

Climate Change Commission Board Meeting Minutes (Meeting 40)
Wednesday, 16 November 2022

A meeting of the Climate Change Commission Board Members was held at the office of the Climate Change Commission Board Room, Level 21, Aon Centre, 1 Willis Street, Wellington with members also joining via Teleconference Facility. The meeting started on Wednesday 16 November at 9.01am and concluded at 4.07pm.

Climate Change Commission Attendees:

Dr Rod Carr – Chair
Dr Judy Lawrence
Professor James Renwick
Catherine Leining
Dr Andy Reisinger
Dr Tanira Kingi
Professor Nicola Shadbolt

Apologies:

Lisa Tumahai – Deputy Chair

Invited Attendees:

Jo Hendy – Chief Executive
Anne Jonathan – Executive Assistant
Gemma Lawson – Senior Board Coordinator and Minute Taker

Guests:

Alison Cole – Kaiwhakahaere Matua Māori
Anna Hughes – Senior Analyst, Emissions Budgets
Antonia Burbidge – Manager, Buildings, Industry, Transport and Energy
Barry Anderson – General Manager, Sector Analysis
Christopher Holland – Principal Analyst, Emissions Budgets
Damian Ryan – Manager, Strategy and Performance
Dylan Shell – Contractor, virtual Chief Financial Officer
Emily Button – Senior Advisor, Strategy and Performance
Felicia Kolonjari – Senior Scientist
Fran Lovell – Manager, Communications and Engagement
Grant Blackwell – Chief Scientist
Lara Wood – Manager, Corporate Services
Mel Rae – Manager, Emissions Budgets
Morgan Watkin – Advisor, Government Services
Olivia Prior – Analyst, Governance and Corporate Services

Sally Garden – Principal Analyst, Land and Waste
Simon Neale – Manager, Markets
Stephen Walter - General Manager, Emissions Budgets, Adaptation, and Markets
Stuart Dymond – Contractor, Monitoring and Evaluation
Tia Greenaway – Manager, Rautaki Māori

The meeting started at 9.01am on Wednesday 16 November.

Rod Carr, Judy Lawrence, Andy Reisinger, Tanira Kingi, James Renwick, Catherine Leining, Nicola Shadbolt, Gemma Lawson, and Anne Jonathan joined the meeting at 9.01am.

Agenda Item 1: Board only time

1.0 Board only items

- 1.1 The Board discussed the role of the Board in the Commissions work going forward.
- 1.2 The Board clarified matters relating to the agenda for the day.

Jo Hendy joined the meeting at 9.39am.

- 1.3 The Board noted the need for a Board discussion to define the role of the Board in the Commission's work.

Barry Anderson, Grant Blackwell, Stephen Walter, Alison Cole, Damian Ryan, Lara Wood, Simon Neale, and Stuart Dymond joined the meeting at 9.59am.

Agenda Item 2: Welcome and Introductions

The meeting opened with a karakia by Catherine Leining.

2.1 Apologies

- 2.1.1 An apology was received from Lisa Tumahai for not attending the Board meeting as she is away overseas at COP27.
- 2.1.2 The Board noted that Tanira Kingi will be absent for portions of the meeting, and this would be reflected in the minutes.

2.2 New Staff Introductions

- 2.2.1 The Chief Executive confirmed that due to a scheduling conflict, new staff would be introduced at a subsequent Board meeting.

2.3 Call for Additional Items

- 2.3.1 No additional items were raised.

2.4 Review of Interests

- 2.4.1 The Board noted receipt of the Interests Agenda Memo.
- 2.4.2 The Board noted that Nicola Shadbolt, Lisa Tumahai and Tanira Kingi all have interests that overlap with part of Agenda Item 4 and confirmed that they will be excused for that item.
- 2.4.3 The Board noted there were no other conflicts of interest on the meeting agenda.

2.5 Approve Draft Board Meeting Minutes

- 2.5.1 The Board reviewed the draft Board meeting minutes from 19 October 2022.
- 2.5.2 The Board agreed that subject to the changes discussed, the minutes from 19 October 2022 are confirmed as a true and accurate record of the meeting.

