

**ATTENDANCE**

**Directors:**

Mike Berwick  
Peter Rowles  
Russell Watkinson  
Joann Schmider  
Ken Atkinson  
Ryan Donnelly  
Keith Noble  
Dave Hudson  
Julia Leu

**Apologies:**

Troy Wyles Whelan

**Staff:**

Carole Sweatman, CEO  
Michelle Nusse – Corporate Services Manager  
Penny Scott – Area Team Manager  
David Hinchley – Land and Water Program Manager  
Colleen McIntosh, Board Support Officer

**Other Attendees –**

**Friday 30 November 2012**

<b>OPEN SESSION</b> The Chair declared the meeting open at 8.45 am	<b>ACTIONS</b>
<b>1 – Traditional Owner Welcome to Country</b>	
Joann welcomed the Board on behalf of Mamu people. Joann said it was important that her people think about the ancestors they want to be.	
<b>2 – Declaration of Conflict of Interest</b>	
Nil	
<b>3 &amp; 4 – Strategic Items</b> (see attachment A for CEO summary notes used for these items)	
<p><b>1. Update on Organisation Review</b></p> <p>Carole gave the Board an update on the Staff re-structure process. Carole advised she has now spoken to all Staff individually except for one Staff Member who is on leave and that she and Mike had met with the Catchment Groups in the region who will be most impacted by the changes. Carole advised the process from now on will be –</p> <ul style="list-style-type: none"> <li>• New Job Descriptions to be developed for all positions that have changed</li> <li>• Expression of Interest will be called for these positions by end of January 2013</li> <li>• Permanent staff have to be given first option to apply for these positions</li> <li>• Staff can take Voluntary Redundancy</li> <li>• An external person will be included in staff selection process – possibly a CEO from another NRM Group.</li> <li>• Important process is conducted correctly – outplacement services will be provided through the process</li> </ul> <p>The Board supported the process and noted the following –</p> <ul style="list-style-type: none"> <li>• Critical to link new structure to new NRM plan</li> <li>• Communication is vital in this process</li> <li>• There needs to be a Communications Strategy aligned with the changes</li> <li>• HRRC to be advised once new PD's are in place</li> <li>• Need to ensure correct balance between production and conservation</li> </ul>	Michelle to advise HRRC once new PD's are written.

- Need to ensure correct procedures are followed to cover any possible future complaints or litigation
- Need to get the right people in the right jobs to make the organisation work

Carole provided a short updated of other HR matters for Board information.

The Board also requested that a response to a Staff Member raising issues at the all Staff day be answered in a letter from the Board. The letter needed to ensure that Bruce's points were answered and inconsistencies pointed out. The letter needs to clearly demonstrate support for the CEO's role and process to date.

The Board also noted that the response should be made available to all staff.

**2. Funding Strategies/Major Programs**

Carole gave the Board an update on the funding position noting –

- the guarantee of core funding from Federal Governments, actual amount should be known by Christmas. NRM Governance Standards will be required to be demonstrated for core funding. These are positive standards which reinforce the core roles of NRM bodies and are seen as a positive part of the process. Terrain's Strategic Plan can be used as clear evidence that we are on track with the expectations of the Australian government.
- we are expecting another round of Reef Rescue funding but not sure of details – confirmation and details are expected to be announced prior to Christmas
- Commonwealth funding for the new NRM plans have been held up – Carole asked the Board if they would consider using some of the funds in our reserve so we can start work on the new plan sooner and pay back when the funding comes in. Carole to provide OOS paper with details of NRM Planning budget and funding arrangements for approval of forward use of reserve funds. Dave Hudson noted he will not be around to vote as he is retiring at the AGM but gave his support for the idea.
- A position of Investment Development Manager has been included in the new staff structure – Carole discussed with the board the importance of this position and getting the right person for the job. Carole also advised that we would also need to use some of the reserves to fund this position initially but hopefully it would be self-funding after the second year. As noted in prior discussions about the reserve funds, we will be requiring less funds under new structure and also noted that any redundancies are already covered. Carole will send Out of Session paper to the Board with details. The Board noted they could see the need for such a position and agreed it was critical to get the right person for the job. They also agreed that employment would be better on a Contract basis. Mike suggested checking with other NRM bodies on their progress with business arrangements and alternate funding sources.

Board to write to Staff Member (Carole to draft reply) with response available to all staff

Carole to send Out of Session Paper to Board setting out details of temporary use of reserve funds to fund commencement of work on new NRM plans.

Carole to send Out of Session paper to the Board with details of proposed new Investment Officer position.

**Other Item**

Carole raised the subject of Conflict of Interest regarding the issue of Directors being paid as consultants either first hand or indirectly as subcontractors. An example of this would be if Terrain gave funding to an organisation and they subsequently passed the funding onto a Director of Terrain to complete the project. How would we handle this? A number of points of view were discussed as material for the Corporate Services Manager to review the current policy for Board approval.

