

Uniting Church in Australia

ASSEMBLY STANDING COMMITTEE

EXTRAORDINARY MEETING

28 – 29 JUNE 2013

PRESENT Andrew Dutney (President), Alison Atkinson-Phillips, Denise Champion, Terence Corkin, Emma Davison, Kate Fraser, Andrew Johnson, Zac Hatfield Dodds, Alistair Macrae, Stuart McMillan, Craig Mitchell, Isabel Thomas Dobson, Ian Price, Ian Tozer, Jenny Tymms.

In attendance: Peter Andrews, Jenny Bertalan, Glenda Blakefield, Shirley Coulson, Kay Dowling, Peter Jones, Mark Lawrence, Matt Pulford, Chris Walker, Andrew Williams.

WORSHIP The President led the worship on Friday night as well as the closing prayer.

WELCOMES Bruce Cornish (Frontier Services Deputy Chairperson), Ian Robinson (Frontier Services Board), Rosemary Young, (National Director Frontier Services), Anne Cross (Transition Board), Gary Henry (Executive Officer Transition Board).

RECOGNITION OF TRADITIONAL OWNERS OF THE LAND

On behalf of Standing Committee, the President acknowledges the local Oreo and Dharug people and their role as custodians of the land on which the meeting takes place

APOLOGIES

13.22 **It was resolved** to receive the apology of Michelle Cook, Bethany Broadstock, Ronang Gurrawarra, Jone Lotu, Jason Kioa, Jan Trengove, Geoffrey Grinton, Graham Humphris, Mark Lawrence.

CONFLICT OF INTEREST

Members of the Standing Committee are invited to declare any conflict of interest. This can be done by email before the meeting to the General Secretary who can advise the meeting or at this point in the meeting at the request of the President.

Alistair Macrae has declared a conflict of interest as Chairperson of the Transition Board. Terence Corkin has declared a conflict of interest as a member of the Frontier Services Board. Andrew Johnson has reported a conflict of interest as his sister works for Frontier Services in the Remote Area Families and Children's Services.

The ASC process for handling conflicts of interest has been described in this way:

1. Following the distribution of the agenda papers prior to a meeting, the General Secretary requests members to notify him by email of the existence of any actual or potential conflicts of interest relating to any of the agenda items.
2. Potential conflicts are disclosed at the meeting and decisions are made by the Assembly Standing Committee about the appropriate action required. Such decisions may include (by way of examples): that no action is required; that the person retire from the meeting during the agenda item; that the person be permitted to contribute to the discussion

and then retire from the meeting; that the person may remain in the meeting but may neither contribute to the discussion nor vote.

3. The decision of the ASC will depend on the nature of the relationship between the person and the matters being considered, the significance of the matter, the expertise and information the person is able to bring to the discussion, and so on.

13.23 It was resolved in relation to the conflicts of interest to

- a) note that
 - (i) Terence Corkin's "conflict of interest" is a normal part of the governance arrangements of the Assembly; and
 - (ii) permit him to participate fully in the meeting;
- b) note:
 - (i) Andrew Johnson's conflict of interest; and
 - (ii) permit him to participate fully in the meeting
- c) note:
 - (i) Alistair Macrae's conflict of interest; and
 - (ii) request that he retire from the meeting.

APPROVAL OF AGENDA

- 13.24 It was resolved to** approve the Agenda as outlined in Document 1.

BUSINESS: FRONTIER SERVICES GOVERNANCE ISSUES

1. PRESENTATION OF OPTIONS PAPERS (INFORMATION SESSION)

The representatives of the Frontier Services, the Transition Board and the Audit, Finance and Risk Committee spoke to their position for 15 minutes then questions for clarification from the participants were taken for a few minutes. The opportunity for further questions for clarification continued on Saturday morning.

1. Background paper for ASC members (Doc 2)
(Note: this paper was not discussed during the information session on Friday night or Saturday morning. It served as a reference during the deliberative phase as it provided information)
2. Frontier Services correspondence (Docs 3, 3A and 3B) and Possible Directions (Doc 3C)
3. Transition Board correspondence (Docs 4 and 4A) and Possible Directions (Doc 4B)
4. Assembly Finance, Audit and Risk Committee (AFARC) – Possible Directions and risk schedule (Docs 5 and 5A)

At the conclusion of these interactions questions were taken on the report from Scott Griffiths (Doc 6)

Resource people from the Boards departed once this conversation had concluded.