2.6 Letters for noting

- 2.6.1 The Board noted the draft International Climate Councils Network (ICCN) COP27 Statement and noted that this has since been issued.
- 2.6.2 The Board noted the generic copy of the letter sent to the Maui.Tech participants from the Climate Change Commission Chair and Deputy Chair, dated 28 October 2022.
- 2.6.3 The Board noted the letter from the Minister of Climate Change to the Chairperson re: Statement of Intent, Performance Measures and Organisational Capability, dated 26 October 2022

2.7 Matters for noting

- 2.7.1 The Board noted the Memorandum of Understanding (MOU) signed by the Climate Change Commission and the Ministry of Business, Innovation and Employment.
- 2.7.2 The Board discussed the purpose, limitations, and future uses of the MOU.

2.8 Amended Papers for noting

- 2.8.1 The Board noted that approval for the Terms of Reference for the interim Pou Herenga had been delegated to the Deputy Chair for approval.
- 2.8.2 The Board noted the amended Terms of Reference for the interim Pou Herenga had been provided to the Board with extensive tracked changes.
- 2.8.3 The Board noted that the appointments to the Pou Herenga would take place next year.
- 2.8.4 The Board noted that Tanira Kingi indicated willingness to serve as the founding Chair of the Pou Herenga; Rod Carr delegated the Deputy Chair duties to Lisa Tumahai who indicated willingness to serve in this capacity and indicated his own willingness to attend in the role of an observer.

*Antonia Burbidge, Fran Lovell, and Tia Greenaway joined the meeting at 10.11am
Stephen Walter left the meeting at 10.19am*

- 2.8.4 The Board reviewed and provided feedback on the amended Terms of Reference for the interim Pou Herenga.
- 2.8.5 The Board requested that the suggested amendments be brought back to the Board meeting for their consideration in the afternoon.

This item was paused and was readdressed after Item 9

2.9 Actions Register

- 2.9.1 The Chief Executive updated the Board on the actions that were in progress and/or completed.
- 2.9.2 The Board discussed and agreed that actions 411 and 432 would also be noted as complete, as those actions are now covered under usual business process.
- 2.9.3 The Board noted the completed actions and thanked Commission staff for managing the Actions Register.

2.10 Board Meeting Agenda Horizon Report

- 2.10.1 The Chief Executive presented the *Board Meeting Agenda Horizon report* to the Board.
- 2.10.2 The Board noted and discussed the *Board Meeting Agenda Horizon report*.
- 2.10.3 The Board directed that the December Board meeting be restructured to enable a Board only discussion on role of the Board in development of future advice. (*Refer to Action number 434/2022*)

Stephen Walter joined the meeting at 10.32am

Lara Wood, Simon Neale, and Tia Greenaway left the meeting at 10.36am

- 2.10.4 The Board directed the use of the phrase “Board owned content” be reconsidered in this document. (*Refer to Action number 435/2022*)
- 2.10.5 The Board noted the engagements calendar.

Mel Rae, Lara Wood, and Simon Neale joined the meeting at 10.45am.

Agenda Item 3: Chief Executive Report

- 3.1 The *Chief Executive Report: 1 - 31 October 2022* was taken as read.
- 3.2 The Chief Executive provided the Board with an overview of the Commission’s performance during October 2022.
- 3.3 The Chief Executive provided the Board with a short update on matters that had arisen since the report had been completed.
- 3.4 The Board noted and discussed the Chief Executive’s Report.
- 3.5 The Board noted that the timing of the Emissions Reduction Plan advice that the Commission is undertaking may not line up with related work being undertaken by other agencies and suggested that the Commission might share some key points with those groups to assist them, in advance of the Commission’s advice being released.

Tanira Kingi, Nicola Shadbolt, Grant Blackwell, Barry Anderson, Alison Cole, Fran Lovell, Lara Wood, Damian Ryan, Antonia Burbidge, Mel Rae, and Stuart Dymond left the meeting at 12.03pm

Agenda Item 4: ETS Papers from October Board Meeting

4.1 Approve draft minutes

- 4.1.1 The Board reviewed the draft minutes for Agenda Item 1: Scope of the second advice on NZ ETS settings (2024-2028) from 19 October 2022.
- 4.1.2 The Board agreed the minutes of Agenda Item 1: Scope of the second advice on NZ ETS settings (2024-2028) from 19 October 2022 are confirmed as a true and accurate record of the meeting.