Michelle Nusse to review conflict of interest policy and procedure for Board information.

### 3. CEO Performance Review

Carole said that her new performance plan is now to coincide with the Financial year and was currently developing a plan to the End of June 2013. A list of key deliverables were provided to the board as follows:

- Development of three year workplan from Strategic Plan and commence implementation
- Creation of capability statement
- Implementation of organisational restructure and communication
- Funding processes around core funding/Reef Rescue/NRM Planning
- NRM Plan commencement
- Completion of Engagement Strategy
- Investment Strategy/Project Portfolio

There is currently a 360 degree process in place – feedback due 14 December which meant that the formal performance review for the CEO would be completed at the March 2013 Board meeting. The Board requested that delivery of a Communications Strategy be added to Carole’s work program.

Carole also reminded the Board that her Contract would be up for renewal next year. Carole and Mike agreed to catch up next week to complete a preliminary review and agree on new work plan to then be forwarded to the Board.

Carole to add “Develop a Communications Strategy” to CEO deliverables

### 4. CEO Performance Review Process

The Board had a closed session discussion on this process and to provide Mike with informal feedback for Carole prior to the 360 degree review outcomes.

### 5. AGM Board discussion process

Carole ran through the AGM agenda and process. Keith has been nominated to facilitate the discussion on the Board structure and proposed process –

- Ask for input/submissions from Members
- Suggest time line
- Send discussion paper/options
- Go to EGM if proposed changes require a change to Constitution

Carole and the Directors noted the following –

- SISP can use the Matrix system for director recruitment without changing the constitution
- If changes need to be made to the constitution – good opportunity to fix up all changes to improve the Constitution needed at once
- SISP role may change and TOR may need to be re-worked
- May be good idea to have a function once or twice a year to gain input from community – perhaps a “show and tell “day.

<ul style="list-style-type: none"> <li>• Consider the need for additional advisory committee's to the Board</li> <li>• Need to change wording around Member endorsement of the SISP's recruitment of Directors – there is no constitutional rule on endorsement.</li> </ul>	
<p><b>5. Corporate Governance Report</b></p>	
<p>Michelle presented the Financial and Corporate Services report to the Board – papers included -</p> <ol style="list-style-type: none"> <li>1. Financial statements to 30 September 2012             <ol style="list-style-type: none"> <li>a. Income and Expenditure Statement by Program including budget figures</li> <li>b. Profit and Loss Summary including budget figures</li> <li>c. Balance Sheet Detail</li> <li>d. Inward contracts listing and outward contracts listing</li> <li>e. Staff profile</li> </ol> </li> <li>2. Final Minutes from Audit, Finance and Risk Subcommittee meeting held on 5 November 2012</li> <li>3. Draft minutes from Human Resources and Remuneration Subcommittee meeting held on 5 November 2012</li> <li>4. Corporate Services detailed report including:             <ol style="list-style-type: none"> <li>a. O H &amp; S report</li> <li>b. IT update</li> </ol> </li> </ol> <p>Items to come out of the report –</p> <ul style="list-style-type: none"> <li>• Joann advised we needed to ask for a nominee to replace Dave Hudson on the HRRC – Russell Watkinson nominated for the position and nomination was accepted</li> <li>• Board concerned that the Staff have not formed an OH &amp;S committee</li> <li>• Board would like to see at least 2 fire drills including 1 random drill</li> <li>• Dave asked re completion of the Volunteer handbook – Michelle advised the handbook was completed and handed Board a copy</li> <li>• Some issues with language in the financial reports – Michelle to change for next financial reports – ‘Total retained Earnings’ should say “unexpended grant money” in the balance sheet.</li> <li>• Directors wanted to know if problems with Auditors now sorted – Michelle advised they were</li> <li>• The board queried the Membership application for Mossman Botanic Gardens – Julia knew of the group and advised they were a group in Mossman trying to start up Botanical Gardens in Mossman. The Board agreed it was a good concept and could see no reason why their application should not be approved.</li> <li>• With the staff changes happening – need to ensure mental health is part of OHS</li> </ul> <p><b>RECOMMENDATIONS</b></p> <ol style="list-style-type: none"> <li>1. That the Board approves the financial statements for the quarter ending 30</li> </ol>	<p>Michelle to change wording on Page 4 of financial statements from equity to unexpended grants and provide Note of explanation for treatment of expenses</p> <p>CEO to advise staff that Board strongly encouraged staff to form an OHS committee</p>