The Board of Frontier Services had requested that it be able to provide supplementary papers that they consider would assist the ASC to understand the environment in which they had been responding before and since April 18. They were provided as Documents 8 and 8A. They were not the focus of particular discussion but provided as background.

2. DELIBERATION SESSION

1. ISSUES AND OPTIONS

The Governance Group has prepared a paper (Document 7) which identified some of the issues raised in the correspondence; offered some recommendations for action and consideration of risks associated with each option and then some specific next steps that the ASC might require of those to whom it gives governance responsibility for the various areas of the work of Frontier Services

13.25 It was resolved to:

- 13.25.01 a) determine that the current term of appointment of the members of the Frontier Services Board conclude on 30 June 2013;
b) thank the Frontier Services Board for its service to the rural and remote Australians on behalf of the Church;
- 13.25.02 establish an Interim Frontier Services Board comprising the General Secretary, the Associate General Secretary, Jenny Tymms and Stuart McMillan with responsibility to:
- a) provide oversight of existing community services (excluding aged care services) and patrol ministry;
b) do all things necessary to facilitate the work of the Transition Board established by ASC resolution 12.26.01;
c) provide support and guidance to staff;
d) bring to the July ASC proposed names for Board membership; and
e) commence such processes necessary to:
(i) review the manner in which the Assembly undertakes its commitments as recorded in Assembly minute 12.13; and
(ii) propose appropriate recommendations as to a new mandate for the Frontier Services Board.
- 13.25.03 direct the Interim Frontier Services Board that it will
- a) meet calls upon it for funds to cover the shortfalls in the Aged Care services; within the framework of Assembly Fund cash flow support; and
b) develop a Transition Plan that achieves the following outcomes:
(i) Review the staffing requirements of the Sydney office, premised on the removal of the need to provide services to Aged Care;
(ii) Review and evaluate the governance procedures and management arrangements of the ministry and community services areas of responsibility and amend these arrangements and the type of reporting required to the Board as such review may indicate;
(iii) A balanced budget for Frontier Services ministry and community services (ex Aged Care call for funds) by 31 August 2013;
(iv) An action plan for the realisation of assets based on an evaluation of ministry and mission priorities to be completed, and commence implementation, no later than 30 September 2013;
(v) A plan to manage these changes including but not limited to providing clear directions to the National Director on expectations and priorities;
(vi) A communications strategy agreed with the Aged Care Transition Board; and
(vii) A timeline for returning to a normal Board structure to be brought to the November meeting of the Standing Committee.
- 13.25.04 affirm its intention and requirement that the Transition Board shall have all necessary authority and delegation to manage the Aged Care business services previously managed by Frontier Services including but not limited to such actions necessary to enable the establishment of a separate entity; and

- 13.25.05 a) amend the Terms of Reference for the Transition Board by the addition of responsibility for the following DOHA funded services; and

