

STATUTORY AND OTHER OFFICES REMUNERATION TRIBUNAL

Report and Determination for the remuneration payable to the person appointed to the role of Chief Executive Officer, Barangaroo Delivery Authority, following the special determination and current recruitment action for the role

PREMIER'S DIRECTION

1. On 18 May 2015 the Premier, the Hon Mike Baird MP, directed the Statutory and Other Offices Remuneration Tribunal (the Tribunal) pursuant to section 24P of the *Statutory and Other Offices Remuneration Act 1975 (SOOR Act)* to make a determination for the remuneration package for the person appointed to the role of Chief Executive Officer, Barangaroo Delivery Authority, following the special determination and the current recruitment action for the role, until the cessation of their employment or a further special determination is made.
2. Section 24P of the SOOR Act provides for the Premier to direct the Tribunal to make a special determination in the following terms:

24P Special determinations

If the Minister so directs, the Tribunal is required to make (not later than the day specified in the direction as the day on or before which the determination is to be made) a determination as to whether, and (if so) how, any determination already made should be altered in relation to remuneration packages as are referred to in the direction.

3. The role of Chief Executive Officer, Barangaroo Delivery Authority is a Band 3 Public Service senior executive (PSSE) role. The determination already made in respect of PSSE Band 3 – Deputy Secretary level roles is the Tribunal's 2014 annual determination which provides the following remuneration package range:

| Band | Per annum range | | |
|---------------------------------|-----------------|----|-----------|
| Band 3 - Deputy Secretary level | \$305,401 | to | \$430,450 |

4. The Premier has directed the Tribunal to alter its determination of 1 July 2014 in respect of the remuneration range for Band 3 in relation to the remuneration package for Chief Executive Officer, Barangaroo Delivery Authority.

BACKGROUND

5. The Barangaroo Delivery Authority is established under the provisions of the *Barangaroo Delivery Authority Act 2009*. The Barangaroo Delivery Authority's role is to manage waterfront development on Sydney's western edge and to deliver world class benchmarks in urban design, public domain and sustainability.
6. The Chief Executive Officer leads the Barangaroo Delivery Authority in the management of the delivery of the 22 hectare \$6b Barangaroo precinct. The project involves managing, on behalf of the NSW Government, the successful delivery of one of the largest and most complex infrastructure developments in the country. The Chief Executive Officer and the Board are accountability for ensuring the development is delivered in a coordinated and financially responsible manner.
7. The role of Chief Executive Officer of the Barangaroo Delivery Authority is currently vacant and recruitment action is underway. In directing the Tribunal to make this determination the Premier has advised that remuneration in excess of the maximum of Band 3 is necessary to attract and retain a candidate with strategic leadership expertise and significant industry experience to deliver the Government's vision for the Barangaroo precinct.
8. The need for additional remuneration is supported by market based evidence which endorses the view that, given the nature of the role and the required expertise and background, suitable incumbents would most likely be operating in the private sector. Further, that remuneration within the existing Band 3 range may result in difficulty attracting or retaining a candidate who is both qualified and has demonstrated performance in a similar role.
9. In determining the appropriate remuneration the Tribunal has had regard to the role and responsibilities, remuneration provided to comparable roles across the Government Sector and available market based information.
10. The Tribunal is of the view that the remuneration package for the person appointed to the role of Chief Executive Officer, Barangaroo Delivery Authority will be \$565,000 per annum. In addition to this base remuneration a discretionary remuneration range of 12 per cent will apply. The Tribunal's determination is

consistent with the recommendation contained in the Premier's direction and provides competitive remuneration for this role.

11. This determination will alter the Tribunal's current PSSE annual determination (effective 1 July 2014) in respect of Band 3 remuneration levels in order to provide a specific remuneration package for the person appointed to the role of Chief Executive Officer, Barangaroo Delivery Authority.

12. When making a determination for a specific senior executive section 24R of the SOOR Act requires that the individual be named in the following terms:

24R General provisions relating to the determinations

(1) In making a determination, the Tribunal:

(c) may provide that a different remuneration package applies in the case of particular senior executives named in the determination (but only if the Minister has requested the Tribunal to do so),...

13. The determination cannot name an individual as an appointment has not yet been made. Instead, and in accordance with section 24R, the determination will otherwise identify the proposed appointee and will apply to the person appointed following this determination and current recruitment action for the role. The determination is not a determination that applies to the role of Chief Executive Officer, Barangaroo Delivery Authority or to future appointments to that role.

14. This determination shall take effect from the date of appointment of the person appointed to the role of Chief Executive Officer, Barangaroo Delivery Authority following this determination and the current recruitment action.

15. As this determination is made close to the 2015 Annual Determination, there will be no further adjustment to the remuneration package for the person appointed to the role of Chief Executive Officer, Barangaroo Delivery Authority, as a result of any general increases provided across the PSSE group with effect from 1 July 2015.

DETERMINATION

Pursuant to section 24P of the *Statutory and Other Offices Remuneration Act 1975* the Tribunal determines that the range of remuneration packages of Band 3 Public Service Senior Executives is altered to provide the person appointed to the role of

Chief Executive Officer, Barangaroo Delivery Authority, following this determination and the current recruitment action, to receive a remuneration package of \$565,000 per annum plus a discretionary remuneration range of 12 per cent in addition to the base remuneration.

| Band | Per annum range | | | |
|---------------------------------|-----------------|----|-----------|--|
| Band 3 - Deputy Secretary level | \$305,401 | to | \$430,450 | Person appointed as Chief Executive Officer, Barangaroo Delivery Authority, following the Special Determination and current recruitment action for the role: \$565,000 per annum plus a discretionary remuneration range of 12 per cent in addition to the base remuneration. |

**Statutory and Other Offices
Remuneration Tribunal**



Richard Grellman AM
1 June 2015