<p>September 2012</p> <ol style="list-style-type: none"> <li>2. That the Board approves the continuation of Moore Stephens as Auditors for the 2012/13 year</li> <li>3. That the Board approve the OH &amp; S work plan for 2012/13 along with the activity calendar</li> <li>4. That the Board approve a change in the annual work plan end date for the CEO from October to June</li> <li>5. That the Board approve the new membership application from Mossman Botanic Gardens</li> <li>6. That the Board strongly encourages Staff to form an OH&amp; S Committee.</li> <li>7. That Russell Watkinson replace Dave Hudson on the Human Resource and Remuneration Committee.</li> </ol> <p>Moved: Russell Watkinson                      Seconded: Ken Atkinson</p> <p>Carried Unanimously</p>	
<b>6– Meeting of Directors Minutes 31 August 2012 confirmed</b>	
<p><b>Motion:</b> That the minutes of the Directors’ meeting 31 August 2012 be confirmed as a true and correct record subject to any changes as recommended by the Directors.</p> <p>Minutes confirmed as true and correct with a few minor changes –</p> <ul style="list-style-type: none"> <li>• Changes suggested by Russell</li> <li>• Spelling correction in Traditional Owner name</li> <li>• Delete one dot point in Julia’s report</li> </ul>	
<b>7. Business Arising from Item 6.</b>	
Nil	
<b>8. Board Meeting Actions List</b>	
<p><b>Motion:</b> That the Board meeting actions list be received as presented. Items to note and for action -</p> <ul style="list-style-type: none"> <li>• Mike gave the Board a verbal report on 10 top ideas from his NRM visits</li> <li>• Russell requested timelines to be put on all items in the future</li> <li>• Request for on-going items to be taken out of Action List</li> <li>• Note that request by the Board for Degree Celsius update to be included in Annual Report was not done and advised CEO that consultation to the Chair should have taken place before decision was taken not to include</li> </ul> <p>The Board resolved to note items as presented.</p>	<p>Colleen to put timelines on all items in action list</p>
<b>9. Correspondence</b>	
<p><b>Motion:</b> That the Board note incoming and outgoing correspondence as presented</p> <p>The Board resolved to note items as presented.</p>	
<b>10. Out of Session Papers</b>	
<p><b>Motion:</b> That the Board note Out of Session Paper No. 55. – Natural Capital Fund Management Committee Members</p> <ul style="list-style-type: none"> <li>• Following Out of Session paper date for completion Peter Rowles has</li> </ul>	

<p>nominated to be on the committee and the nomination was accepted.</p> <ul style="list-style-type: none"> <li>• It was noted that Bill Shannon will no longer be on the Committee</li> <li>• Nominations from the Members will be discussed at the AGM later today</li> <li>• SISP have agreed to run the process to select the nominee from the Members</li> <li>• Terms of Reference for the Committee will be written at the first meeting</li> </ul> <p>The Board resolved to note items as presented</p>	
<p><b>Open Session – Information Items</b></p>	
<p><b>11. CEO Report - Provided in Items 3 and 4</b></p>	<p>Carole to provide report on working with WTMA to next board meeting</p>
<p><b>12. Chairs Report</b></p>	
<p>Mike provided a national and state overview at the staff day held on the previous day and asked if Board members had any particular questions.</p> <p>One of the topics was the need for succession planning and backup for Mike. As Deputy Chair, it was suggested that Keith Noble attend some of the high level meetings with Mike to make a connection and gain knowledge of the process. Ken noted to be mindful of the cost. Carole noted that if the SISP used the new matrix system for future director recruitment they should be able to ensure that all the Board Members will have these skills and are not reliant on just one person.</p> <p>Carole advised we would be looking at Director remuneration in the new year and may implement a new system of payment to streamline the process and eliminate the “grey area” with Special Assignment Fees”</p> <p>The Directors had a general discussion on Carbon farming and questioned if farmers really knew what it was all about. Dave advised that CSIRO have just released a report and would send a copy to Ken.</p> <p>The Directors also asked re Terrain’s entry into the Carbon Market and asked if there was any more Terrain could do to position ourselves better. Mike advised there was and but that many people are holding back. The new structure will allow for more targeted action, as will the review of the NRM plan.</p> <p>Joann advised that GBRMPA were holding a Strategic Assessment Meeting on 11 December and thought it would be good for one of the Directors to attend – Ryan advised he would be going to the meeting</p>	<p>Carole to send updates to board on items requiring input/comment such as legislation/policies</p>
<p><b>13 – IAG Report to the Board</b></p>	
<p>Keith advised he was not at the meeting but reported the meeting had been well attended. He advised that Carole attended the meeting and asked if they would like to comment.</p> <p>Carole advised that Kathryn Galea from Australian Government gave an update on DAFF side of CFoC. A group discussion about what Sustainable Industry actually means in the context of the Wet Tropics was postponed from the meeting – but still critical and many interested to pursue in the new year.</p> <p>It was suggested it might be worth getting a state perspective and would be good to ask John McVeigh to present to a future IAG Meeting.</p> <p>Minutes attached.</p>	
<p><b>14 – People &amp; Country Report to the Board</b></p>	

