

TRONT REPORT APRIL 2018

Nei rā te mihi matakui kui ki a koutou kā uri o Kāti Māhaki ki Makaawhio e whai ake te hui nui o Te Rūnanga o Ngāi Tahu. Tēnā koutou katoa

Te Rūnanga o Ngāi Tahu met on Saturday 21 April 2018, where we received the sad news that Mandy Waaka - Homes had passed away. Mandy was an active, determined and very passionate advocate not only for her people, but also in the environmental space. Her contribution, was extensive, not only in the Committee, Board, and hui space, but also as Manager of Arowhenua Marae for three years. She took her kaitiaki responsibilities seriously and devoted much of her life to making sure our legacy for the next was to ensure our tāonga and other natural resources would be passed on in as good a state, if not better. Mandy was staunch, vocal, tough and funny, and she left you in no doubt about her thoughts and feelings. She was also generous with her time and tautoko. *No reira, e te mareikura, te wahine toa o te wai, o te atiao, haere, haere, haere atu ra. Moe mai i te rakimarie.* Details of her Takiaue arrangements were not available at the meeting, these will be sent separately.

The format of my report is as follows;

- Kaupapa – refers to the matter or topic of the Paper
- Ngā Tohutanga – notes the recommendations of the paper
- [Proposed recommendation](#) – notes what I proposed originally in relation to the paper, including rationale (where required), initial thoughts/notes, potential comments/issues that I want to highlight and any further feedback. This position may change as a result of discussion at the meeting.
- [Outcomes](#) – notes the actual decisions made.

The Agenda papers provided with the Pre-TRONT Report will help to provide more context in regards to the kaupapa included.

Our Hui started with a Strategy Session covering two kaupapa:

- Māori Futures – This is a really exciting kaupapa being led by Dr Eruera Tarena and Tokona Te Raki (Māori Futures Collective), an initiative supported by TRONT and the office. The publication, *Change Agenda: Income Equity for Māori* is a report produced jointly with Business and Economic Research Ltd (BERL). It is a 'call to action, demonstrating the inequalities in education, employment and income for Māori and the significant cost of this to New Zealand's economy. The data produced is the type we need to help inform the direction we need to be taking in regard to delivery and enabling whānau rakatirataka.
<https://i.stuff.co.nz/business/102643651/inequality-deprivingmori-and-the-economy-of-26b-every-year>

In addition to having some really good data, establishing a focus on equity as opposed to equality, aligning social and economic outcomes, stepping up and being brave enough to change what we are doing, the key message which stood out for me, was:

- You cannot always predict with certainty what is beyond the horizon
 - To be innovative, you cannot always find the evidence until you have tried it.
- Haea te awa – Another future focussed piece of work, Haea te awa is a change programme, created to see tangible outcomes that address whānau and Papatipu Rūnanga self-determination, with a specific focus directed towards creating development at a regional level. A set of Principles were developed, along with some key themes before Management was charged with pushing ahead with the design and development of a change programme aligned to the Haea Te Awa Principles.

It is important to note that 2025 remains the foundation of core tribal aspirations along with *Au Ahi Au Ora* Papatipu Rūnanga Aspirations (PRAG) which underpins establishing future regional development opportunities. Haea Te Awa must be aligned to these main drivers. Management have already sought direction from Te Here in the form of a wānanga and now will be engaging Te Rūnanga in the process. The Principles and Key themes and identified and agreed Work Streams discussed to date have been included for your information.

PRINCIPLES	
The New Phase	Land
<ol style="list-style-type: none"> 1. Disruptive design / innovation 2. Building a platform for “great” ideas 3. Embrace a GLOCAL approach 4. Ngāi Tahu 2050 5. Clarify interface between PR and TRoNT 6. Reset the distribution policy with the focus on PR development 7. Mutual relationship and reciprocity between PR, TRoNT, Whānau - “wheel” 8. NT footprint 	<ol style="list-style-type: none"> 1. Mana Whenua – Mana Moana 2. RFR review 3. First option for PR for disposable assets 4. PR Strategic Purchasing & Partnerships 5. No further sale of claim assets (inclusive KEB buildings) until further notice 6. Increase footprint - land and other footprint assets 7. Land Retention – explore alternative models for land asset holdings <p><i>* Papatipu Rūnanga will list strategic assets in their Takiwā to develop a model to progress ownership</i></p>
Key themes	
<ol style="list-style-type: none"> 1. Build a shared vision for Ngāi Tahu 2050 2. Build a culture of innovation 3. Empower Papatipu Rūnanga 4. Increase tribal footprint 5. Enhance Mana Whenua, Mana Moana and Mana Motuhake 	
Key work streams	
<ul style="list-style-type: none"> • Review Distribution • Review Investment Framework • Regional Incubation Development • Universal Value Creation • Boundary pou – propose a more strategic approach (reframe to incorporate visibility) 	

