

**ATTENDANCE**

**Directors:**

Mike Berwick  
Peter Rowles  
Joann Schmider  
Ken Atkinson  
Keith Noble  
Julia Leu

**Apologies:**

Ryan Donnelly  
Troy Wyles Whelan  
Russell Watkinson  
David Hinchley  
Penny Scott  
Colleen McIntosh

**Staff:**

Carole Sweatman, CEO  
Michelle Nusse – Corporate Services Manager

**Other Attendees –**

**Friday 1 March 2013**

<b>OPEN SESSION</b>	<b>The Chair declared the meeting open at 9.32 am</b>	<b>ACTIONS</b>
<b>1 – Traditional Owner Welcome to Country</b>		
Alf Joyce was not available this morning. Joann Schmider gave welcome to country.		
<b>2 – Declaration of Conflict of Interest</b>		
Whilst not a conflict of interest issue, Keith advised the Board that he has changed circumstances. Keith is starting a PhD and as such, is still a business owner, but has taken a lesser role in the farm.		
<b>3 – Strategic Items</b>		
<b>3.1 CEO Performance Review</b>		
<p>A confidential paper authored by Mike Berwick and Carole Sweatman was presented to the Board regarding the performance review and new Workplan for the CEO. The paper included a summary of the contract and workplanning cycle for the CEO and the outcomes of the 360 degree review of the CEO.</p> <p>The performance review has been considered in detail by the HRRC and its recommendations were discussed at this meeting.</p> <p>The performance report is for a full year (ie October 2011 to October 2012). The 360 degree review process went well, there was significant response. Mike said that consideration should be given to the fact that the review was completed at the end of the restructuring process and that overall Carole's performance rated very highly, and noted the areas for improvement which have now been incorporated into Carole's workplan.</p>		



<p><i>I believe the AGM gave a strong direction to the Board to put a firm recommendation to members, outlining pros and cons of the options. I believe the matrix is good and well considered and we should stay with this.</i></p> <p><i>My view is that we move to a small skills based Board as already agreed but perhaps use the "other" directors option to bring in directors with specialist knowledge on an as needs basis. I would select industry / indigenous / conservation as the three specialist areas.</i></p> <p><i>I suggest we should think about three advisory committees to the board as above ie Industry / Indigenous / Conservation perhaps chaired by the "other" directors. These should meet on an as needs basis as per SISP. I think there should be selection criteria for the "Other" directors.</i></p> <p>Ken said that he has not changed his view a great deal since previous conversations. He feels the portfolio structure has risk in that Directors could be perceived to be working for their own interests. He said that whilst this is only a perception, it is an important one. He agrees with Russell's comments about needing three specialist areas but doesn't know if it means specific director portfolios, or could be better addressed by bringing in external expert advisors. He feels the matrix has a lot of merit. Ken posed the question "Is there any harm in including the portfolios in the board matrix".</p> <p>Peter started by saying that the matrix while it has popular support, Peter looks at it from a SISP point of view to be a tool to help with Director selection. He feels the governance list is quite comprehensive, but the list at the top regarding NRM skills is not quite right. He feels that every director needs to have some NRM knowledge, but it doesn't necessarily have to be a specific area of NRM. He feels that the matrix has an element missing in terms of the need to select Directors who have established networks or a specific sphere of influence. He feels that education and tourism expertise and networks is missing from the matrix. Julia sought clarification from Peter about how many directors should be on the board. Peter said he is prepared for a smaller number than currently but not too small to ensure coverage.</p> <p>Julia said that there is a struggle between smaller boards and ease of discussions, but also ensuring that the board is large enough to cover absences. Julia said the portfolios are difficult because NRM has such a linkage with so many areas and if you use portfolios, there is a risk of missing one of the important areas. She said that the skills on the left hand side of the matrix is relevant regarding governance skills, but recognises that there has to be a specific NRM link for each Director. She said that it is likely with any selection, if NRM skills are equal, the governance skills will be the deciding factor. Supports smaller numbers and if we do away with just a few portfolios, we do away with all of them.</p> <p>Carole said the SISP has seen the matrix and said they support the use of the matrix. They said it would help them build a board "team".</p> <p>Joann said that she thinks that one of the drivers for the process is that we are saying that the board needs to be smaller and she understands this but is also worried about this. She feels that if we look at it based on numbers, we are just tinkering around the edges. She referred to the strategic plan and the staff restructure and how that has occurred. She wants the board to look at the bigger picture of the organisation in relation to the strategic plan. The key question is to say "in the current context, what is the value of the board? What does it bring to Terrain at this time of our evolution"? If we think about the historical development over time (ie we are now 10 years old), at the very beginning, a board was required to be fairly big but when looking at other types of boards in the not for profit sector, they have board members that compliment</p>	<p>Directors to provide feedback on Carole workplan to Mike by 7<sup>th</sup> March. Colleen to send an email to this effect.</p>
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management. What is the nature of skills that we need around the table? Joann mentioned the Quadruple bottom line (economic, environmental, social, and cultural). Joann likes the idea of starting again with the issue of board structure.

