

## 3. Operational Aspects

### Corporate Governance

The affairs of the Harbour Trust are managed by the Executive Director subject to the directions of the Harbour Trust and in accordance with the policies determined by the Harbour Trust.

The Harbour Trust issued the following policy documents during the reporting period:

- Interim Gifts and Bequests Policy;
- Community Use of Trust Buildings Policy;
- Complaint Handling Policy.

### Members' Meetings

There were nine meetings of the Harbour Trust in the 2003-2004 financial year, three of which were open to the public. Under the Harbour Trust's enabling legislation the Harbour Trust must meet at least four times a year and at least two of the meetings have to be open to the public. Members attended as follows:

<i>Member</i>	<i>Number of meetings attended</i>
Mr K McCann, Chair	9
Mr R Conroy	4
Dr D Dearing	8
Clr S Hoopmann	9
Mr P Lowry	7 (overseas for two meetings)
Dr J Moriarty	7
Brigadier K O'Brien	8
The Hon B O'Keefe	9

### **Audit and Risk Management Committee**

The functions of the Audit and Risk Management Committee include:

- Assisting the Harbour Trust to comply with its statutory obligations; and
- Providing a forum for communications between the Harbour Trust, the Executive Director, senior managers and internal and external auditors.

and to oversee:

- Effective identification and management of risks;
- Reliable financial and management reporting;
- Compliance with applicable laws and regulations;
- Maintenance of an effective and efficient audit service; and
- Effective fraud prevention and control measures.

The members of the Audit and Risk Management Committee during the 2003-2004 financial year were:

#### ***Mr P Lowry***

Trust member and Chair of the committee.

#### ***Clr Susan Hoopmann***

Trust member.

#### ***Brigadier Kevin O'Brien (ret.)***

Trust member.

#### ***Mr Phillip Glyde***

Chief Finance Officer, Department of Environment and Heritage.

There were four Audit and Risk Management Committee meetings held during the 2003-2004 financial year with members attending as follows:

<b><i>Member</i></b>	<b><i>Number of meetings attended</i></b>
Mr P Lowry, Chair	4
Mr P Glyde	1
Clr S Hoopmann	4
Brigadier K O'Brien (ret)	3

Walter and Turnbull conducted three internal audits during the reporting period:

- Purchasing and Accounts Payable;
- Review of Events Management;
- Review of Payroll Processing.

There were no significant issues arising from the audits.

#### **Aboriginal Issues Committee**

The Committee did not meet during the reporting period.

#### **Community Advisory Committee**

The Committee met nine times during the reporting period. The names of the members are provided in Appendix 2.

#### **Tender Review Committee**

The Harbour Trust nominated Brigadier Kevin O'Brien as the members' representative on the Tender Review Committee which is convened as required. Mr Peter Lowry is also a representative when required.

The Tender Review Committee, which considers tenders estimated to be in excess of \$100,000, reviewed 14 tenders during the reporting period.

#### **Defence History Steering Committee**

The Committee did not meet during the reporting period.

#### **Indemnities and Insurance Premiums for Officers**

The Harbour Trust has taken out Directors and Officers' liability insurance with *Comcover*, the Harbour Trust's insurers.

The Harbour Trust did not provide any indemnities to directors or officers in respect of liabilities or claims against them during 2003-2004.

## **Financial Performance**

The Harbour Trust received total Government appropriation of \$15.027m comprising \$6.027m in departmental appropriation and \$9.0m capital equity injection.

Revenue was also generated from sale of houses at Markham Close, the rental of former defence houses managed by the Harbour Trust, licences for the hire of Harbour Trust sites and facilities, tour fees, funds from the Department of Defence for decontamination works and a grant from the Natural Heritage Fund for environmental works.

The primary emphasis for the organisation was on commencing the implementation of the Comprehensive Plan for the Harbour Trust's sites. Funds were expended on the management, maintenance and operation of the sites and a range of planning, conservation and rehabilitation projects in line with the plan.

### **Financial Outcomes**

#### ***Operating Outcome***

During the financial year 2003-2004, operating revenues including revenue from the Government, were \$21.9m and operating expenses were \$19.5m resulting in an operating surplus of \$2.4m.

#### ***Operating Revenue***

Total operating revenue of \$21.9m was \$13.4m above budget (PBS 2003-2004). This was due to the inclusion of revenue from property sales that were not included in the budget.

#### ***Equity***

The Harbour Trust's total equity increased by \$11.4m to \$74.6m.

#### ***Assets***

The value of Harbour Trust's assets increased by \$11.6m to \$75.8m primarily due to building works undertaken during the year and an increase in cash held.

#### ***Total Liabilities***

The Harbour Trust's total liabilities increased by \$0.2m from the previous year to \$1.2m.