Key message - Engagement with Papatipu Runanga needs to be beyond a feedback process, with a higher degree of engagement and in depth discussion. Feedback sought by office about the best way to work with PR. There is an opportunity for us to establish how we (Makaawhio) want to engage in this process. Options such as Co-create and lead in spaces that are priority for us, driving stepped change and capacity building as we move towards potential devolution etc.

HE PEPA WHAKATAUNGA (DECISION PAPERS)

Kaupapa - ORANGA	Ngā Tohutanga (Recommendations)	<i>Proposed Recommendation Hui outcome</i>
<p>Whai Rawa - Investment Choice</p>	<p>WRFL recommends Te Here / Te Rūnanga consider the outcomes explored above for Investment Choice and in particular, supports the introduction of;</p> <p>(a) Establishment of opportunity to move beyond the current default Whai Rawa Conservative Fund, and</p> <p>(b) Agrees to progress a Request for Proposal to offer Investment Choice to complement the current Whai Rawa Conservative Fund</p>	<p>As the paper notes, the extension of the scheme to include Investment Choices (ranging from Conservative to Growth) for members is the culmination of a number of pieces of work (review findings and subsequent TRONT directive to explore viability of offering additional risk options, Deloitte's analysis and a Whānau Survey). It is an exciting and natural progression for Whai Rawa, enabled not only by increased membership numbers (25,000) and the size of the managed funds (\$72 million) but also by the ongoing support of Te Rūnanga in underwriting the administration and registry costs as a benefit to members. <i>Tautoko receipt and approve recommendation</i></p> <p><i>Approved receipt and recommendation</i> Move to extend Investor choice options represents a significant step forward following 10 years of operation. Currently have a single conservative fund of \$72 million with 25,000 members and looking to options. RFP process to be started, with a proposal to come back for approval. Noted suggestion of looking at whether there is an opportunity to look at a NTHC investment option.</p> <ul style="list-style-type: none"> <i>Query about sunset clause for administration costs and whether those seeking higher risk investments should continue to be subsidised or to meet their own admin costs.</i> <i>Financial literacy and Investment advice.</i> <i>Ethical investment Principles (Funds management) – Mercer Funds have done the work confirming that their investments are socially responsible. LOE requires same requirements for WRFL as NTHC in relation to investment</i>