Mike said Mike said that the members said we should not lose the core skills of NRM and he wants 3 – 5 NRM skill directors chosen by SISP (not necessarily portfolios) Agriculture, Conservation, Local Government, Indigenous and then the board retains the power to appoint other directors to fill the gaps. He also said that he thinks there should be one indigenous director and not gender specific. He thinks the maximum board should be 7. To assist the board there needs to be some extra outside advisory groups (Industry, Conservation and Indigenous). The recommendations and minutes from these advisory groups become part of the board agenda (ie hardwired into the board decision making).

Carole said that the members may feel uncomfortable with Mike's suggestion in that only half of the Directors would be selected by the SISP (SISP appointees are member appointed). She said that the appointment of Director Other should be time and task bound at least. Carole also pointed out that directors have fiduciary responsibilities and these are equal for all directors so it doesn't matter what specialist NRM skill a director might have, they also need to have sufficient governance knowledge in order to make decisions. Carole also said she agreed with Joann in that the board make-up and skills need to be linked back to the strategic directions.

On the basis of this wide ranging discussion, it was agreed that Carole would develop the paper with Board structural options for further consideration by the Directors and to keep the process moving toward an EGM with members for structural change.

- List of options for Terrain Board structure in order of preference for consideration by members.  
*It was agreed that Carole write up the options and send these out to directors in OOS paper. Once agreed this paper will be presented to members. The options at this stage will be:*
  - 1- Status Quo (portfolio based)
  - 2 – NRM Skills approach limited to no more than 7 directors
  - 3 – Board structure that is linked to strategic plan
  - 4 – Board structure that has a governance focus with directors that have an interest in NRM
  - 5 – Board where the TO representative sit outside the board
- Timing of communication and decision by members
  - a. Directors to send additional comments to Carole by 15 March 2013.
  - b. Carole to send summary paper to Directors by end of March.
  - c. Carole to send members some communication about the paper that will be sent out and the process for commenting.
  - d. Feedback from Directors due by 1<sup>st</sup> week of April and final paper to be prepared by Carole with OOS approval by mid May 2013.
  - e. Paper with options for board structure to be sent to members by the end of June 2013.
- Any additional member consultation.  
*To be discussed as part of Carole's paper. Probably need additional consultation with Industry and RAPA.*



from all Board and subcommittee meetings.	
<b>Motion:</b> That the Board meeting actions list be received as presented  The Board resolved to note items as presented.	
<b>8 - Correspondence</b>	
<b>Motion:</b> That the Board note incoming and outgoing correspondence as presented  The Board resolved to note items as presented.	
<b>9 - Out of Session Papers</b>	
<b>Motion:</b> That the Board note Out of Session Paper No. 56. –  The Board resolved to note items as presented.	
<b>Open Session – Information Items</b>	
<b>10 - Chair's Report</b>	
At the last RGC meeting the issue was raised about priority access to money. The night of the RGC meeting the State budget review committee met. The NRM proposal put to this committee was considered and Chairs of NRMs in QLD were invited to Brisbane for a meeting with the Minister on 28 February 2013. The outcome of the meeting is that there will be funding available but there was no certainty given regarding QLD NRM funding and we won't know about funding until the budget is released in June 2013. Total envelope of overall funding expected to be the same.  It was clear that the State Government will not be providing core funding (ie money to run the NRMs), all of the funding will be for projects focused on weeds and pests, sustainable agriculture and water quality. No details were given about how the funding would be distributed and they are keeping open options about delivery. Regional bodies need to demonstrate return on investment, larger longer term projects (ie large paddock to reef monitoring program) and cross regional projects to secure funding from the State Government. They did acknowledge that the benefits of using NRM bodies include lower overheads, community engagement and leverage. The State Government will also be conducting their own review of regional arrangement including boundaries in NRM to improve efficiency.	
<b>11 - CEO's Report – the CEO had to depart by 2.30 pm for a pressing urgent family matter</b>	
Since last report CEO has been focusing on the structural review and process (see presentation), half yearly project reporting and applications for future funding (State and Commonwealth).	
<b>Discussion of the 10 Year Anniversary -</b>	
Kathryn Dryden presented the initial ideas of the activities to celebrate the 10 year anniversary of Terrain and regional NRM in the Wet Tropics. Joann Schmider volunteers to provide Director input to planning.	
<b>12. – IAG Report to the Board</b>	
Keith presented his IAG report. Keith disclosed to IAG that he will be focused on	Make sure that all