4.2 Amended Paper for noting - Scope of the second advice on NZ ETS settings (2024-2028)

- 4.2.1 The Board noted the amended *Scope of the second advice on NZ ETS settings (2024-2028)* paper from the 19 October 2022 Board meeting.

Stephen Walter left the meeting at 12.08pm

The meeting adjourned from 12.08pm until 12.22pm.

Tanira Kingi, Nicola Shadbolt, Grant Blackwell, Stuart Dymond, and Dylan Shell joined the meeting at 12.22pm

Agenda Item 5: Update from the Risk Audit Safety and Health (RASH) Committee

- 5.1 The Chief Executive introduced Dylan Shell, the virtual Chief Finance Officer, to the Board.
- 5.2 The Board welcomed Dylan Shell to the Commission.
- 5.3 The Chair of the RASH Committee provided an update to the Board from the RASH meeting held on 15 November 2022.
- 5.4 The Chair of the RASH Committee introduced the Draft Audit Completion Report to the Board.
- 5.5 The Board discussed and noted the Draft Audit Completion Report.
- 5.6 The Chair of the RASH Committee introduced the *Forecast: FY22/23 and outyears* paper to the Board, and summarised the amendment agreed to at the Committee meeting.

Alison Cole and Damian Ryan joined the meeting at 12.40pm

5.7 The Board discussed the *Forecast: FY22/23 and outyears* paper.

5.8 The Board noted the *Forecast: FY22/23 and outyears* paper and the agreed amendment.

Morgan Watkin joined the meeting at 12.48pm

Agenda Item 6: Review of 2022/23 Quarter One Performance Report

- 6.1 The Chief Scientist and the Manager, Strategy and Performance, introduced the Quarter One Performance Report to the Board.

- 6.2 The Board discussed and provided feedback on the Quarter One Performance Report.
- 6.3 The Board noted the Quarter One (1 July – 30 September 2022) progress towards performance measures and financial position.
- 6.4 The Board noted that further amendments may be made to future quarterly reports for FY22-23 to ensure accurate and complete capture of performance data necessary for annual reporting.
- 6.5 The Board approved the provision of the Quarter One report to the Ministry for the Environment (MfE) in their role as the monitoring agency.

Tanira Kingi and Morgan Watkin left the meeting at 12.59pm

Emily Button joined the meeting at 1.01pm

Agenda Item 7: Annual Report

- 7.1 The Manager, Strategy and Performance, introduced the Annual Report item to the Board.
- 7.2 The Board noted the timeline of key dates and the progress of the Annual Report as of 16 November 2022.
- 7.3 The Board reviewed and provided feedback on the additional and updated material for the final draft of the 2021/22 Annual Report narrative, performance statements and financial statements.
- 7.4 The Board noted that Commissioners would review their individual profiles and provide any required updates to staff before close of business on 18 November 2022.
- 7.5 The Board noted that as per the Commission's agreed monitoring arrangements, a copy of the finalised Annual Report has been shared with MfE.
- 7.6 The Board approved the final draft of the 2021/22 Annual Report narrative, performance statements and financial statements, subject to the amendments discussed.
- 7.7 The Board delegated approval of the final edit of the 2021/22 Annual Report, including any required copy edit amendments, to the Chief Executive.

Alison Cole, Damian Ryan, Emily Button and Dylan Shell left the meeting at 1.23pm

The meeting adjourned at 1.25pm and reconvened at 2.07pm

Tanira Kingi, Stephen Walter, Barry Anderson, Mel Rae, Anna Hughes, Christopher Holland, and Sally Garden joined the meeting at 2.07pm

The Board Chair and Chief Executive informed the Board that Agenda Items 10 and 11 will be swapped on the agenda.

Agenda Item 8: Initial Reflections – Emissions Reduction Monitoring Report 2024

- 8.1 The General Manager, Sector Analysis, introduced the *Initial Reflections on Emissions Reduction Annual Monitoring Report 2024*.
- 8.2 The Board noted the Climate Change Response Act 2002 (the Act) requires the Commission to provide an annual monitoring report on the progress towards meeting emissions budgets starting in mid-2024
- 8.3 The Board noted the Act sets out aspects that the Commission must include in the annual monitoring report.