Kaupapa - ORANGA	Ngā Tohutanga (Recommendations)	<i>Proposed Recommendation Hui outcome</i>
Ngāi Tahu Whai Rawa KiwiSaver	<p>WRFL recommends Te Here/Te Rūnanga consider the outcomes explored above for a Ngāi Tahu Whai Rawa KiwiSaver and in particular;</p> <p>(a) Agrees that WRFL should put on hold the decision not to progress a Ngāi Tahu Whai Rawa KiwiSaver any further at this time;</p> <p>(b) Agrees that WRFL should explore alternative options where WRFL could administer additional funding that could provide greater financial benefit and capability to whānau; and</p> <p>(c) Requests WRFL present an analysis of alternative options back to Te Here/Te Rūnanga in October 2018.</p>	<p>I am not convinced by that the rationale provided supporting the recommendation not to progress a Whai Rawa KiwiSaver (KS) product and to instead allow WRFL to investigate and analyse alternative options for presentation later this year. Further additional commentary around threshold numbers required to sustain such a scheme, administration/registry fee recovery and the still to come analysis of the alternative options would have provided a more robust paper. I will be raising this and also the following questions when Te Here meet just prior to the TRONT Hui.</p> <ol style="list-style-type: none"> 1. What is the minimum number of members required to meet the threshold to progress the product, noting although the potential new KS applicants have been assessed as low due to the high number of members already participating, would this combined with the 27% who indicated they would switch and the 30% likely to switch meet that number? 2. Wouldn't the registry/administration costs identified be covered within the fee structure if the KS fund was to be developed? <p><i>Tautoko receipt and hold off recommendation (a) but approve recommendations (b) & (c).</i></p> <p><i>Approved receipt and recommendation excluding (a)</i> <i>Noted high results in regards to survey participants already engaged in WR and/or KS. Te Here perspective summarised as preferring to park KS and to look at how we influence change to the KS program so that we can have a single fund (WR + KS), which does not currently align with existing KS rules. Raised "opt out" discussion, highlighting the need to progress this picked up by WRFL. Te Rūnanga were also not convinced that taking the option of KS off the table was a good decision, noting that just because current conditions did not favour what we want did not mean that we could not work to achieve these.</i></p>
Kaupapa - RISK & COMPLIANCE	Ngā Tohutanga (Recommendations)	<i>Proposed Recommendation Hui outcome</i>
External Auditor Reappointment	<p>That Te Rūnanga o Ngāi Tahu:to</p> <ol style="list-style-type: none"> a) Receives the paper. b) Recommend that Deloitte be re-appointed as external auditor for the Ngai Tahu group for the 5 year period starting 1 July 2018 and ending 30 June 2023. 	<p>Robust process and rationale for decision provided.</p> <p><i>Tautoko receipt and approve recommendations</i></p> <p><i>Approved receipt and recommendation</i></p>

Kaupapa - RISK & COMPLIANCE	Ngā Tohutanga (Recommendations)	<i>Proposed Recommendation Hui outcome</i>
Internal Auditor Appointment	That Te Rūnanga o Ngāi Tahu: a) Receives the paper. b) Recommend that KPMG be appointed as internal auditor for the Ngai Tahu group for the 3 year period starting 1 July 2018 and ending 30 June 2021.	Robust process and rationale for decision provided. <i>Tautoko receipt and approve recommendations</i> <i>Taumutu shared their experience of finding a new Auditor and queried ability to leverage off their procurement for wider Rūnanga access.</i> <i>Approved receipt and recommendation</i>
External Auditor Independence Policy Review	That Te Runanga: a) Receive this paper; b) Accept the changes highlighted within the Policy; c) Approve the revised Policy	Amendments proposed cover organisational changes in the office and alignment with the Internal Auditor Appointment process. <i>Tautoko receipt and approve recommendations</i> <i>Approved receipt and recommendation</i>
TRARC Terms of Reference Review	That TRARC: a) Receive this paper; b) Accept the changes highlighted within the TOR; c) Approve the revised TOR.	In addition to minor administrative amendments, changes proposed have been made to provide clarity and remove duplication from other governing policies. Noted that it hadn't been to F&F but was discussed and only additional <i>Tautoko receipt and approve recommendation</i> <i>Approved receipt</i> <i>Held for further submission to capture feedback and align with other Committee TOR.</i>
Outcomes Framework Proposal	That Te Rūnanga o Ngāi Tahu: a) Receives this paper. b) Approve the Te Rūnanga o Ngāi Tahu Outcomes Framework.	The Outcomes Framework (OF) has been developed not only to track our performance in achieving tribal outcomes but as a tool to demonstrate the purpose and benefit of the work being undertaken in a clear, concise summary. A further refinement of the draft submitted in November has resulted in the OF version included, which is aimed at NT Whānui, has been aligned to existing Strategy decisions (but with flexibility to adapt to any changes), been externally reviewed and if approved it will be implemented in the coming Financial Year. <i>Tautoko receipt and approve recommendations</i> <i>Approved receipt and recommendation</i>
2018 – 2019 Pūtea Whakamahi Agreement	That Te Rūnanga: a) Receives the paper b) Approves the form of Te Pūtea Whakamahi Agreement for the year ended 30 June 2019 attached at Appendix Two	The changes are designed to simplify reporting and make sense, Noting 3.6 reference to Makaawhio not reporting – this is to confirm that the report has been furnished. <i>Tautoko receipt and approve recommendations</i> <i>Held over for next hui, due to time restraints.</i>

