



SYDNEY HARBOUR FEDERATION TRUST

129th MEETING

Board Room
Building 28, Best Avenue, Headland Park, Mosman

Meeting in Private

16 May 2019

MINUTES

Abridged Record of the 129th Meeting of the
Sydney Harbour Federation Trust
(private and confidential information has been removed where indicated)

Chair

Minutes of the 129th meeting of the Sydney Harbour Federation Trust held in the Board Room, Building 28 Best Avenue, Headland Park, Mosman at 10.00am on Thursday 16 May 2019.

Present

Joseph Carrozzi	Chair
Jean Hay AM	Deputy Chair
Garth Callender	Member
Josephine Cashman	Member
Tim James	Member
Jessica Keen	Member
Sandra Hook	Member

In Attendance

Mary Darwell	Executive Director
Stephen Alborough	Director, Property & Leasing Management (partial attendance)
Libby Bennett	Director, Projects (partial attendance)
Justin Bock	Director, Strategy & Operations (partial attendance)
Elyse Jeffress	Chief Legal & Risk Officer (partial attendance)
Kathryn Roberts	Director, Marketing & Visitor Experience (partial attendance)
Daniel Sealey	Senior Manager Planning & Environment (partial attendance)
Rosemary Southcombe	Secretariat

Apologies

Nil.

The meeting commenced at 10.00am on Thursday 16 May 2019.

The Board:-

- RESOLVED to meet in private because of confidential budget matters on the Agenda.

Moved: J. Carrozzi

Seconded: S. Hook

1. Welcome

J. Carrozzi opened the meeting with an acknowledgement of the Traditional Custodians and Owners of the Harbour Trust lands and paid respects to Elders past, present and emerging.

Attendees were welcomed and the meeting was opened.

2. Introduction (Agenda Item 1)

The Chair:-

- NOTED there was a quorum of Members elected in attendance.
- a) Apologies: Nil
 - b) Declarations of Interest
 - NOTED, with the following amendment:
Josephine Cashman - add Australian Indigenous Education Ambassador
 - c) The following Circular Resolution was passed since the previous meeting:
Minutes of the 128th Harbour Trust meeting held in private on 22 March 2019

The Board:-

- NOTED the circular resolution was approved on 1 May 2019

3. Actions Items from Previous Meetings (Agenda Item 2)

Current status of the action items from previous meetings are recorded on the Action Items paper included in the Board papers for this meeting.

4. In Camera, including Chair's Report (verbal) (Agenda Item 3)

5. Executive Director's Report (Agenda Item 4)

Ms Darwell spoke to her report.

Matters discussed:

Budget issues: The Australian Government announced in the 2019/20 Budget that the Harbour Trust would receive \$22.3m over 3 years. Engagement with the incoming Government, including confirmation of Budget position and discussion on the scope of the Harbour Trust review, will be necessary after the election. The proposed scope of the Harbour Trust review was discussed and it was noted that the Budget funding for the review was being sourced from within existing resources of the Department of Environment. Ms Cashman raised the suggestion of considering, in the course of the review, other funding arrangements and looking at, for example, the Clean Energy Corporation.

Cockatoo Island consultation: Given the mooted Harbour Trust review, the Board noted that the first round of consultation will now be designed as a "discovery phase", not part of a formal statutory review of the Management Plan (as originally envisaged in February). Elton Consulting has been engaged to facilitate the dialogue with the community in relation to Cockatoo Island. Mr James requested that a declaration of interest be noted to the effect that his brother-in-law works for Elton Consulting. Further discussion was held over to agenda item 7, where Kathryn Roberts was in attendance to provide a verbal update.

Staff and culture: The Board noted Harbour Trust staff are now on ongoing contracts. Long service awards were given out yesterday.

The Executive Director's written report was taken as read.

The Board:-

- NOTED the Executive Director's Report, including the Budget position, scope of the proposed review and discovery phase work for Cockatoo Island

Moved: J. Carrozzi

Seconded: S. Hook

6. Sub Base Platypus – Project Update (Agenda Item 5)

Mr Alborough, Ms Bennett, Mr Bock, and Mr Sealey joined the meeting for this item.

The report was taken as read.

Ms Bennett presented a 'Platypus Construction Update' which included a summary of works, including Arrival Square landscaping works; the former FIMA building refurbishment and landscaped central courtyard; the refurbishment in the former submarine building; and the building refurbishment of the former gatehouse and associated landscaping.

[COMMERCIAL IN CONFIDENCE]

Mr Sealey reported on feedback received from the public in relation to the Draft Design Concept for the Torpedo Factory. The views varied from support to opposition to the design, including from petitioners.