<p>Joann advised that the last People &amp; Country meeting had allowed herself, Carole and David to have a good discussion.</p> <p>Joann gave the Board an update on the progress of RAPA and that positive projects were underway building a foundation for the group's work.</p> <p>Joanne also noted that we need to think through the best way to reflect that we are dealing with the Natural and Cultural Resource Management.</p>	
<p><b>15. Other Director Portfolio Reports</b></p>	
<p>Julia gave an update on her attendance at the LGAQ conference including –</p> <ul style="list-style-type: none"> <li>• Power to conduct referendums</li> <li>• Mayors now responsible for preparation of Budgets not CEO's</li> <li>• Changes in planning</li> <li>• Changes to Conflict of Interest policies</li> </ul> <p>Peter gave an update on RGC –</p> <ul style="list-style-type: none"> <li>• A workshop was held on what the RGC gives to Regional bodies which showed that the RGC give Leadership, Governance, Support and sharing, sources funding, savings &amp; efficiencies, policy position.</li> </ul> <p>Peter asked what Terrain's position was on the Ella Bay project. Carole advised Terrain's involvement was many years ago was on offsets – but did not endorse/approve the development. Terrain has recently been misquoted on local Radio in an interview by Mayor Bill Shannon who said Terrain was ok with the project going ahead. Carole is to follow up with Bill next week.</p> <p>Mike thanked Dave Hudson on behalf of the Board for this contribution to the Board and to the Community and the Environment.</p>	<p>Peter to send a report to the Board members</p> <p>Carole to follow up Terrain's position on Ella Bay project with Bill Shannon and in enews</p>
<p><b>16 – Other Business/ Confirm Next Meeting Date –</b></p>	
<p>The Board was given a meeting calendar for 2013 and are to advise Colleen if they have any problems with the proposed meeting dates. Directors to advise Colleen by 7 December if they have any problems with meeting dates.</p>	
<p>The meeting was declared closed at 3pm.</p>	

These Minutes confirmed as a true and correct record at the Directors' Meeting held Friday 1 March 2013

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

## Attachment A

### Board Strategic Discussion – November 30 2012 – CEO Notes

#### 1. Overview of new organisation structure

- Diagram
- Explanations
- Process to date and summary of meetings with key community groups
- Transition process
- Implications
- Follow up from staff issues

#### 2. Strategic Plan

- Measures of success, now complete
- MERI – more important and currently being developed
- Three year work plan

#### 3. Funding Strategies/Major Program

- Update given at staff day of current known situation
- Summarise again with implications

#### 4. CEO Performance Review

- New CEO workplan process in Corporate Governance Report
- Carole to meet with Mike next Friday to complete preliminary discussions on performance review, but also dependant on 360 degree review – encourage all Board members to complete
- March Board meeting to complete review
- Do Board members want to provide any preliminary feedback to Mike for his discussions?
- Need to look at timing for notification to the CEO of next contract  
current contract automatically extended for one year unless three months notice to vary (by July)
- 2012/2013 Workplan out before Christmas

#### Key features

- Development of three year workplan from Strategic Plan and commence implementation
- Creation of capability statement
- Implementation of organisational restructure
- Funding processes around core funding/Reef Rescue/NRM Planning
- NRM Plan commencement
- Completion of Engagement Strategy
- Investment Strategy/Project Portfolio



**5. Other Items**

- NRM Planning
  - NRM Planning funds – know we will receive an allocation but could be still waiting until March or beyond for the funding
  - Need to start now
  - Want forward allocation from the Operating Reserve to get process started early in the new year, budget being finalised and will issue OOS paper for approval – for first six months of 2013, in the vicinity of \$50K - \$80K
- Investment Officer
  - Once internal redeployment completed Feb, want to advertise for Investment Officer/Manager
  - Use operating reserve to fund position for two years – contract of employment term and performance based
  - Costs up to \$130K per annum (inclusive of all on costs, excluding car)
- Conflict of Interest
  - Discussion on how to deal with possible situations where a Director may be the subcontractor for work contracted by Terrain

**6. AGM Discussion**

- Business Paper already sent out
- Keith to facilitate discussion
- Paul Gregory to provide brief overview from SISP that more information on Board requirement would help the SISP better perform its role
- Depending on number of members at the AGM, either plenary or small groups to discuss each issue proposed by the Business paper
- How to present current Board position?
- Other Constitutional changes

**7. Terrain 10 Year anniversary next year**

- **Currently looking at program of events – also aware that it is 25 years since Wet Tropics World Heritage?**