractors in light of challenge in recruitment and workload, but there has been high engagement of external Māori providers to support REA's work.
- There is no Annual Review hearing this year and there is nothing of concern in the proposed responses to flag to the Board.

The Board discussed the following matters:

- [REDACTED] confirmed that a number of questions require five years of data to be provided – the current year and the previous four years.
- CE advised that once submitted the information is scrutinised by the Select Committee and additional questions can be submitted if further information is sought.
- The Board suggested providing the full set of questions and responses in the supplemental folder next year, and only highlight those questions that may raise red flags or pose reputational risk.



### **Recommendation was approved.**

#### **Recommendations**

It was recommended that the Board:

- **Approve** the responses to the Select Committee Annual Review questions.

**Decision Date:** 16 Feb 2023

**Mover:** [REDACTED]

**Seconder:** [REDACTED]

**Outcome:** Approved

## **5.3 Education CPD Update**

The paper was taken as read and the Board discussed the following matters:

- Development of the Te Tiriti CPD topic and delays.
- Relationship with REINZ and the steps that are going to be taken to further engage across REA's stakeholders.
- Wananga consultation on the content across a wider range of hapu and iwi.
- CPD topics generally and the need to ensure that new topics are being developed and if the quality is not of a high standard, we need to ensure Skills to ensure high standards are met.



### **Recommendations noted and endorsed**

#### **Recommendations**

It was recommended that the Board:

- **Note** the contents of the Education update.
- **Endorse and/or provide feedback** on the Te Tiriti topic outline, stakeholder engagement approach and key messages.

**Decision Date:** 16 Feb 2023

**Mover:** [REDACTED]

**Seconder:** [REDACTED]

**Outcome:** Approved



## 2) Suggested New CPD Topics - Board to Communicate to CE

Board to communicate any suggested new topics to be covered in the CPD programme to the CE.

March: [REDACTED] have contributed to the CPD programme.

**Due Date:** 28 Feb 2023

**Owner:** [REDACTED]

## 5.4 System Enhancement Project

Business Analyst, [REDACTED], joined the meeting for this paper. The paper was taken as read and [REDACTED] highlighted the following:

- The project anticipates a phased approach to mitigate the risk [REDACTED]. There is a tight timeline.
- Both existing vendors, [REDACTED]
- Alternative options on whether to upgrade or replace the underlying platform will be presented to the Audit & Risk Committee on 20 March and the Board on 29 March, including the timelines for each pathway.
- A detailed business case with costs and timeframes will then be presented to the Board in June 2023.

The Board discussed the following:

- The Systems Enhancement Project (SEP) has been decoupled from the Complaints Improvement Project (CIP)
- Progress on the SEP will not impede progress on CIP.
- The Board noted that CIP will still feed into SEP to a degree.



## Recommendations were noted and agreed.

### Recommendations

It was recommended that the Board:

- **Note** the change in project title to Systems Enhancement Project
- **Note** the indicative timeline
- **Agree** the proposed approach for the System Enhancement Project.