- 8.4 The Board noted that work is currently underway to establish the Commission's broader monitoring function and there will be an opportunity to input to this at the Board workshop on 1 December.
- 8.5 The General Manager, Sector Analysis, requested the Board's observations on key priorities, major risks, and opportunities to be considered in the development of this report, and the Board's observations on possible outcomes that could be achieved.
- 8.6 The Board provided feedback to staff on possible outcomes of the next Emissions Reduction Monitoring Report '24 and on factors that might influence the work of the Commission in providing this advice.

Jo Hendy, Grant Blackwell, and Anna Hughes left the meeting at 2.48pm

- 8.7 The Board noted that the Board will have an opportunity to provide further input as the project progresses in 2023 and 2024.

Mel Rae, Sally Garden and Christopher Holland left the meeting at 3.07pm

Agenda Item 9: Long-term work programme - CE delegations

- 9.1 The General Manager, Sector Analysis, set out the purpose of the *Long-term work programme - CE delegation's* item.
- 9.2 The Board noted that in February 2022 they had agreed to the approach on engaging with advice deliverables as set out in the paper *Structured approach to engaging the Board on deliverables*.
- 9.3 The Board noted that a process to review the experience of applying the structured approach to the 2022 deliverables is currently underway, and that once this review is completed, staff will present recommendations for altering the approach as needed.
- 9.4 The Board noted their earlier decision to hold a Board discussion on the role of the Board in the provision of advice in mid-December. This discussion would help the Board determine how to approach interacting with deliverables for advice.
- 9.5 The Board noted that as there is currently work underway relating to advice on the Emissions Trading Scheme (ETS) within the Commission that the proposed approach to CE delegations should be used.
- 9.6 The Board agreed to continue to use the current structured process in the interim for work relating to ETS advice until the review of 2022 deliverables has been completed.
- 9.7 The Board approved the Chief Executive's delegated authority under the structured approach for work relating to ETS advice, as was in place for the three 2022 deliverables.

Jo Hendy, Alison Cole, and Grant Blackwell joined the meeting at 3.24pm

Agenda item 2.8: Amended Papers for noting cont.

- 2.8.6 The Board reviewed and discussed the Terms of Reference for the interim Pou Herenga, as amended following the mornings discussion.
- 2.8.7 The Board approved the Terms of Reference for the interim Pou Herenga, subject to the agreed amendments.

Tia Greenaway joined the meeting at 3.31pm

Agenda Item 10: Rautaki Māori programme update – verbal (previously Agenda item 11)

- 10.1 The Manager, Rautaki Māori, provided a verbal update to the Board on the Rautaki Māori work programme.

Tia Greenaway left the meeting at 3.41pm

Fran Lovell, Mel Rae, Olivia Prior, and Felicia Kolonjari joined the meeting at 3.42PM

Agenda Item 11: Climate Change Commission’s organisational emissions management (previously Agenda item 10)

- 11.1 The Manager, Emissions Budgets, provided an overview to the Board on how the Commission has managed its organisation emissions to date and requested the Board’s feedback and direction on how best to manage the Commission’s organisational emissions in the future.
- 11.2 The Board noted the context and considerations presented.
- 11.3 The Board discussed the key issues outlined in the paper including the setting of the Commission’s baseline year, the Commission’s projected emissions, and options for measuring and managing organisational emissions.
- 11.4 The Board noted the substantial change in the size and operating context of the Commission since the Commission was certified in the carbonreduce programme for 2020/21.
- 11.5 The Board agreed that the Commission should leave the carbonreduce program.
- 11.6 The Board directed staff to explore measuring its own emissions and explore independent verification service providers.
- 11.6 The Board agreed that this should still be reported publicly for openness.

Agenda Item 12: Judicial Review

- 12.1 The Board noted that there was no update on the Judicial Review.

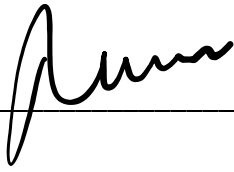
Agenda Item 13: General Business

- 13.1. No matters were raised.

Jo Hendy closed the meeting with a karakia.

The meeting finished at 4.07pm.

These minutes have been accepted as a true and accurate record by the Board of the Climate Change Commission.

Signed:  _____

Date: 21/3/2023

Proactively Released