

OPEN
Nelson Marlborough Institute of Technology Limited
(the Company)

Minutes of a meeting of the Board of Directors
(Board)

15 March 2021 at 10.10am

These are the minutes of an OPEN meeting of the Board of the Company held on 15 March 2021 at NMIT Marlborough campus.

PRESENT

Board: Tracy Johnston (Chair), Toni Grant, Patrick Smith, Charles Newton, Kathy Grant, Judene Edgar, Joanie Wilson.

In Attendance: Wayne Jackson (Chief Executive), Julie Baxendine (Temporary Board Secretary), Brian Johnston (Company Secretary).

In Part Attendance: Grant Kerr (Executive Director), Olivia Hall (Executive Director), Sue Smart (Executive Director).

Apologies

None.

Welcome and Karakia

P Smith opened the meeting with a karakia.

Board Only Time

It was noted that this was the first meeting for T Johnston as Chair. The Board discussed and agreed expectations of communication from Chair between Board meetings.

Declaration of Interests and Disclosures Register

The following additions were provided for the register of interests:

- Tracy Johnston – Interview Panel for Co-Chair of Regional Skills Group Marlborough
- Joanie Wilson – Chair Te Kāhui Mātauranga Te Tau Ihu Education Group
- Joanie Wilson – Wakatū Incorporation, Shareholder

The following interest was declared in relation to the in-committee agenda:

- Joanie Wilson & Toni Grant –agenda item on Wakatū Interim Judgement

Items not on the Agenda

Nil.

Governance

Minutes of NMIT Board Meeting 12 February 2021 – Open

As the meeting minutes presented for 12 February were in draft form, it was agreed these would be reviewed for approving at the May Board meeting.

Action Items of NMIT Board Meeting 12 February 2021 – Open

W Jackson provided an update on action items.

The Board requires a copy of the PGF application to understand the commitment for NMIT and for integration into the strategy.

Strategy update. W Jackson advised the development of project plans under a programme management system was in process. The Board emphasised focus must be given to provide firm outputs, as soon as practicable

It was noted that Communication actions had been completed and that the Seismic Assessment was included in the Agenda papers.

Chair Remuneration

T Johnston stepped away from the position of Chair. P Smith assumed the role of Acting Chair for the purposes of the following resolution.

RESOLVED:

The Board agrees that:

1. pursuant to section 161(1)(a) of the Companies Act, the payment of the Increased Remuneration to Tracy Johnston to reflect her appointment as Chair is approved, and the particulars of such Increased Remuneration are to be entered into the interests register of the Company; and
2. in accordance with section 161(1)(a) of the Companies Act, the Board is satisfied that the payment by the Company of the Increased Remuneration is fair to the Company; and
3. the Directors are authorised to sign a certificate for the purposes of section 161(1)(a) of the Companies Act; and
4. the Certificate is to be signed by application of each individual signatory's electronic signature.

Action: B Johnston to attach signature to the Resolution of the Board and report to Companies Office and Te Pukenga.

T Johnston resumed the role of Chair.

Deputy Chair Remuneration

RESOLVED:

The Board agrees that:

1. pursuant to section 161(1)(a) of the Companies Act, the payment of the Increased Remuneration to Patrick Smith to reflect his appointment as Deputy Chair is approved, and the particulars of such Increased Remuneration are to be entered into the interests register of the Company; and
2. in accordance with section 161(1)(a) of the Companies Act, the Board is satisfied that the payment by the Company of the Increased Remuneration is fair to the Company; and
3. the Directors are authorised to sign a certificate for the purposes of section 161(1)(a) of the Companies Act; and

4. the Certificate is to be signed by application of each individual signatory's electronic signature.

Action: B Johnston to attach signature to the Resolution of the Board and report to Companies Office and Te Pukenga.

Professional Development of Chair

T Johnston spoke to the paper seeking endorsement for attendance of an IOD Chairs training Course.

It was noted that the governance budget does not include a specific allowance for professional development. It was suggested that anyone with a request for professional development bring their requests to the Board for approval. A budget allocation for Board professional development will be established.

The Board discussed and agreed that the Chair be funded to attend the Institute of Directors course.

Composition of Board Committees

RESOLVED:

That the Board Agrees the following composition for Board Committees:

Remuneration and Appointments Committee: P Smith (Chair), J Wilson, J Edgar

Audit and Risk Committee: K Grant (Chair), T Grant, T Johnston, C Newton

Executive Directors from the Senior Leadership Team joined the meeting.

Director Appointment

It was noted Te Pūkenga had the responsibility to advertise and appoint the replacement Director. T Johnston to follow up on progress of the appointment.

Performance & Risk Reports

Audit and Risk Committee Update

K Grant verbally updated the board on the last Audit and Risk Committee meeting.

- The Committee confirmed the audit process was for the 9 months to 31 December 2020. The Committee recommend the approval of the financial statements to 31 December.
- The Statement of Service Performance was not available to the Audit and Risk Committee but was in the Board papers for today.
- The financials to 31 January were taken as read.
- The Committee are to meet with the Auditor prior to the next meeting, which will provide an opportunity to discuss the audit report and hear from the auditor on their review of the process.

The Fraud Questionnaire required by Audit NZ has been returned to Audit NZ.

Letters of Representation have still not been received. B Johnston advised these will be produced by the Auditors and then circulated to the Board for review. These will be supplied via eResolution in order to support the submission of the Annual Report by 26th March.

It was noted that the investments at SBS are outside the Te Pukenga treasury policy and the Committee passed a resolution to allow these to go through to their expiry dates and then be changed.

Any reference in the reports to Audit Sub-Committee would need to be changed to Audit and Risk Committee.

CE Report

W Jackson reported enrolments were 20% ahead of 2021, which was 79% of the annual budget.. This was significantly more than had been forecast.

