ILSC BOARD MEETING NO 291 – Out of Session
Held via Microsoft Teams

Wednesday, 29 June 2022 at 3:00 pm ACST

MINUTES

ATTENDANCE:

Mr Ian Hamm	Chair
Mr Roy Ah-See	Director
Ms Gail Reynolds-Adamson	Director
Ms Kate Healy	Director

APOLOGY:

Ms Claire Filson	Deputy Chair
Mr Nigel Browne	Director

APPROVED LEAVE OF ABSENCE (Owing to a Conflict of Interest):

Ms Kristy Masella	Director

The following attended all or part of the meeting:

Mr Joe Morrison	ILSC Group Chief Executive Officer
Mr Matt Salmon	ILSC Group Operating Officer
Mr Trevor Edmond	ILSC Group General Counsel
Mr David Silcock	ILSC Executive Director Corporate
Mr Mark Denning	ILSC Eastern Divisional Manager
Mr Anthony Piantadosi	ILSC General Manager People & Capability
Ms Melody Caffin	ILSC Manager Risk and Assurance
Ms Angela Keane	ILSC Board Secretariat

A copy of the Agenda is attached.

Mr Ian Hamm, Chair (**Chair**), welcomed Directors and declared the meeting open at 3:00 pm ACST having noted a quorum of Directors was present.

The Chair acknowledged the lands and waters of various Traditional Custodians upon which we all met, and paid respect to Elders and Traditional Owners, past, present and emerging.

1. STANDING AGENDA ITEMS

1.1 Apologies/Approved Leave of Absence

The Chair acknowledged that as Director Masella is a Member of the Redfern Aboriginal Community Alliance, she has a conflict of interest on the NCIE Divestment discussions. Hence, Director Masella did not receive papers applicable to this meeting and was granted approved leave of absence.

The Chair confirmed and accepted that both Directors Filson and Browne were an apology for the meeting.

All other Conflicts of Interest are otherwise noted under the specific Agenda item.

1.2 Declaration of Conflicts of Interest

The Chair declared Director Masella's conflict of interest on the NCIE Divestment discussions.

2. STRATEGY, POLICY, LEGISLATION, STAKEHOLDERS

2.1 NCIE Divestment

Mr M Salmon, Chief Operating Officer (**COO**) presented the paper for consideration on the divestment of 180 George St, Redfern (**Property**) and the transition of the ILSC subsidiary, the National Centre of Indigenous Excellence Limited (**NCIE Ltd**) to the New South Wales Aboriginal Land Council (**NSWALC**).

Mr Salmon reminded Directors on the results on the 5 May, 'Out of Session' Board meeting concerning the transition of NCIE Ltd, that since that time, the ILSC had been in discussions with NSWALC who had undertaken a process to assess suitability of NCIE Ltd's remaining services. He noted that NSWALC agreed in principle to the resolutions passed attaching two additional conditions (agreed by the ILSC), (i) to exclude NSWALC from any pre-existing liabilities associated with NCIE Ltd including, and not limited to, any employment entitlements (existing leave and accumulated redundancies etc.), and any public liability issue; and (ii) work with NSWALC to assess and finalise the most appropriate corporate structure for acquiring the Property and separately, NCIE Ltd.

Mr Salmon noted that NSWALC advised the ILSC (24 June) the Property transfer remained on schedule; however there had been some delays in the transfer of NCIE Ltd, with NSWALC requesting until 31 July to deal with insurance and financial due diligence matters.

On 28 June 2022, the ILSC and NSWALC agreed the terms of the variation, with the ILSC executing a Deed of Variation and Deed of Assignment of the current leases to third parties at the Property with the transfer of the property on 30 June 2022.

Directors were asked to consider the requested extension that resulted in the ILSC maintaining control of NCIE Ltd until the end of July. ILSC Management questioned the certainty whether the work would be completed at July month end.

Owing to the continuation of the business, staff retention and the operations of parts of the business would be affected both within current management and staff over this period.

Mr Salmon noted that as NCIE Ltd operate as a company limited by guarantee and Public Benevolent Institution (**PBI**), this status may not continue with the closure of Job Ready and Conference and Catering functions. If this benefit were lost, then staff retention and payment incentives would be necessary along with tax implications and the change to a Pty Ltd company.

Mr Salmon requested Board members to consider the second option, to Wind up NCIE Ltd now or when the ILSC were advised by NSWALC it would not be in a position to take control of NCIE.

Mr T Edmond, Group General Counsel (**GGC**) continued, emphasising that the ILSC have been put in this position with the Board now determining two varying options. The GGC advised Directors there is no certainty that NSWALC will complete their due diligence within the suggested two-week timeframe (plus an additional two- week extension), in addition to obtaining insurance and the likelihood that NSWALC will not come back requesting further funding.

The Chair opened the floor for Director input. Director discussion focussed on staff preservation and the impact any decision, whether to continue for the month, or close would have on staff, and how the ILSC is obligated to divest a property in a condition that is 'fit-for-purpose' creating no immediate liability or risk to the proponent. Directors indicated that the welfare of staff, no matter what the final determination was is of paramount concern. The Board discussed capital expenditure (**capex**) works and doubted that if the operation was not functioning, no capex would be required.

In response to broad extensive discussions, it was resolved that:

Resolved:
ILSC Board resolved to:

1. **Note the contents of the paper; and**
2. **Resolve to approve:**
   - **(a) The option to accept the NSWALC request for a 2-week extension, plus an additional 2-week extension considered by ILSC management as necessary, extending ILSC "ownership" of NCIE to 29 July; and**
   - **(b) Agree that the matter return to the Board in 2 weeks confirming whether wind down or transition is occurring.**

3. OTHER BUSINESS

There were no further items of business.

4. IN CAMERA

No '*In Camera*' Session was called.

5. NEXT MEETING

The next scheduled meeting of the ILSC Board will be held on Wednesday, 17 August 2022 at the ILSC Offices, Brisbane.

With no further items of business, the Chair declared the meeting closed at 3:50 pm ACST.

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Mr Ian Hamm
Chair

Australian Government
Indigenous Land and Sea Corporation

The ILSC GROUP

Board-in-Confidence

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Board Members:
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Claire Filson (Deputy Chair)
Roy Ah-See
Kate Healy
Nigel Browne
Gail Reynolds-Adamson
Kristy Masella

AGENDA

			Discussion Leader
12:45	**1.**	**STANDING AGENDA ITEMS**	
		1.1 Apologies/Approved Leave of Absence	Chair
		1.2 Declarations of Conflict of Interest	Chair
	2.	**STRATEGY, POLICY, LEGISLATION, STAKEHOLDERS**	
		2.1 NCIE Divestment Update	GGC
		2.1.1 NCIE Divestment – NSWALC Letter regarding delay – Annex A	
	3.	**OTHER BUSINESS**	Chair
	4.	**IN CAMERA (if required)**	Chair
	5.	**NEXT MEETING – Wednesday, 17 August 2022 to be held at ILSC Offices, Brisbane**	Chair

*** Decision required**

CHAIR - Chair, ILSC and RANC (Ian Hamm)
GCEO - Group Chief Executive Officer (Joe Morrison**)**
COO – Chief Operating Officer (Matthew Salmon)
GGC - Group General Counsel (Trevor Edmond))
EDC - Executive Director Corporate (David Silcock)