**Decision Date:** 16 Feb 2023

**Mover:** [REDACTED]

**Seconder:** [REDACTED]

**Outcome:** Approved

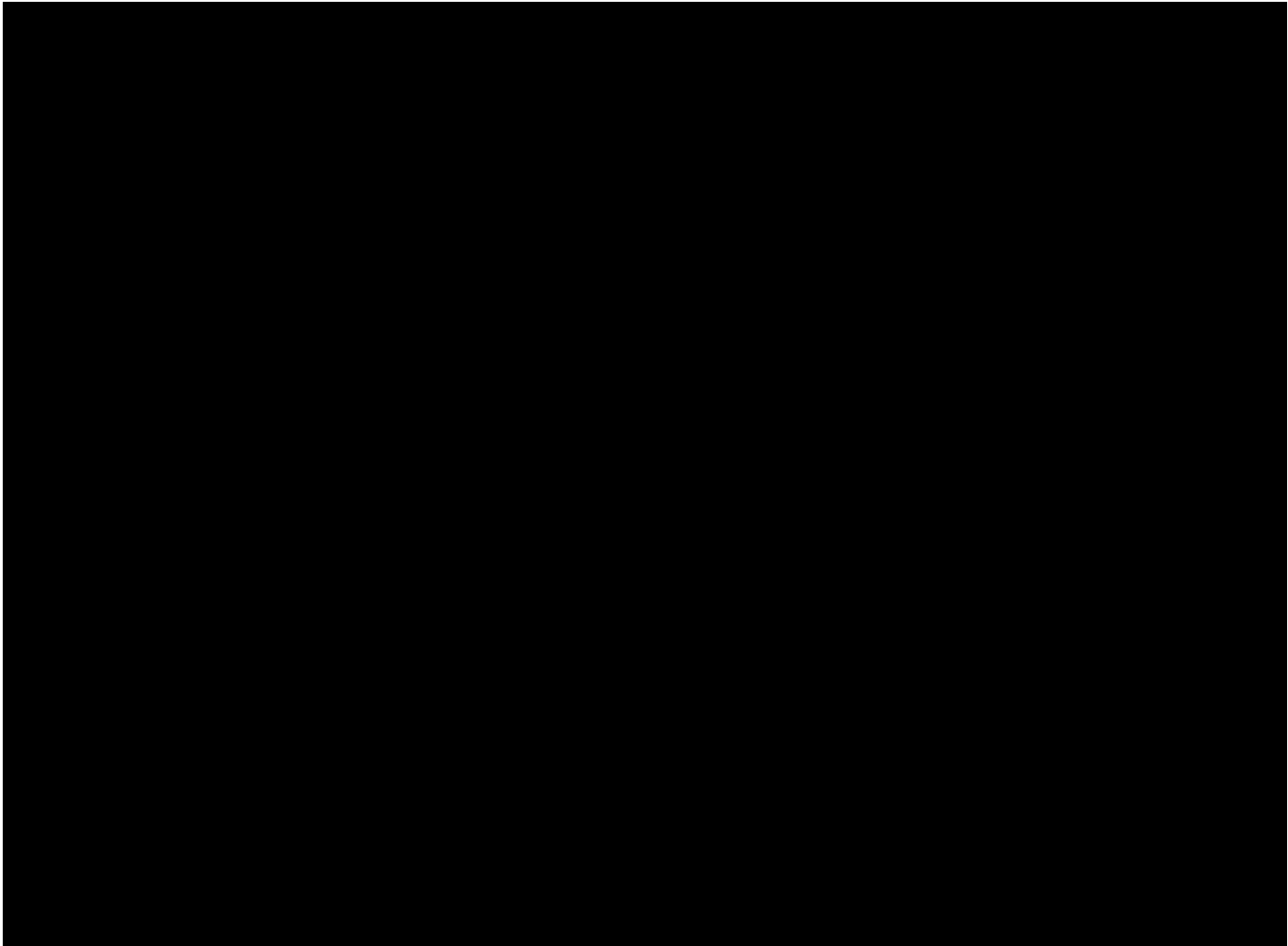
## 5.5 Property Management Regulation and Amendments to REAA Update

The paper was taken as read and Belinda Moffat highlighted the following:

- REA has a limited opportunity to update the Real Estate Agents Act (REAA).
- The Board was invited to ask questions on the legislative change process and also provide their views on a possible name change.

The Board discussed the following:





### Recommendations

It was recommended that the Board:

- **Note, discuss and provide feedback** on the report and attachments
- **Provide feedback** on the question of whether REA's name should be changed through the Property Management Regulation legislation.

**Outcome:** noted and unanimously agreed that the Real Estate Authority should not change its name but should pursue the removal of 'Agents' in REA's current legal name.



### 9) Convey the REA Board's views on changing the legal name of the REAA to HUD

Convey the REA Board's views on changing the legal name of the Real Estate Agents Authority to HUD.

March: Views conveyed in early March. Outcome not yet known. This may be a point that REA makes formal submissions in select committee on.

**Due Date:** 29 Mar 2023

**Owner:** Belinda Moffat

## 6. Board Papers for noting

### 6.1 Regulatory Services Team Paper

The paper was taken as read and [REDACTED] highlighted the following points:

- Cyclone Gabrielle has developed since this report was published. The regulatory services team is working on guidance to manage/assist those affected by the floods and have barriers to completing their CPD.
- Intention to cancel letters have been issued to those who have not met CPD requirements with 10 days to respond. Final numbers will be tallied and reasons evaluated for exemptions or deferrals.

