

CONFIRMED MINUTES

REA BOARD MEETING - MARCH 2025



At the **REA Board Update Meeting - May 2025** on **7 May 2025** these minutes were confirmed as presented.

Name:	Real Estate Authority
Date:	Thursday, 27 March 2025
Time:	9:00 am to 2:30 pm (NZDT)
Location:	REA Office , REA Office (Teams option)
Board Members:	Denese Bates KC (Chair), Vern Walsh, Latham Lockwood, Mele Wendt, Caroline Tate, Mark Coffey, Shirley McLeod
Attendees:	Belinda Moffat, Victor Eng, Andrew Tringham, Andrew Bulled, Josh Doherty, Katie Solomon, Marie Snell, Saara Fourie
Apologies:	Brooke Loader

1. Opening Meeting

1.1 Board in Committee

- Issues for discussion with the Chief Executive were agreed.
- The Chair updated the Board on the recent Crown Entities Chairs Forum in February.

1.2 Board and CE alone time

- [REDACTED]
- Board noted that some objections to the proposed changes to s72 of the REAA have been made by the sector. REA has provided advice to MoJ on this issue.
- Board confirmed that they wished to reappoint Ms Moffat for a further term. The Chair will oversee the reappointment process, including engagement with the Public Service Commission.
- [REDACTED]

1.3 Karakia

The Senior Leadership Team (SLT) joined at 10.19am and the meeting was opened with a Karakia.

1.4 Introduction of New Board Members

The Board Chair introduced new Board members, Mark Coffey and Caroline Tate, and the Board and Senior Leadership Team did a roundtable of introductions.

Ms Tate and Mr Coffey provided overviews of their careers and experience to date, and what led to their interest in real estate regulation and joining the REA Board.

1.5 Confirmation of Agenda

The agenda was confirmed.

1.6 Interests Register

Changes in interests for [REDACTED] and [REDACTED] were noted (provided via email):

- [REDACTED] now [REDACTED]
- [REDACTED] added [REDACTED].

New interests for [REDACTED] and [REDACTED] will be recorded in BoardPro for future meetings. [REDACTED] interest was noted, and he will be recused from any Board discussions relating to [REDACTED]

1.7 Confirm Minutes

REA Board Strategy Meeting - February 2025 19 Feb 2025, the minutes were confirmed as presented.

REA Board Meeting - February 2025 19 Feb 2025, the minutes were confirmed as presented.

1.7.a Minutes from the 19 February 2025 Board Strategy Session

1.7.b Minutes from the 19 February 2025 Board Meeting

1.7.c Resolution approving [REDACTED] as an Audit & Risk Committee Member

Outcome: All minutes and resolutions were approved as written.

1.7.d: Audit & Risk Committee Update

The Audit and Risk Chair provided a verbal update on the ARC meeting on 17 March 2025, noting most items are now presented to the Board at this meeting. ARC discussions included:

- Feedback on the first iteration of the 2025-26 SPE and budget
- Audit fee proposal
- Insurance renewal update
- Risk and hazards six-monthly review
- Audit & Risk Committee Self-Assessment

2. Actions from Previous Meetings

2.1 Action Item List

Due Date	Action Title	Owner(s)
19 Feb 2025	1) EIE to approach certificate 4 providers to analyse volumes of new licensees. Status: Completed on 1 May 2025	[REDACTED]
19 Feb 2025	2) Finalise Stakeholder Prioritiation List Status: Completed on 19 Mar 2025	[REDACTED]
28 Feb 2025	3) REA to provide a case update to the sector on the Cho decision on compensation referrals Status: Completed on 20 Mar 2025	[REDACTED]