The Board discussed the issues raised, including the history of the Torpedo factory and site; the amenity created by the new design; the issues raised in the Friends of Platypus petition; and the importance of parking and disability access. Management was asked to undertake further analysis of the feedback and report to the Board in July.

There was a general discussion around competing interests in Harbour Trust lands and the need to ensure a clearer process for the community and proponents to engage effectively with the Harbour Trust. Management was asked to review processes, engage with Board members on this matter and report back.

Mr Alborough, Ms Bennett and Mr Sealey left the meeting.

The Board:-

- NOTED the issues in the paper
- NOTED the progress in relation to Stage 1B
- NOTED the consultation outcomes of the public exhibition of the draft design concept and AGREED to the publication of a summary of the feedback
- AGREED for Management to further consider the consultation outcomes and report to the Board at the July Board meeting.

Moved: J. Carrozzi

Seconded: S. Hook

8. Philanthropy & Corporate Sponsorship Strategy (Agenda Item 6)

Mr Bock and Ms Jeffress were in attendance for this item.

The report was taken as read. The report presented set out a preliminary road map over the coming 4 years to improve the Harbour Trust's capability and effectiveness in Philanthropy and Corporate sponsorship.

The Board:-

- NOTED progress towards a Philanthropy and Corporate Sponsorship Strategy
- APPROVED the focus of activities for 2019-20
- NOTED the draft budget for 2019-20

Moved: J. Carrozzi

Seconded: S. Hook

9. Sydney Harbour Conservancy Approval to Change Constitution (Agenda Item 7)

Mr Bock and Ms Jeffress were in attendance for this item and Mr Jae Yang, Partner from Prolegis (specialist lawyers for not-for-profits), joined by telephone.

The proposed changes to the constitution for the Sydney Harbour Conservancy Limited (SHCL) and to the name of the company to 'Sydney Harbour Foundation Management Limited' were discussed, including the desirability of bringing arrangements in line with current best practice and providing greater capacity for the Harbour Trust to develop its philanthropic endeavour. This structure also allows for the resolution of an outstanding issue in relation to a \$140,000 grant from the Department of Industry, Innovation and Science.

Following discussion, the adoption of the new constitution, special memorandum and name change was agreed in principle, subject to discussing the matter with the independent director of SHCL (Mr Kevin McCann).

Mr Yang left the meeting.

The Board:-

- NOTED the paper and attachment detailing the proposed changes to the SHCL constitution
- NOTED that Mr McCann be contacted prior to implementing the agreed changes
- APPROVED the proposed changes to the Sydney Harbour Conservancy Limited constitution through a special board resolution
- APPROVED the draft letter to the Directors of Sydney Harbour Conservancy Limited

Moved: J. Carrozzi

Seconded: S. Hook

10. Community Advisory Committee Membership Approval (Agenda Item 8)

Ms Roberts joined the meeting and spoke to the report prepared for this item.

There was a discussion about the desirability of expanding the CAC to include further representation from tenants, tourism bodies and Defence. Management was asked to keep this option under review.

Ms Cashman suggested more significant acknowledgement of the contribution of the CAC in our various promotional materials, including newsletters and the annual report.

The Board:-

- RESOLVED a letter of thanks be sent to all outgoing CAC members to be signed by the Chair
- APPROVED the membership for the CAC as detailed in the report provided for this item

Moved: J. Carrozzi

Seconded: S. Hook

11. Cockatoo Island Engagement Process (verbal)

Ms Roberts was in attendance for this item and provided a verbal update.

Elton Consulting and Two Point Co. have been engaged to provide support with the dialogue with the community in relation to Cockatoo Island. Two Point Co. will assist with engagement with First Nations people.

Engagement will include meetings with influencers; targeted workshops; 'walk-shops' on the Island; a 'pop up' in the city; and an online survey.

[COMMERCIAL IN CONFIDENCE]

A final report on the outcomes of the engagement process will be prepared for the Board meeting to be held on 22 July 2019.

12. Finance Report (Agenda Item 9)

Mr Bock and Ms Jeffress were in attendance for this item.

Mr Bock spoke to the report which was provided to update the Board on the financial performance for the period ending 31 March 2019. The financial performance has been characterised by stronger revenue. Increased expenditure on safety works, maintenance and balance sheet adjustments will see the Harbour Trust coming in below the Minister of Finance approved deficit of \$1.2m.

The Harbour Trust was successful in achieving some of the additional capital appropriations over the forward estimates (\$21.4m) but was unsuccessful in petitioning for the release of Markham Close funds.