NON RESIDENTIAL AGED CARE SERVICES

<u>Service</u>	<u>Funding Provider</u>
Kununurra C. R. C.	Department Of Health And Ageing
Kununurra EACH	Department Of Health And Ageing
Kununurra C. A. C. P.	Department Of Health And Ageing
Kununurra C. R. H. C.	Department Of Health And Ageing
Marlgu Village C.A.C.P.	Department Of Health And Ageing
Docker River ATSI Flexible	Department of Health And Ageing
Alice Springs CDC	Department of Health And Ageing
Katherine CDC	Department of Health And Ageing
Darwin EACH	Department of Health And Ageing
Ingkerreke H. A. C. C.	N. T. Government - Department of Health and Families; Department of Health and Ageing
Ingkerreke C. A. C. P.	Department Of Health And Ageing
F. S. Training - Indigenous Remote Service Delivery	Department Of Health And Ageing
F. S. Training - Clinical Nurse	Department Of Health And Ageing
Flynn Lodge C. A. C. P.	Department Of Health And Ageing
Alice Springs Community Care	Department Of Health And Ageing
Fred McKay Day Therapy Care Centre	Department Of Health And Ageing
Tracy Aged Care T. C. U.	NT Govt - Dept of Health and Families; Department of Health and Ageing
Old Timers T. C. U.	NT Govt - Dept of Health and Families; Department of Health and Ageing
F. S. Community Care Barkly	Department Of Health And Ageing
F. S. Community Care Barkly EACH	Department Of Health And Ageing
PPK H. A. C. C.	N. T. Government - Department of Health and Families; Department of Health and Ageing
PPK Day Respite	Department Of Health And Ageing
Rocky Ridge H. A. C. C. Transport	N. T. Government - Department of Health and Families; Department of Health and Ageing
Rocky Ridge - Stepping Stones	NT Govt - Dept of Health and Families; Department of Health and Ageing
RR Day Respite	Department Of Health And Ageing
Katherine Community Care	Department Of Health And Ageing
Tracy Aged Care C. A. C. P.	Department Of Health And Ageing
Tracy Aged Care EACH	Department Of Health And Ageing
Mutitjulu C. A. C. P.	Department Of Health And Ageing
Mutitjulu Community Respite	Department Of Health And Ageing
F. S. Mutitjulu H. A. C. C.	N. T. Government - Department of Health and Families; Department of Health and Ageing
F. S. Juninga Centre C. A. C. P.	Department Of Health And Ageing

- b) request the General Secretary to advice DOHA accordingly;

- 13.25.06 a) affirm the importance of the Transition Board having additional members that have significant financial expertise; and
 b) authorise the Assembly Officers to appoint additional members with significant financial expertise.

- 13.25.07 direct the Transition Board that it will establish a Transition Plan that achieves the following outcomes:
- a)
 - (i) ceases to use a shared service model with Frontier Services for the delivery of, but not limited to, accounting and financial support, HR, payroll, administration, contract review as quickly as possible and preferably by the 31 July;
 - (ii) the appointment of a project manager to oversee the project of effective operational separation from shared services with Frontier Services; and
 - (iii) determine that any such project manager be a direct report to the Executive Officer of the Transition Board and be located in the Sydney office of Frontier Services; having direct access to all information, and capacity to direct all staff, to the extent necessary to meet the requirements of the Transition Board to achieve operational separation;
 - b) manage the financial operations as a separate entity from 1 July 2013 – balance sheet, accounting, cash flow, etc;
 - c) a set of options papers for Assembly Standing Committee on future governance and management arrangements for Aged Care by 31 August; and
 - d) A communications strategy agreed with the Interim Frontier Services Board;
- 13.25.08 direct both Boards and the staff for whom they are responsible that they are to co-operate fully in order to support the achievement of their respective responsibilities. Neither Board will act in a way that damages the capacity or reputation of the other in relation to Government Departments, the church, supporters and staff;
- 13.25.09
- a) establish a loan fund in the amount of \$3 million from the Assembly Fund in order to deliver timely and accessible cash to the Transition Board for the costs that they need to bear; and
 - b) the basis of operation being that the amount of funds to be provided is based on all Frontier Services' liquid assets, ex residential bond liabilities, staff entitlements and other legal requirements, being liquidated and added to the "loan fund" before any Assembly Fund contribution; and that within two months of appointment the Interim Frontier Services Board identifies properties that can be sold and commences a process for the realization of those assets based on advice from the Transition Board about its cash flow projections;

2. OTHER PROPOSALS

Documents 9 and 9A contained additional information and proposals.

13.26. It was resolved to:

- 13.26.01 appoint Alistair Macrae (Chairperson), Anne Cross, Richard Hearn, Graham Schlecht and Peter Worland as the Transition Board for the Assembly's Aged Care Services;
- 13.26.02
- a) receive the resignation of Rev Terence Corkin, Mr Stephen Reddish and Mrs Rosemary Young as Directors of UCA Assembly Ltd; and
 - b) remove Mr Richard Stewart as a member of UC Assembly Ltd.

CLOSURE

The meeting closed at 4:00pm with prayer led by the President