Due Date	Action Title	Owner(s)
28 Feb 2025	4) Submit the final response to the second set of Select Committee Annual Review questions Status: Completed on 20 Mar 2025	Belinda Moffat
27 Mar 2025	7) Comms and Engagement Approach Status: Completed on 19 Mar 2025	[REDACTED]
27 Mar 2025	8) Industry Pānui Content Review Status: Completed on 19 Mar 2025	[REDACTED]
27 Mar 2025	10) Present the proposed Regulatory Positions changes to the Board in March 2025 Status: Completed on 20 Mar 2025	[REDACTED]
27 Mar 2025	11) Business case (cost/benefit analysis) for evolving CWREA events into a multi-stop roadshow event Status: Completed on 19 Mar 2025	[REDACTED]
27 Mar 2025	12) Complaint completion SPE Targets Status: Completed on 20 Mar 2025	Belinda Moffat, [REDACTED]
27 Mar 2025	13) Stakeholder Prioritisation List: Iwi Chairs Status: Completed on 19 Mar 2025	[REDACTED]
27 Mar 2025	2) [REDACTED] Status: Completed on 1 May 2025	Belinda Moffat, [REDACTED]
27 Mar 2025	15) Finalise and issue the approved February policies to staff. Status: Completed on 20 Mar 2025	Belinda Moffat
27 Mar 2025	3) Provide an update to the Board on the Ringa Hora Qualifications Review at the next meeting. Status: Completed on 30 Apr 2025	[REDACTED]
27 Mar 2025	17) Provide the Board with JR scenarios including proposed steps to be taken for each Status: Completed on 20 Mar 2025	[REDACTED] Belinda Moffat
31 Mar 2025	19) Consider inviting a housing specialist [REDACTED] to speak to the Board. Status: Completed on 20 Mar 2025	Belinda Moffat
31 Mar 2025	20) Licensee and Consumer Messaging around Complaints Status: Completed on 19 Mar 2025	Belinda Moffat, [REDACTED]
31 Mar 2025	21) List of potential annual engagement opportunities at real estate/property management conferences Status: Completed on 19 Mar 2025	[REDACTED]
31 Mar 2025	23) RST team to provide pre-CAC resolutions data to the Board Status: Completed on 20 Mar 2025	[REDACTED]
21 May 2025	8) [REDACTED] Status: In Progress	[REDACTED]
31 May 2025	9) Review of Offshore Regulatory Settings Status: On Hold	[REDACTED]
31 May 2025	10) Review NZ Information Security Manual to ensure ICT Acceptable Use Policy compliance Status: Completed on 2 May 2025	[REDACTED]
30 Jun 2025	20) Māori Engagement Framework - Board Marae Visit Status: In Progress	Belinda Moffat
30 Jun 2025	21) Engagement with Māori Housing entity [REDACTED] Status: In Progress	Belinda Moffat
30 Jun 2025	22) Arrange a meeting with Ministers on AML and Housing Status: In Progress	Belinda Moffat
30 Jun 2025	23) Consider Māori engagement/cultural capability growth opportunities for Board Status: Completed on 2 May 2025	Belinda Moffat
30 Jun 2025	24) Review CPD Complaints topic/consider facilitated pack on management of low-level complaints Status: Completed on 2 May 2025	[REDACTED]

Due Date	Action Title	Owner(s)
30 Jun 2025	25) Code of Conduct one-page summary Status: In Progress	[REDACTED]
30 Jun 2025	26) Publish short 2024 litigation overview of cases of regulatory importance in Q4 Status: In Progress	[REDACTED]
31 Jul 2025	27) Invite the Minister to a 2025 stakeholder event Status: In Progress	Belinda Moffat
22 Oct 2025	28) Information on consumer issues relating to developers selling directly to consumers Status: On Hold	[REDACTED]
23 Oct 2025	29) Home ownership models and data on acquisition pathways Status: On Hold	[REDACTED]

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

- Action 5 Home ownership models and data on acquisition pathways: it was noted that Core Logic’s research cost proposal was prohibitively high and not within budget this year. The Board agreed to keep this action live for the next six months as it is important to understand the real estate environment, however this is to be put on hold until the 2025/26 year.
- Action 6 Information on consumer issues relating to developers selling directly to consumers: keep this action on hold until the next financial year, as with action 5.
- Actions 14 and 24: combine these actions as they are interrelated. Also considering [REDACTED] regarding marae visit options.