#### ***Cashflow Statement***

Overall, there was an increase in the Harbour Trust's cash balance of \$4.6m to \$9m as at 30 June 2004. The Harbour Trust holds cash to meet existing liabilities and fund commitments for works.

## Purchasing

The Harbour Trust's Purchasing Guidelines and Financial Instructions for the purchase of goods and services are consistent with the Commonwealth Procurement guidelines. Consideration is given to energy efficient and recycled and recyclable products when making purchasing decisions.

## Consultants and Competitive Tendering and Contracting

The Harbour Trust engaged 86 consultants at a cost \$1.596m to provide specialist advice on planning, business matters, community consultation, conservation, design, environmental, finance and risk management, communications and other technical aspects relating to the sites. The nature of the sites, buildings and equipment mean that it is not possible to employ staff with the wide variety of specialist skills that are required.

## Staffing

Staff of the Harbour Trust are engaged under section 48 of the *Sydney Harbour Federation Trust Act 2001*.

Staff are engaged on terms and conditions contained in Harbour Trust Determination No.1 of 2002 that are similar to those in public sector certified agreements.

The Harbour Trust's staffing level for the year was 53 comprising 36 full-time, 7 part-time and 10 casual staff with a turnover of ongoing staff of 3.85%. The staffing profile of the staff employed as at 30 June 2004 is as follows:

<i>Classification</i>	<i>Male</i>	<i>Female</i>	<i>Full time</i>	<i>Part time</i>	<i>Ongoing</i>	<i>Non - ongoing</i>	<i>Casual</i>
Executive Director	1	0	1	0	0	1	0
Senior Executive	4	1	5	0	4	1	0
Executive Level 2	5	3	7	1	8	0	0
Executive Level 1	2	4	5	1	5	1	0
Level 6	3	6	9	0	8	1	0
Level 5	2	2	4	0	4	0	0
Level 4	0	0	0	0	0	0	0
Level 3	3	9	4	1	5	0	7
Level 1-2	2	6	1	4	3	2	3
<b>Total</b>	<b>22</b>	<b>31</b>	<b>36</b>	<b>7</b>	<b>37</b>	<b>6</b>	<b>10</b>

## Staff Training

Training sessions or workshops involving all or significant numbers of Harbour Trust staff were conducted as follows:

- Contaminated sites – health and safety awareness;
- First Aid;
- Fire safety – evacuation procedures;
- *Phytophthora cinnamoni* hygiene protocols
- Ergonomics and Safety in the Workplace
- Heritage conservation;
- Workcover Occupational Health and Safety Green card training;
- Administrative equipment
- Contract Management;
- Risk management;
- Privacy.

## Access and Safety

### Risk Assessment and Management

The Harbour Trust has developed an overall risk management framework and implementation has commenced. Risk assessment is now an integral part of all new projects and events that the Harbour Trust undertakes.

### Occupational Health and Safety

The Harbour Trust appointed a Safety Officer to oversee occupational health and safety and risk management within the Trust. The following actions were undertaken:

- All new staff received induction training in OH&S;
- Regular site safety inspections were carried out;
- Risk assessments were conducted for all events held;
- An Emergency Procedure Manual was issued.

There were 13 recorded OH&S incidents in the period, which were mainly of a minor nature, requiring no treatment or first aid only. There were 4 compensable injuries, including 2 lost-time incidents. Two of these were commuting incidents; one was a lunchtime activity incident and one a minor on site incident. All incidents were reviewed to identify and implement relevant preventative action.

### **Providing Access to People With Disabilities**

The Harbour Trust is implementing the Commonwealth Disability Strategy in its day-to-day operations and as part of the Comprehensive Plan for the Harbour Trust sites.

Accessibility is a key consideration in implementing the plan for Harbour Trust sites. Accessibility audits have been completed for Woolwich Dock and Parklands, Chowder Bay and Headquarters Training Command. The audits have informed the preparation of management plans for these precincts, ensuring that access requirements for people with a disability are addressed in the designs and facilities proposed for these sites.

### **Judicial Decisions and Reviews by Outside Bodies**

There were no judicial decisions or decisions of other administrative appeals tribunals that have had a significant impact on the operations of the Harbour Trust.

There were no reports on the operations of the Harbour Trust by the Auditor-General (other than the report on the financial statements) or reports by a parliamentary committee or the Commonwealth Ombudsman.

### **Effects of Ministerial Directions**

*The Sydney Harbour Federation Trust Act 2001* requires that the annual report must include "the text of all directions, and reasons for directions, given by the Minister to the Harbour Trust under section 9 during the period to which the report relates."

There were no Ministerial directions given to the Harbour Trust during the reporting period.