There was discussion about parking revenue and how fees are determined for different parking areas. The importance of parking fees for managing parking demand and providing support to the Harbour Trust from users of parklands was noted. As the current fees were set in 2016, it was agreed it would be appropriate to undertake a review of parking revenue.

The Board:-

- NOTED the Finance Report

Moved: J. Carrozzi

Seconded: S. Hook

12. WHS Management System Update Project Report (Agenda Item 10)

Mr Bock and Ms Jeffress were in attendance for this item.

The report was taken as read and Ms Jeffress spoke to the item. All policies and procedures have been reviewed again by the Executive team. Training is being scheduled for staff on the forms, policies and procedures to ensure good awareness of obligations. The staff engagement survey undertaken at the end of last year showed positive responses from participating staff to two key safety culture questions. The WHS committee has been convened. The next stage of this project will be to move away from a paper-based system.

The policy statements were considered by the Board and were approved, i.e. Health & Wellbeing; Fitness for Work; Work Health & Safety; and Injury Management and Return to Work.

The Dog Leg Tunnel on Cockatoo Island has been closed to enable assessment and rectification works.

There was discussion about the current momentum and importance for Boards to oversee and monitor WHS and overall organisational culture and it was suggested that culture and compliance risk be included on the Harbour Trust's risk register. The Harbour Trust does have a Public Interest Disclosure (PID) representative.

The Board:-

- NOTED the WHS Management System Project Update Report
- APPROVED the four WHS policies included in the report

Moved: J. Carrozzi

Seconded: S. Hook

Mr Bock left the meeting.

13. Portfolio Audit Committee (PAC) Report (Agenda Item 11)

Ms Jeffress was in attendance for this item.

Mr Geoff Knuckey (PAC Chair) joined the meeting via telephone at 12.45pm.

Mr Knuckey spoke about the background and role of PAC and its authority and functions.

The Harbour Trust provides a Performance Report to each PAC meeting. The papers presented to PAC are the same as those presented to the Board. Board meetings dates are now scheduled to synchronise with PAC meetings (although PAC meetings are quarterly).

It was proposed that a formal report from PAC be prepared for the Board to highlight any relevant matters. This would address the issue raised in the Australian National Audit Office (ANAO) report on the 'Effectiveness of Public Sector Boards'.

Mr Knuckey was thanked for his contribution to the meeting and he left the meeting at 1.15pm.

It was agreed to add PAC Meeting Outcome to the next Board agenda.

The Board:-

- NOTED the report

Moved: J. Carrozzi

Seconded: S. Hook

14. Property Report (Agenda Item 12)

Mr Alborough (Director, Property & Leasing Management) was in attendance for this item and spoke to his report.

As the Chair was not in attendance at the previous meeting, he requested confirmation that a declaration of interest was made at that meeting regarding the Chair's wife's has taken on a lease at Headland Park. It was confirmed that the declaration of interest was included in the Property Report at the previous meeting. Ms Hay, Chair of TSC, confirmed that at all times interests were noted and transaction was at arm's length.

The Board noted that the Rancan Sisters are now subletting space from Mosman Dance, and indicated this was a positive development.

[COMMERCIAL IN CONFIDENCE]

Mr Alborough left the meeting.

15. Mosman Drill Hall Precinct – Update (Agenda Item 13)

Mr Sealey was in attendance for this item.

Further to the report for this item, Mr Sealey advised that a letter has been received from Mosman Council (dated 9 May 2019). The Harbour Trust Board noted Council's response to identified traffic and parking issues at the Drill Hall Precinct, and discussed the community's ongoing interest in the proposal. The Board decided that further discussions should be held with representatives from Cross Street residents and Mosman Netball about the proposal.

The Board:-

- NOTED Mosman Council's request that the Harbour Trust approves the application to carry out the lighting works at the Drill Hall netball courts
- AGREED that representatives from Management and the Board will meet with Mosman Netball and the Cross Street residents
- AGREED to aim for a decision about this issue by the end of June

Moved: J. Carrozzi

Seconded: S. Hook

16. Draft Recreation Strategy – Public Exhibition Update (Agenda Item 14)

The report was taken as read and Mr Sealey spoke to this item. Consultation had only recently closed on the Draft Recreation Strategy following public exhibition for 6 weeks (including the Easter break). The summary of preliminary responses was noted.

The Board:-

- AGREED that Management would undertake further analysis of the feedback provided and that the Board would consider this matter again at the next meeting

Moved: J. Carrozzi

Seconded: S. Hook

Meeting closed at 3.40pm