2.2 Morning Tea Break

The Board had a morning tea break at 10.48am

3. Chief Executive's Report

3.1 CE Report

The report was taken as read and the following matters were discussed:

- Select Committee Annual Review date has been confirmed as 21 August. The Board Chair is not available and a date change will be sought.
- RSAB: REA sought advice and will not make a formal submission but has provided written advice to MoJ on the s72 amendment (letter provided in the supplemental papers folder on BoardPro).
- [REDACTED]
- [REDACTED]
- The Board acknowledged the OIA data in paragraphs 48-49 and congratulated the team on achieving 100% compliance.
- The health & safety update was noted. The Board and CE discussed staff wellbeing and stress management relating to sustained high volumes of work, along with some challenging staff interactions with the public following the Judicial Review appeal. REA

leaders are monitoring the wellbeing of their people with the support of People & Capability team.

- [REDACTED]
- Audit Fee Proposal: management did not recommend any changes to the scope of the audit. The increase in disbursements has been reviewed and is deemed acceptable. The Board approved the audit proposal.

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 or endorse the Audit proposal presented at paragraph 17 of this report.

Outcome: Contents noted, health & safety matters were discussed and the Audit proposal was accepted. The Board approved REA applying the Board Chair's signature to the proposal.



6) Apply the Board Chair's signature to the Audit Fee Proposal.

Apply the Board Chair's signature to the Audit Fee Proposal.

Due Date: 28 Apr 2025

Owner: [REDACTED]



5) Seek a new Select Committee Hearing date.

Seek a new Select Committee Hearing date.

Due Date: 16 Apr 2025

Owners: Belinda Moffat, [REDACTED]

4. Board Papers for Approval or Discussion

4.1 Strategic Deep Dive: REAA 2008

The General Counsel introduced this paper which had been deferred from the February meeting due to time constraints. The paper was taken as read and the two Bills under consideration by Parliament were noted.

[REDACTED]

The Board discussed the following:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

| [REDACTED]

[REDACTED]

| [REDACTED]

| [REDACTED]

| [REDACTED]

| [REDACTED]

| [REDACTED]

| [REDACTED]

| [REDACTED]

[REDACTED]

| [REDACTED]

[REDACTED]

| [REDACTED]

| [REDACTED]

- | [REDACTED]
- | [REDACTED]
- | [REDACTED]
- | [REDACTED]
- | [REDACTED]
- | [REDACTED]
- | [REDACTED]
- | [REDACTED]
- | [REDACTED]

[REDACTED]

- | [REDACTED]
- | [REDACTED]
- | [REDACTED]
- | [REDACTED]

Next steps:

- 1) The Board agreed to further develop the eight recommended options.
- 2) Prepare a prepare a letter to MoJ setting out areas for improvement of the regulatory system with reasons (copied to the Minister).
- 3) [REDACTED]
- 4) Keep the Board regularly apprised of this work.

Recommendations:

It was recommended that the Board:

- a) Discuss the key areas of potential improvement to the REAA 2008 to improve the regulatory system.
- b) Provide direction on the aspects on which further advice is required, and which could be considered for referral to the Ministry of Justice to consider.

Outcome: Discussed and direction provided above.

 **13) Consult with REINZ on notifying agencies of complaints.**

Consult with REINZ on notifying agencies of complaints.

Due Date: 18 Jun 2025
Owners: [Redacted] Belinda Moffat

 **14) Confirm whether there is a fees framework review and whether there can be an exemption for CACS**

Confirm whether there is an upcoming fees framework review and whether there can be an exemption for CACS.

Due Date: 18 Jun 2025
Owners: Belinda Moffat, [Redacted]

 **15) Discuss costs for application for review/appeals with the Tribunal**

Discuss costs for application for review/appeals with the Tribunal

Due Date: 18 Jun 2025
Owners: [Redacted] Belinda Moffat

 **16) Prepare letter to MoJ on recommended change to the REAA**

Prepare letter to MoJ on recommended change to the REAA

Due Date: 18 Jun 2025
Owners: [Redacted] Belinda Moffat

 **17) Finalise advice on whether REA can notify agencies of complaints against licensees they employ**

Finalise advice on whether REA can notify agencies of complaints against licensees employed by them

Due Date: 18 Jun 2025
Owners: [Redacted]

4.2 Review of REA Legal Regulatory Positions

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

Recommendations

It was recommended that the Board:

- a) Note that this paper is confidential and subject to legal professional privilege.
- b) Discuss and provide feedback on REA's stated regulatory positions.
- c) Note and provide feedback on the recommendations for the further use of content in the positions paper.