He explained the Application and Enrolment Trends Report replaced previous reporting formats and provided information on enrolment numbers to date and comparatives to the previous year. The Board were pleased with the new reporting format.

The Board noted the Seymour Street situation has been resolved, resulting in a refund of 20%, therefor approximately \$82K to be received.

The CE office, comprising four Directors, three EAs and a Board Secretary are currently down one EA and on the verge of appointing a new Board Secretary.

The proposed Transition Manger role will now be an Integrated Risk Management role.

Risk Register

The risk register was reviewed. An IT risk was identified with more laptops that need upgrading, with some needing to be taken out of circulation and wiped. This is being addressed with a sense of urgency. 190 laptops require reconfiguring by term 2.

It was noted that there is a need for all Directors to operate under their NMIT email address to ensure full security measures are in place.

Action: B Johnston to Provide advice to Directors on the use NMIT email for risk management purposes.

Finance

Annual Accounts to 31 December 2020

These were subject to any changes recommended by Audit NZ. Brian reported that verbal acceptance had been received from Audit NZ.

The Board discussed concerns over the potential for misunderstanding of the financial position. Along with the audited 9-month period to December 2020, the Accounts include an unaudited statement of revenue, expenditure and cash flows for the 12-month period – which gives a more accurate picture of the institution's annual financial performance. This comprises the audited 9 months results to 31 December plus the audited 3 months results to 31 March 2020. The annual summary was put together in conjunction with the auditors. The Statement of Service includes the chairpersons report that also includes an explanation.

Action: B Johnston to review whether the consolidated reports should include the Trust, review the Constitution and come back to the Board with recommendations.

The Financial Statements, , having received verbal approval from Audit NZ, were agreed as tabled. It was noted the list of Board Directors would need to be revised to cover the 12 month period..

Action: B Johnston to review the Annual Report to ensure it meets the requirements of the Companies Act, with the inclusion of an Interests Register.

RESOLVED:

That the Board delegate responsibility for any further final minor alterations to the Chair and the Chair of the Audit and Risk Committee.

RESOLVED:

That the Board approve the financial report for the nine months to 31 December 2020 as recommended by the Audit and Risk committee, with the expectation of a Letter of Representation being in place.

Management Accounts to 31 January 2021

The management accounts to January 2021 record an operating loss of \$1.988million, \$234K over budget of \$1.744. Under Te Pūkenga's new reporting requirements, we are now reporting income based on course delivery rather than on enrolments. A verbal update on the February accounts gave a projected loss of \$150k against a budgeted loss of \$157k. The first reforecast for the year will be completed at the end of March.

Group Debt Management

Documentation arrived last Friday relating to the finance and banking requirements and the proposed changes. Te Pūkenga have made some minor changes to the documents presented to the February meeting. These now need to be signed off by signatories. A statement will be sent to the designated Directors to sign. These will need to be returned to Bell Gully acting on behalf of Te Pūkenga and Westpac. There were no concerns of financial viability.

Action: B Johnston to send finance and banking documents to signatories, with an explanatory note for action.

Discussion / For Information Reports

RoVe Update

The RoVe update was received.

Other Items

Correspondence – no correspondence to note.

Common Seal - no requirement for the use of the common Seal.

Board Calendar – it was proposed that the next Board meeting will be in Marlborough.

Action: Board Secretary to set May Board meeting at the Marlborough campus, with attendance at scholarship ceremony prior.

In Committee

RESOLVED:

1. That members of the public and press be excluded from the remainder of the meeting and that the NMIT Board move In-committee.
2. That the Chief Executive and Board Secretary and invited executives be permitted to remain at the meeting, after the public has been excluded, because of their knowledge in relation to specific agenda items. This knowledge, which will be of assistance in relation to the matters to be discussed, is relevant to those matters because they have assisted in the preparation of such matters.

Resolutions will be made in reliance on section 48(1) of the Local Government Official Information and Meetings Act 1987 (**LGOIMA**) and the particular interests protected by section 9 of the Official Information Act 1982 which would be prejudiced by the holding of the relevant parts of the proceedings of the meeting in public.

The general subject of each matter to be considered while the public is excluded, the reason for passing the resolution in relation to each matter and the specific grounds under section 48(1) of LGOIMA for the passing of the resolution are as follows:

General subject of each matter considered	Reason for passing resolution in relation to each matter	Grounds under section 48(1) for the passing of the resolution
Minutes from public excluded part of previous meeting on 23 November 2020	Section 9(2)(b)(ii) of the Official Information Act - protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information	That the public conduct of this item would be likely to result in the disclosure of information for which good reason for withholding would exist under section 9 (noting the Board is specified, in Schedule 2 of LGOIMA, as a body to which LGOIMA applies).
Strategy Risk management Te Pūkenga Group Debt Financing Performance Reporting	Section 9(2)(i) of the Official Information Act – enable the organisation holding the information to carry out, without prejudice or disadvantage, commercial activities. Section 9(2)(b)(ii) of the Official Information Act - protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information	That the public conduct of this item would be likely to result in the disclosure of information for which good reason for withholding would exist under section 9 (noting the Board is specified, in Schedule 2 of LGOIMA, as a body to which LGOIMA applies).

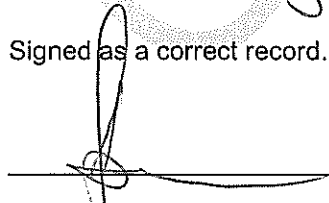
Closure

There being no further business, the Chairperson declared the meeting closed at 4.30pm.

P Smith closed the meeting with a karakia whakamutunga at 4.30 pm.

Dated: 16 August 2021

Signed as a correct record.


Chairperson