<p>studies and his legitimacy as a member on IAG. Rhoda Sorenson presentation given to IAG. Debated about sustainable agriculture. Keith also went to the Project Catalyst forum and there will be a presentation at the next IAG regarding this project. Keith mentioned that the IAG meetings are set up to be one week before the board meeting which makes it difficult to get the minutes to the board meetings. Timing of IAGs will be reconsidered so that information can be provided as part of the board documents in future.</p>	<p>directors are informed about the IAG meetings.</p>
<p><b>13 – People &amp; Country Report to the Board</b></p> <p>Joann talked about the TO meeting held 11 February 2013. Troy discussed the selection criteria for SISP members. The TO group discussed the restructure and the full time position for NRM Cultural Policy role. Talked about the Board discussions and RAPAs relationship with the Board. Noted that 1 of the 17 corporate goals in the strategic plan relates to traditional owner business and how does that translate to the workplan for the year. RAPA agenda was discussed (5 plus 2 agenda). Culture (Cultural Heritage listing), Water (development of Wet Tropics Water Resource Plan), Land Management (CSIRO brings together people regarding this, protected land management), Economic Development (RDA agreed to pick up Quadruple bottom line approach looking at indigenous land and sea), Coordinated Investment (connection with bids for funding), Traditional Owner Participation (RAPA clear about relationship with Terrain, relationship with WTMA and relationship with Cairns Institute).</p> <p>Between RAPA and QTON went to SEWPAC regarding separate funding for Aboriginal Plan. They said no, but Terrain has applied for additional funding so that the NRM Planning project includes funding for Aboriginal planning.</p> <p>Joann asked the Board if they would support Terrain Board members plus funding one person from RAPA to participate in a conference in Darwin in May 2013 which relates to Julia Gillard’s recent announcement about a world indigenous network. Specifically funding for registration fees, and special assignment fees. They have been able to get some funding from CSIRO (Airfare, Registration, and Accommodation) RDA and WTMA for some of the costs and so are no asking Terrain to contribute. Julia asked for proposal from Joann detailing costs for board consideration.</p>	<p>Joann to provide proposal to Board for consideration.</p>
<p><b>14 - Other Director Portfolio Reports</b></p>	
<p>Julia Leu provided a report and said that there have been a lot of changes in relation to planning and a lot of legislation passed late last year. One stop shop in terms of assessments for planning. Local government department lots of changes, amendments to local government act. One change is that Councillors have involvement in senior management selection below the level of CEO. The Mayor is responsible for bringing down the budget as opposed to the CEO. One of the changes in local government is that there is no need to do community plans.</p> <p>Ken went to the AICD workshop recently and said it was a compact presentation, but there were a few interesting things that came out of it. Firstly Terrain has a facebook account and need to be aware of defamation and one day to remove offensive posts, second thing is asset insurance and averaging clause in some policies and need to check insurance policies for this. Directors can be personally liable for any taxation debts of the company (PAYGW, superannuation, but not GST etc). PPS registration for liabilities (leases, loans etc) and liability for not only the bank/leasing company to register the interest, but also the owner.</p>	<p>Need to add in Corporate Services report statement about payment of tax liabilities and superannuation for director’s information. Michelle to look into PPSR rule for Terrain.</p>

<p><b>15 – Other Business/ Confirm Next Meeting Date</b></p> <p>Friday 14 June and Saturday 15 June 2013 – Cairns.</p>	<p>Colleen to send update to board members because the agenda said 7-8 June. Need confirmation.</p> <p>In future can the Directors dinner be the night before the directors meeting then start the directors meeting at 8am the next day.</p>
<p>Board noted next meeting date.</p>	
<p>The meeting was declared closed at 4.45pm.</p>	

These Minutes confirmed as a true and correct record at the Directors' Meeting held

Signed \_\_\_\_\_  
Mike Berwick, Chair Terrain NRM