Outcome: noted, discussed and the Board agreed to the further use of the regulatory positions paper.

4.3 Stakeholder Engagement Approach

The Head of EIE introduced this paper and highlighted the following:

- This follows on from the Board discussion in December and the Board's attention was drawn to the updated slides on pg. 178-179 which include updated definitions and categories within priority levels.
- The low category is now referred to as lower (as those stakeholders are still a priority).
- Tactical plan overview is included on pg. 180 and the practical application is demonstrated in the Conference List in Appendix B. page 181 highlights that prioritisation is occurring and the focus is on maximising reach in a cost effective way.

The Board discussed the following:

- What priority is given to Settled? Staff confirmed that consumers and promotion of Settled is a high priority with a targeted approach with stakeholders to promote Settled. A recent example of activities to increase consumer reach with minimal cost was through content sharing partnerships with TradeMe and OneRoof, and expansion to Instagram and the results of these partnerships will be measured.
- Where are the consumer organisations in the high priority list, staff confirmed we access consumers through a range of stakeholders such as property law providers banks and financial advisors.
- The Board discussed consumer protection at the listings stage and encouraging consumers to approach lawyers at that early stage.
- Banks and brokers are in the medium priority category but consider whether they should be high priority as a channel for reaching consumers.
- It was agreed that promoting REA's Settled content on websites like TradeMe and banks increases their credibility by promoting our resources.
- Stakeholder conferences: what are the additional 4 events? Ray White, Society of Conveyancers, AndCo conference, and a Law Society Panel in Christchurch.
- The Board suggested approaching the Pacific Lawyers Society to see if we could speak at an upcoming conference.
- The Board reiterated the need to be realistic about what we can achieve in terms of limited resources, but it is an important strategic priority.

- The Head of EIE and [REDACTED] will connect to talk about Pacific network connections.
- The Board confirmed that it is important for REA to support informed consumers and educated licensees and for REA to be connected to the wider real estate sector. The Board endorsed the importance of our engagement activities as a key strategic priority, **and** a core regulatory function.

Recommendations

It was recommended that the Board:

- a) Endorse the importance of stakeholder engagement as a strategic priority to be balanced with REA's core regulatory functions.
- b) Endorse the stakeholder engagement priorities in Appendix A.
- c) Note and provide feedback on the REA conference engagement list at Appendix B.
- d) Note that the Head of EIE will prepare a final tactical engagement plan for Q4 and 2025/26 taking into account current budget and resource for approval by the Chief Executive by May 2025.

Outcome: Noted, endorsed, and feedback was provided on the conference engagement list.



11) Prepare a tactical engagement plan for Q4 and 2025/26 for approval by the Chief Executive by May

Prepare a tactical engagement plan for Q4 and 2025/26 for approval by the Chief Executive by May 2025.

Due Date: 31 May 2025

Owner: [REDACTED]



12) Connect with the Pacific Law Society

Connect with the Pacific Law Society

Due Date: 31 May 2025

Owner: [REDACTED]

4.4 Changes to Strategic Environment

- Not discussed due to time constraints.

4.5 Lunch Break

5. Governance Papers for Approval or Discussion

5.1 Accountability Reporting: 2025-26 SPE and Budget

The CE introduced this paper and highlighted the updates made following consideration by the Audit & Risk Committee Meeting on 17 March 2025. The Board's feedback was sought on the SPE narrative and the budget deficit prior to submission to the Ministry of Justice on 31 March 2025.

The Board discussed the following:

- Licensee numbers: REA anticipated a reduction in licensee numbers however they appear to be stable.
- Pg 191 paragraph 16 models an increase to the levy, but no decision has been made as to when this might be required. Management advised there are a few variables to be

assessed before we seek to do this and a decision will need to be made in December 2025 if we wish to progress a levy change.

