Board Meeting Summary – 29 April 2018

Present: Murray Ward (Chairman), Michael Smith (Deputy Chairman), Mike Howard, Adrienne Greenwood, Susan Paterson, Max Walker, Maryanne Marlow and Matt Kenny.

Ex-officio: Dean Murphy (Chief Executive).

In Attendance: Philip Hassall (President) and Becky Hobson (Personal Assistant).

Board Administration

The Board had a Board only discussion for one hour. There were no actions from this discussion to be recorded.

The Chairman welcomed all to the meeting.

Director Interests

The Board reviewed the Director Interests register and there were no amendments to be made.

Confirmation of Minutes from Board Meeting 2 March 2018

The minutes of the meeting held 2 March 2018 were accepted as a true and correct record.

Matters Arising & Action Points from the Board Meeting 2 March 2018

Centenary Book

The CEO informed the Board that NZG will most likely appoint a journalist to complete this project. Michael Smith suggested running a social media competition to clubs to try and get images that are currently lacking from pre-1950’s.

New Zealand Golf Risk Register

The Board reviewed and noted the Risk Register.

The CEO agreed to update the commentary around gender equity issues in golf to read more accurately.

Health and Safety

The Board reviewed and adopted the Health and Safety report. There were no other accidents, near misses or other health and safety matters to report to the Board.

The CEO shared a recent Worksafe report with the Board whereby Whitford Park Golf Club have received several serious punishments from a recent Health and Safety incident.
The CEO explained to the Board that this incident brings to light the need for NZG to show more leadership and be better organised in this area. NZG and all Clubs need to understand the importance of following process and ensuring their Health and Safety practices are in line with the Health and Safety Act as consequences are extremely serious.

**Strategic Matters**

**PGA Amalgamation Process**
Matt Kenny (PGA Amalgamation Committee Chair) provided an update with the key points being;

- It is clear an amalgamation of the organisations will not be possible due to the different motivations and purposes of the respective organisations.
- A committee meeting was held earlier in the week to discuss a joint agreement model which would see the two entities come under the same umbrella as one efficient operating entity.
- Feedback from the PGA during the meeting seemed positive but have since received a paper from the PGA Chair stating that they still want to retain two entities, share governance with a subcommittee in between to manage. The PGA would also like NZG to fund the PGA to carry out certain tasks.
- NZG sees a joint agreement where NZG provides a range of services to the PGA as the best way forward. If the PGA do not wish to move forward in this manner, then the Board agreed NZG must move ahead with its own whole of sport leadership strategy engaging PGA Members as and where appropriate.

The Board agreed that the Chair would meet with the PGA Chair to advise the NZG Board’s preference to move ahead under a shared service model.

Now that an amalgamation with the PGA is not occurring, the Board agreed that now is a good time to resurrect the NZG Constitutional review project that had been on hold during the PGA discussions. The CEO was asked to review the previous Boardworks recommendations and work up a discussion document for the Board to review at the June Board Meeting.

The Board noted its thanks to the Sub-committee on the tiresome work that they have put into this project.

**District Association Shared Service Model**
The CEO explained to the Board the potential for New Zealand Golf to offer shared service functions to District Associations like the shared service functions currently in place with DotGolf, the PGA, and the NZGIC. The Board had an in-depth discussion with the key points being:

- The Board is supportive of the concept.
- The Board agreed that any offering of shared services to District Associations needs to be voluntary and optional.
- A strong case study with facts and figures and strategic intent will help sell the concept.
- Auckland Golf could be used as a trial.
- A standard agreement would be best with a menu of services.

**NZ Women’s Open Championship**
The Board reviewed and noted the NZ Women’s Open Championship update.

The Board noted that The Clubhouse are due to make a decision on the viability of the 2019 event in the next few months. The CEO to inform the Board when any substantial progress is made on this matter.
Board Composition + Elections and Appointments
The Board had an in-depth discussion with the key points being:

- A detailed skills and experience matrix has been developed which has given the Board reason to be concerned at the potential loss of Director skills and experience through the upcoming election process.
- The Board agreed it needs to communicate to District Associations the relevant skills and experience the Board believe are currently required.
- The Board agreed that a statement from the District nominator on how they feel the nominated candidate fits within the skill sets should be included on the nomination forms.
- The Board agreed to run the appointed Director process for the appointed positions available in July and December at the same time. This will provide the opportunity for applicants not appointed in July to seek election or appointed in December. It was suggested using Sport NZ and Appoint Better Boards for the recruitment process.
- The CEO explained that Sport NZ current recommendation is for Boards to have 40% female directors. The NZG Board currently sits at 38% and NZG staff at 39% - the Board suggested this be published to the DA’s through the election process and they support it.