Kaupapa - RISK & COMPLIANCE	Ngā Tohutanga (Recommendations)	<i>Proposed Recommendation Hui outcome</i>
Health and Safety report – Quarter 3 FY18	Te Rūnanga o Ngāi Tahu: a) Receive the paper. b) Provide feedback to further guide improvements to the health and safety kaupapa. c) Provide feedback on the proposed H&S annual review at the June hui.	Continue to refine quarterly reporting and how we fulfil our responsibilities as Governors. The reporting shows a reduction in incidents this quarter. This is an important kaupapa and Management are seeking advice and guidance in relation to improving H&S overall, with a proposal to undertake an annual review at our June hui, when Quarter 4 reporting is due completing our first full year. The draft Annual H&S workplan aligned to our strategy will also be discussed. Tautoko receipt Approved receipt Te Runanga have been named as a finalist in H&S Awards, submitted in the Governance Category. Ceremony will be at Sky City on 30 May 2018. <i>Next reporting round wil be an Annual Report</i>

HE PEPA MATAPAKI (DISCUSSION PAPERS)

Kaupapa – FORM & FUNCTION	Ngā Tohutanga (Recommendations)	<i>Proposed Recommendation Hui outcome</i>
Form & Function Update	That Te Rūnanga o Ngāi Tahu a) Receive this paper b) Provide any feedback to the Form and Function Review update	Tautoko receipt Approved receipt Feedback about challenges in accessing and completing online consultation document, engaging whānau and where strategy aligns with the F & F kaupapa noted.
Code of Conduct Policy Review	That Te Rūnanga: a) Receives this paper; b) Gives feedback on the issues raised in this paper	Tautoko receipt Approved receipt Complexity and need for fuller engagement and discussion by table recognised. Wānanga will be held specifically to work through the paper.
Standing Orders Review	That Te Rūnanga: a) Receive this paper b) Provides feedback on the content of this paper.	Tautoko receipt <i>Held over for next hui, due to time restraints.</i>
Committee Chair and Deputy Chair Role Descriptions	That Te Rūnanga o Ngāi Tahu: a) Receive the paper b) Provide feedback on the proposed role descriptions in the attachments to this paper	Tautoko receipt <i>Held over for next hui, due to time restraints.</i>

Kaupapa - RISK & COMPLIANCE	Ngā Tohutanga (Recommendations)	<i>Proposed Recommendation Hui outcome</i>
Draft Office Statement of Corporate Intent	That Te Here and Te Rūnanga: a) Review the draft SCI (including the draft FY19 budget) and provide guidance on any changes required	<i>Tautoko receipt Approved receipt with feedback relating to connection to strategy, programs and budget area improvements.</i>

IN COMMITTEE

HE PEPA MATAPAKI (DISCUSSION PAPERS)

- Draft NTHC Statement of Corporate Intent (SCI) ✓

HE PEPA WHAKATAUNGA (DECISION PAPERS)

- Reappointment of TRARC Chair ✓
- WRFL Board Appointments - Tribal Representative ✓
- External Issues including ACE update
- Ngāi Tahu Position on Freshwater ✓
- Relativity ✓

HE PEPA WHAKAMĀRAMA (INFORMATION PAPERS)

- Allocation of funds in Ngai Tahu Investments Limited
- TRARC Report – update from hui held 21 February 2018 and 28 March 2018
- Te Here Report (verbal)
- Te Aparangi Report (verbal)

CONFIRMATION MINUTES

IN COMMITTEE MINUTES

- Minutes of 5 April 2017 – (Requisition Hui Board Only) ✓
- Minutes of 17 February 2018 ✓
- Action Points/ Matters Arising ✓

Move out of In Committee

MINUTES

- Minutes of 17 February 2018 ✓
- Action Points / Matters Arising ✓

HE TAKE NOA (GENERAL BUSINESS)

- Release of In Committee papers ✓

HE PEPA WHAKAMĀRAMA (INFORMATION PAPERS) *Taken as read not discussed*

- Kaiwhakahaere Report (Q3)
- 2018 Papatipu Rūnanga Elections
- Hui a Tau Planning

As always, if you have any questions or issues you wish to discuss, please contact me.

Mauri ora ki a koutou

Susan Wallace - Makaawhio Representative for Te Rūnanga o Makaawhio

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