- The Board discussed whether over the next 3 years, rather than a \$1.4m deficit would we prefer to be breaking even by 2028 in order to be sustainable. The Board requested Management present a cost neutral budget in June, highlighting where savings would be made to break even.
- Exploring other potential revenue streams is underway.
- It was noted that the budget only captures an additional \$100,000 of complaint costs. Other proposed costs to enhance the complaint system are still under consideration.
- Board noted that it was comfortable with the planned deficit, noting that there would need to be a reduction of 2000 licensees before we need to increase the levy to continue operating on core services.
- It was noted that if licensees numbers were to plunge resulting in a loss of revenue, REA could:
 - o Increase levies
 - o explore other revenue streams
 - o reduce variable costs

Recommendations

It was recommended that the Board:

- a) Discuss and provide feedback on the draft 2025/26 SPE and Budget.
- b) Approve in principle the forecast deficit, noting the further review post Bulk Renewals.
- c) Subject to any changes, approve the provision of the draft SPE to the Ministry of Justice by 31 March 2025.

Outcome: discussed, feedback was provided, the forecast deficit was approved in principle, and the Board approved the provision of the draft SPE to the Ministry of Justice.



18) Prepare a cost neutral budget including where savings could be made to achieve this

Prepare a cost neutral budget including identification of where savings could be made to achieve this.

Due Date: 18 Jun 2025

Owners: Belinda Moffat, [REDACTED]

5.2 CPD Update: 2024 Survey Results and 2026 CPD Topic Recommendations

This paper was taken as read and the Board discussed the following:

2024 CPD Survey Results

- The Board noted the excellent survey results for 2024.
- REA has 29 approved training providers and runs a train-the-trainer model. REA monitors the training feedback on these ATPs on a monthly basis.
- A Board member queried the potential for inaccuracy (bias) of results, given the feedback is provided by licensees to REA as the regulator. Providing a third party survey might provide more accurate feedback. Management advised that feedback is on the delivery of CPD by the provider (not training delivered by REA). Consideration could be given to conducting an independent survey, noting there would be associated costs which would need to be budgeted for.
- A question was raised about in-house delivery of CPD (e.g. Property Brokers) and whether those results are higher because it is internally delivered training.

- Management highlighted a consistent higher result for in-person training vs. online delivery.
- Lower rated providers: the Board queried whether these are dips or consistently low compared with other years. Management confirmed this was a dip and further work is being done to delve into the reasons for those drops.

Proposed 2026 Verifiable CDP Topics

- [REDACTED]
- Management gave an overview of the robust process used to determine CPD topics, including discussion with the CPD Advisory Group.
- The Board discussed the four recommended topics in paragraph 16, including the recommended mandatory topic.
- The Board endorsed the proposed mandatory topic on Digital Technology Use in Real Estate and would like to ensure the topic addresses privacy risks in use of technology.
- A Board member suggested redeveloping our disclosure topics, as it is still one of our top complaint themes and this needs to be addressed through CPD. Current CPD disclosure topics are not necessarily having the desired impact in the way it is currently delivered. A refreshed disclosure topic delivered through a new lens was supported. The topic could include illustrative examples asking licensees how to respond in particular scenarios.
- Other means of reinforcing the importance of disclosure was discussed and includes Industry pānui and other messaging avenues to provide more information around disclosure to the sector and consumers.
- Decision: The Board agreed to refer disclosure back to the Education Team to consider options. Put this back on the list for topic maintenance.
- Unit Titles Topic: Company Share Titles were discussed - these are not a cross lease, not a unit title, but they do overlap and there is no standardised sale and purchase agreement for these. Only some banks lend on these. While these might not be encountered by all licensees they do arise and should be captured in the Unit Titles topic. An action was recorded to explore these further and report back to the Board on what guidance REA could provide in June.



Recommendations were noted and the Board approved the mandatory topic for the 2026 CPD Programme

Recommendations

It was recommended that the Board:

- a. Note the contents of this paper and provide feedback on any matters raised.
- b. Note the proposed mandatory and elective CPD topics for the 2026 CPD programme.
- c. Approve the proposed mandatory CPD topic for the 2026 CPD Programme.