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
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<tbody>
<tr>
<td>1 May 2018</td>
<td>Call for Elected Director nominations is made (post Forum meeting).</td>
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<tr>
<td>30 May 2018</td>
<td>Elected Director nominations close.</td>
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<tr>
<td>28 June 2018</td>
<td>Voting for Elected Directors (if necessary) concludes.</td>
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<tr>
<td>June/July</td>
<td>Recruitment for Appointed Director.</td>
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Operations

2018 Business Plan – Reporting Dashboard Review
The Board reviewed and accepted the 2018 Strategic & Business Plan Dashboard report.

Chief Executive Report
The Board reviewed and accepted CEO report.

The key points discussed were;

District Association Visits
Mike Howard asked the CEO if there has been any feedback out of the Districts with the increase in visitation from NZG. The CEO explained there has only been three meetings to date and they have all been good. Generally, there is a great deal of trust between the parties and willingness to work together.

Jennian Homes Charles Tour
Matt Kenny asked when the tour programme was last reviewed and if there is a need to review again given the risk of a reducing number of Charles Tour events. The CEO explained that a strategy document was pulled together July 2017 outlining what the tour should look like in an ideal future state. The core goal is to have 8 higher value events that are held at quality venues. The fact that some events are at risk does however highlight the challenge to have a thriving circuit. As title sponsor, Jennian Homes also have a strong expectation to have at least 9 tournaments on the calendar. The CEO explained that management are working closely with the clubs and Jennian Homes and the Board will be kept informed on process.
2018 Business Plan Initiatives

The Board reviewed and accepted the individual Business Plan Initiatives.

The key points discussed were:

a) Minister of Health
   The CEO advised the Board that he has written to the Minister of Health requesting a meeting. The core message is that golf delivers substantial health benefits to the people of New Zealand. The Board will be kept informed of any progress on this matter.

b) South Island U19’s Championship
   With entries at capacity, the tournament team made the decision to play the girls and boys tournaments over 2 courses which allowed all entrants to play. Max Walker explained that he attended the event, and this was a good decision and commended the work of Rachel Thow (Canterbury Golf) who ran the tournament aided by Liz McKinnon and Richard Hudson (NZG).

c) Toyota World Junior Championship
   The CEO explained that the support team and players heading to the tournament are fully funded by the tournament and Gregg Thorpe will be staying on for a brief period following the event to carry out some 2020 Olympic preparations.

d) Reporting and Analytics
   The CEO informed the Board that DotGolf and Thiem Nguyen have made some progress on the analytics program which has seen more reporting available to clubs and now they are working on consolidating this information into a national dashboard.

e) Love Membership Initiative
   The CEO explained to the Board that in 2017 we lost 1,400 members. The upcoming focus on membership has the goal to reduce the membership attrition rate to 0% in the first year then achieve a 1% growth in future years. These targets mirror the R&A funding grant KPI’s.

DotGolf

The Board noted and accepted the DotGolf report.

Finance

Financial Report

The Board reviewed and adopted the financial report including the final 2017 financial statements as presented. It was noted that the Board had previously electronically approved the 2017 financial statements.

The key discussion points on the financial report were:

- The Annual Report will be presented to the AGM the day following the Board meeting.
- The report has previously been circulated to all key stakeholders together with two-page summary that covers the change in presentation and structure of the financial statements.
- The Board acknowledge Mike Lowe and Matt Kenny for their efforts on the year end accounts – a substantial piece of work that is greatly appreciated by the Board.
- The final 2017 financial result sees a net surplus of $476,962, an improvement in the group’s cash position of $22,142 and the group’s equity has grown to $2,719,597. New Zealand Golf’s operating surplus for the year was $173,160 which is a pleasing result and has contributed solidly to the group financial performance in 2017.
• DotGolf – Matt Kenny explained the DotGolf structure is currently being assessed to ensure we have the best model to maintain commercially viability and minimize tax. The Board will be kept up to date on this project.
• Matt Kenny suggested it would be good for over 90 day debtors to be included in the Finance report going forward.

**General Business**

**District Forum**
The CEO informed the Board that the two guest speakers at the upcoming District Forum will be:

- Des Topp, NZGIC Chairman – Des will be updating the Districts on the progress to date of the New Zealand Golf Industry Council.
- Rob Selley, Royal Auckland – Rob will be giving the Districts an overview of the Royal Auckland and Grange merging of the two clubs and the redevelopment project.

**Young People in Golf and Casual Golf**
Thiem Nguyen will be presenting an update to the Districts at the Forum around the components that will make up the Young People and Casual Golf projects. The Board suggested a summary paper be worked up that references back to the Junior Golf Advisory Group project. The paper should identify the key strategies that the working group developed and outline how the new Young People in Golf initiative is going to be rolled out to deliver to these strategies.

The Board discussed the Casual Golf product offering and the need to ensure that it is not more attractive that what a golf club member gets from their membership.

**Virtual Clubs**
The CEO explained that a good number of virtual/convenience clubs know that they are under review throughout 2018. Their affiliation will be reviewed once the 2018 data is sufficiently analysed.

*The next Board meeting is to be held on 26 June at the Remuera Golf Club, Auckland.*