

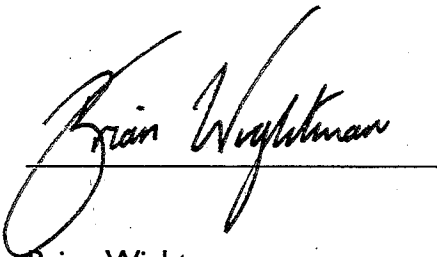
**GOVERNMENT BUSINESS ENTERPRISES ACT 1995**

**MINISTERIAL CHARTER**

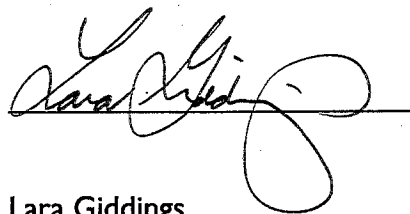
**JANUARY 2012**

**PORT ARTHUR HISTORIC SITE MANAGEMENT AUTHORITY**

This Ministerial Charter is jointly approved by:



Brian Wightman  
**Minister for Environment,  
Parks and Heritage  
Portfolio Minister**



Lara Giddings  
**Premier  
Treasurer**

Date:

1/3/12

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## **I. INTRODUCTION**

- This Ministerial Charter has been prepared by the Minister for Environment, Parks and Heritage (Portfolio Minister) and the Treasurer, following consultation with the Port Arthur Historic Site Management Authority (PAHSMA), in accordance with sections 36 and 37 of the *Government Business Enterprises Act 1995*.
- The Charter sets out the Government's broad policy expectations and requirements for PAHSMA.
- It should be read in conjunction with the following Acts:
  - *Port Arthur Historic Site Management Authority Act 1987 (Portfolio Act)*;
  - *National Parks and Reserve Management Act 2002*;
  - *Historic Cultural Heritage Act 1995*;
  - *Nature Conservation Act 2002*; and
  - *Government Business Enterprises Act 1995*.
- This Charter takes effect from the date it is signed and remains in effect until it is amended or revoked.
- The Charter is to be tabled in Parliament by the Portfolio Minister and published on the website of PAHSMA.

## **2. PURPOSE AND STRATEGIC EXPECTATIONS**

### **2.1 Principal Purpose**

- The principal purpose of PAHSMA is to ensure the conservation, preservation and maintenance of the Port Arthur, Coal Mines and Cascades Female Factory historic sites in Tasmania and to promote those sites as tourist destinations.

### **2.2 Principal Objective**

- Pursuant to legislative requirements, the Portfolio Minister and the Treasurer expect PAHSMA to:
  - be a successful business by operating in accordance with sound commercial practice and as efficiently as possible;
  - ensure the effective conservation of the historic sites under its responsibility; and
  - achieve a sustainable commercial rate of return in accordance with its corporate plan, having regard to the social and economic objectives of

the State, as agreed in writing with the Portfolio Minister and the Treasurer.

### **2.3 Strategic Expectations**

- In undertaking its core business, the Portfolio Minister and Treasurer expect PAHSMA to:
  - continue to focus on the use of best practice methods to conserve, preserve and maintain the Port Arthur, Coal Mines and Cascades Female Factory historic sites;
  - promote an understanding of the historical and archaeological importance of the historic sites;
  - do all things necessary to maintain the historic sites' World Heritage values and listing;
  - use its best endeavours to secure financial assistance, by way of grants, sponsorship, and other means, for the carrying out of its functions;
  - ensure the commercial/tourism operations of PAHSMA operate in an efficient manner and provide a commercial return;
  - advance Tasmania as a premier tourist destination through the promotion of the historic sites;
  - act in a socially responsible manner and take all reasonable steps to reduce the risk of any adverse effects on the environment that may result from PAHSMA's activities; and
  - promote a high level of safety throughout the organisation, taking all practical steps to provide its employees and the employees of its contractors with safe working conditions.

### **2.4 Compliance with Government Policies**

- In pursuing the strategic objectives in the context of the Government's directions, and undertaking its functions and exercising its powers, PAHSMA shall act in accordance with:
  - the governance framework for Government businesses;
  - Treasurer's Instructions and guidelines that are applicable to PAHSMA; and
  - Government policies specifically applying to PAHSMA as advised by the Portfolio Minister and the Treasurer.

### **3. NATURE AND SCOPE OF OPERATIONS**

#### **3.1 Core Business**

- The core business of PAHSMA is:
  - the conservation and heritage management of the historic sites; and
  - operating and marketing the historic sites as premier tourist attractions in Tasmania.

#### **3.2 Business Presence Outside the State**

- PAHSMA must seek the written approval of the Portfolio Minister and the Treasurer before establishing a business presence outside Tasmania. Any such proposal is to be on the grounds of risk mitigation. Any request must be accompanied by a compelling business case.

#### **3.3 Non-commercial Activities**

- PAHSMA's non-commercial activities are:
  - any activity that has been declared a community service obligation by the Treasurer; and
  - any activity that the Portfolio Minister and the Treasurer agree would be non-commercial and direct PAHSMA to perform.
- Non-commercial activities are listed in Schedule I of this Charter.
- Where PAHSMA is required to perform non-commercial activities, those activities are to be:
  - performed in an efficient and effective manner; and
  - costed and funded in accordance with arrangements as agreed with the Treasurer. If no arrangement is in place, the non-commercial activity is to be funded by the business.