Outcome: Noted and approved.

Decision Date: 27 Mar 2025

Outcome: Approved



19) Provide additional detail on Company Share Titles and what guidance REA could provide

Provide additional detail to the Board on Company Share Titles and what guidance REA could give on these.

Due Date: 18 Jun 2025

Owners: [REDACTED]

5.3 Complaints Update

This paper was taken as read and management highlighted the following developments:

- Looking at some new software for managing evidence for CACs.
- Complaints CPD topic is still being reviewed.
- Deep-dive complaints analysis work is also underway and there are some interesting insights which will be shared with the Board in due course.

The Board commended the REA team for the number of complaints that have been resolved to date, higher than any previous year and with three months remaining in the financial year.

Recommendations

It was recommended that the Board:

- a. Note the complaints update and discuss any matters raised.

Outcome: Noted.

5.4 Risk Six-monthly Review

This paper was taken as read and the Head of Corporate Services highlighted the following:

- Addition of climate change risk.
- The refreshed risk bow-tie model is progressing and will be presented to ARC in April.

The Board had no comments or questions.

Recommendations

It was recommended that the Board:

- b. Note the Risk Report and Register and Health & Safety Hazards Register.

Outcome: Noted.

5.5 ARC Performance Self-Assessment Update

The paper was taken as read and the Committee Chair noted the timing was challenging with the recent changes in Board and Committee membership.



The Board approved the Committee appointments and reappointments

Recommendations

It was recommended that the Board:

- a. Note the self-assessment conducted by the Audit & Risk Committee.
- b. Approve the reappointment of [REDACTED] and [REDACTED] to the Committee for terms of two years from April 2025.
- c. Approve the appointment of [REDACTED] to the Committee for a term of three years.
- d. Approve the appointment of [REDACTED] to the People & Capability Committee for a term of three years.

Outcome: Noted and approved the above appointments and reappointments.

Decision Date: 27 Mar 2025

Outcome: Approved



4) Update the appointments schedule and send Committee meeting invitations to the new members

Update the Board appointments schedule and send Committee meeting invitations to the new Committee members.

Due Date: 31 Mar 2025

Owner: [REDACTED]

5.6 Insurance Programme Renewal 2025-26

This paper was taken as read and the Board had no questions or comments.



Board approved REA participating in the AoG Contract and delegated to ARC to approve the Insurance

Recommendations

It was recommended that the Board:

- a. Note the progress update on the insurance programme 2025/26.
- b. Approve REA participating in the All of Government Insurance Brokering Services Generation 2 AOG Contract.
- c. Approve a delegation to the Audit & Risk Committee to review and approve the insurance programme for 2025/26.

Outcome: Noted and approved.

Decision Date: 27 Mar 2025

Outcome: Approved

5.7 Systems Enhancement Project (SEP) Update

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

- [REDACTED]
- | [REDACTED]
- | [REDACTED]
- | [REDACTED]

Recommendations

It was recommended that the Board:

- a) Note the progress of the Systems Enhancement Project.

Outcome: Noted.

6. Board Papers for noting

6.1 Performance Dashboard

The Performance Dashboard was noted and the Board discussed the following:

- The Performance Dashboard was noted.
- Discussion returned to the measures in draft SPE and the possible inclusion of explanatory footnotes to advise why targets are lower than the previous year's actuals.

7. Other Business

7.1 General Business

- Induction for Mr Coffey and Ms Tate is underway with further sessions to be planned in coming weeks.



7) Arrange remaining inductions meetings with new Board members.

Saara to arrange remaining inductions meetings with new Board members.

Due Date: 30 Apr 2025
Owner: Saara Fourie

7.2 Closing Karakia

The meeting was closed with a Karakia at 2.28pm.

Next meeting will be an online check-in meeting on 7 May 2025.

8. Close Meeting

8.1 Close the meeting

Next meeting: REA Board Meeting - June 2025 - 18 Jun 2025, 9:00 am

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

Signature:

Date:

7 May 2025