The Board discussed the following matters:

- Numbers of people who had not completed their CPD was significant this year. It is expected that a number of these were people intending to exit the industry.

#### Recommendations

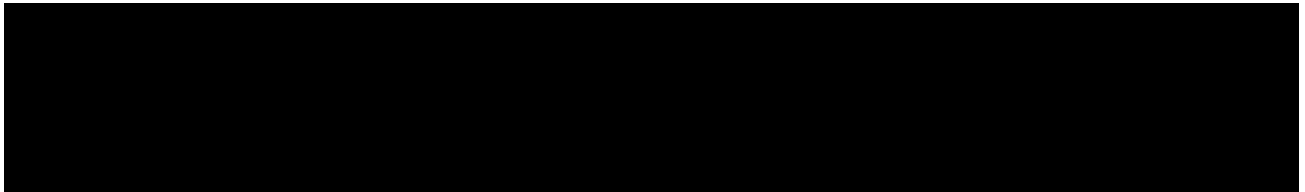
It was recommended that the Board:

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

**Outcome:** Noted

### 6.2 Legal Team Paper

[REDACTED] joined for this paper. The paper was taken as read and [REDACTED], Acting General Counsel, highlighted the following:



- Two capable senior solicitors are joining the legal team in the next few weeks which will enhance capacity for the legal team.

The Board had no comments or questions.

#### Recommendations

It was recommended that the Board:

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

**Outcome:** Noted

### 6.3 People & Capability Q2 Quarterly Report and Update

The paper was taken as read and [REDACTED] Head of People and Capability, highlighted the following:

- The focus is the February People & Capability Committee paper and Q2 report.
- Feedback was invited on the draft values with a view to presenting to staff.

The Board discussed the following matters:

- Draft values: could we ground them in te reo Māori as well? There is an opportunity to connect with [REDACTED] and consult with [REDACTED] with a view to taking that step,

noting it has to be done right. The CE noted this was the intent provided it could be done in a meaningful way.

- Vacancies: updated on the list of vacancies, noting progress has been made with appointments to some of those roles listed.
- Diversity: what are we doing to include diversity during recruitment. We are looking into internships as discussed at the last Board meeting, and all our ads should display that we encourage Māori and Pacific applicants to bring a diverse perspective to REA.

## Recommendations

It was recommended that the Board:

- **Note** the contents of the P&C quarterly report.

**Outcome:** Noted.



### 18) Consider translating final values to te reo Māori. Connect with [REDACTED] on this.

Consider translating final values to te reo Māori.

March: This will be done once Values confirmed - see Board Item in March.

**Due Date:** 1 May 2023

**Owner:** Belinda Moffat

## 6.4 PMO Report on Projects and Key Initiatives

[REDACTED] joined the meeting for this paper. The paper was taken as read and [REDACTED] highlighted the following:

- There are no issues or concerns at this point.
- We are closed to new projects to ensure that we can get through the existing work plan.
- REA is approaching a busy period with bulk renewals.
- Resourcing remains the key area of risk.

The Board noted the paper and did not have any additional questions.

## Recommendations

It was recommended that the Board:

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

**Outcome:** Noted.

## 6.5 Complaints Improvement Project Update

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

- Implementation phase and taking leaders on the journey to understand how it will improve processes in the long term is a priority.
- There will be a need for increased supervision while the new ways are getting embedded.

- All feedback along the journey is being captured in a feedback register.

The Board noted the progress that is being made and asked that if time slips it is important that the Board be informed.

## Recommendations

It was recommended that the Board:

- **Note** the update on the Complaints Improvement Project
- **Note** that this paper contains confidential and legally privileged advice.

**Outcome:** Noted.

## 7. Other Business

### 7.1 General Business

- No general business items were discussed.

### 7.2 Closing Karakia

The meeting was closed with a Karakia at 12.56pm followed by lunch.

## 8. Close Meeting

### 8.1 Close the meeting

**Next meeting:** REA Board Meeting 29 March 2023 - 29 Mar 2023, 9:00 am

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

### 8.2 Lunch

Signature:



Date: 29 March 2023