### **4. FINANCIAL AND COMMERCIAL MANAGEMENT EXPECTATIONS**

#### **4.1 Financial Performance**

- The Portfolio Minister and the Treasurer expect PAHSMA to:
  - meet its financial and commercial targets as set out in the annual Statement of Corporate Intent agreed with the Portfolio Minister and the Treasurer;
  - implement the business strategies contained in the Corporate Plan in order to meet the agreed long term performance targets for the organisation, consistent with the Government's expectations;

- be proactive in identifying and implementing operational efficiencies and productivity measures to enhance financial performance; and
- keep the Portfolio Minister and the Treasurer, and the Department of Treasury and Finance (Treasury), as principal financial advisor to the Treasurer, informed of any significant issues impacting on the business, especially its financial performance targets.

#### **4.2 Customer Service**

- In delivering its services, the Portfolio Minister and the Treasurer expect PAHSMA to take account of contemporary practice and other management developments in the industry in which it operates and the commercial sector generally.
- PAHSMA is to have in place a customer service charter which is to be publicly available.

#### **4.3 Reporting**

- The Portfolio Minister and the Treasurer expect PAHSMA to comply with any relevant reporting requirements specified in any guidelines issued by Treasury.

#### **4.4 Pricing**

- The Ministers expect PAHSMA to set prices, fees and charges which:
  - meet the objectives of efficiency, and financial sustainability; and
  - represent fair value to its customers.

#### **4.5 Borrowings and Investment Activities**

- The Portfolio Minister and the Treasurer expect PAHSMA's borrowings to be consistent with any direction given under the *Tasmanian Public Finance Corporation Act 1985*.
- When investing any surplus funds, PAHSMA should provide the Tasmanian Public Finance Corporation with the opportunity to offer its services.

#### **4.6 Capital Asset Management**

##### *Business Assets*

- The Portfolio Minister and the Treasurer expect PAHSMA to:
  - develop Asset Management Plans reflecting prudent commercial practice;
  - regularly review its non-heritage asset holdings with the aim of identifying surplus non-performing and non-core assets. The disposal of any undertaking or asset is to be in accordance with the provisions of the

Government Business Enterprises Act and the Port Arthur Historic Site Management Authority Act; and

- subject any capital investment proposal to rigorous and considered analysis prior to any decision to commit resources.
- The Portfolio Minister, the Treasurer and Treasury, as principal financial advisor, are to be notified of any proposed major new capital investments.
- All major capital investment decisions must be approved in writing by the Portfolio Minister and the Treasurer prior to any significant expenditure being incurred.

#### *Heritage Assets*

- The Portfolio Minister and the Treasurer expect that PAHSMA will prepare a conservation management plan for each of its convict historic sites.
- The conservation plans should identify works necessary to ensure the heritage values of individual buildings, structures and landscape elements are maintained.

#### **4.7 Risk Management**

- The Portfolio Minister and the Treasurer expect PAHSMA to have in place risk management strategies that recognise the Government is a long-term risk-averse investor, identify business and financial risks, and provide for their ongoing management.

### **5. OTHER**

#### **5.1 Director Appointment Process**

- The Portfolio Minister and the Treasurer expect PAHSMA to work cooperatively with relevant Director Selection Advisory Panels to ensure that the appointment process results in a balance of renewal and continuity of Board membership.

#### **5.2 Employee and Industrial Relations**

- The Portfolio Minister and the Treasurer expect PAHSMA to:
  - adhere to any Government policy guidelines in regard to executive remuneration including bonuses or other forms of rewards; and
  - be cognisant of any Government policy in regard to employee remuneration, consistent with contemporary public sector wages policy.
- The Portfolio Minister and the Treasurer are to be notified of any significant changes to the employee relations policy of PAHSMA, including the finalisation of any enterprise agreements.

### **5.3 Integrity and Ethics**

- The Portfolio Minister and the Treasurer expect the Board, management and employees of PAHSMA to exhibit the highest level of integrity and professionalism in undertaking their duties.

### **5.4 Significant Developments**

- The Portfolio Minister and the Treasurer are to be kept informed of any matters of significance. Specifically, the Portfolio Minister and the Treasurer expect to be notified of any adverse developments which may:
  - prevent the achievement of financial performance objectives; or
  - significantly affect the financial viability or operating ability of PAHSMA; or
  - significantly impact on Government policy, client relations and environmental issues.

### **5.5 Provision of Information**

- The Portfolio Minister and the Treasurer expect to be:
  - informed as soon as practicable of any material or significant events, transactions or other issues relating to the business; and
  - provided with any information or reports requested, in an accurate and timely manner.



## **SCHEDULE I**

### **NON-COMMERCIAL ACTIVITIES**

The following non-commercial activities, as defined under Clause 3.3, shall be performed by PAHSMA:

- The conservation, preservation and maintenance of the convict historic sites known as:
  - Port Arthur Historic Site;
  - Coal Mines Historic Site; and
  - Cascades Female Factory Historic Site.