



SYDNEY HARBOUR FEDERATION TRUST

128th MEETING

Boardroom  
Building 28, Best Avenue, Headland Park, Mosman

Meeting in Private

22 March 2019

MINUTES

Abridged Record of the 128<sup>th</sup> Meeting of the  
Sydney Harbour Federation Trust  
(private and confidential information has been removed where indicated)

Acting Chair

Minutes of the 128<sup>th</sup> meeting of the Sydney Harbour Federation Trust held in the Board Room, Building 28 Best Avenue, Headland Park, Mosman at 9.30am on 22 March 2019.

### Present

Jean Hay AM	Acting Chair
Garth Callender	Member
Josephine Cashman	Member
Jessica Keen (partial attendance)*	Member
Sally Herman	Member
Sandra Hook	Member

\* via teleconference initially, then in person

### In Attendance

Mary Darwell	Executive Director
Stephen Alborough	Director, Property & Leasing Management (partial attendance)
Justin Bock	Director, Strategy & Operations (partial attendance)
Daniel Sealey	Senior Manager Planning & Environment (partial attendance)
Rosemary Southcombe	Secretariat

### Apologies

Joseph Carrozzi	Chair
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The meeting commenced at 9.30am on Friday 22 March 2019.

The Board:-

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

Moved: J. Hay

Seconded: S. Hook

## 1. Welcome

As J. Carrozzi (Chair) was an apology for the meeting, J. Hay (Deputy Chair) chaired the meeting.

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

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: J. Carrozzi.

b) Declarations of Interest

- NOTED, with two amendments:

Garth Callender – add Australian Student Veterans Association

Sandra Hook – remove Trustee Royal Botanic Gardens & Domain Trust

c) The following Circular Resolutions were passed since the previous meeting:

Financial Delegation Instrument No.1 of 2018 and Licensing Delegation Instrument No.2 of 2018  
Amended list of staff with approval to operate the Trust's various Bank accounts  
Minutes of the 125<sup>th</sup> Trust meeting held in private on 6 December 2018  
Minutes of the 126<sup>th</sup> Trust meeting held in public on 6 December 2018  
Minutes of the 127<sup>th</sup> Trust meeting held in private on 27 February 2019

The Board:-

- NOTED the Circular Resolutions.

### 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.

[CONFIDENTIAL DISCUSSION]

*[J. Keen left the meeting (via telephone) at 10am and rejoined (in person) during Agenda Item 5]*

### 4. Chair's Report (verbal) (Agenda Item 3)

No report as the Chair was not in attendance.

*[J. Cashman joined the meeting at 10.05am]*

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

M. Darwell spoke to her report and advised the following –

- The Department has foreshadowed a review of the Harbour Trust.
- Cockatoo Island consultation process remains a priority.
- An all staff offsite meeting was held on 21 February 2019. This provided a forum for staff to discuss issues such as opportunities for progression (e.g. transferring to other government agencies); volunteering one day a year (either for the Harbour Trust or for another organisation); and cultural behaviours.

There will be a focus on workforce engagement and conditions in the coming months including development for staff and a change to the contract arrangements.

- As the Enterprise Agreement expires shortly, staff were given the opportunity to vote for –
  - a) going through the EA process; or
  - b) voting for a 'determination' which allows the Executive Director to approve, subject to APSC approval, a 6% increase over three years (2% + 2% + 2%).

The majority of staff voted for the determination.

- The Harbour Trust has recruited a Chief Legal & Risk Officer who will commence in the role in April.

The Board:-

- NOTED the Executive Director's Report.

## 7. Corporate Strategy 2019-23 (Agenda Item 5)

Justin Bock (Director Strategy & Operations) joined the meeting for this item.

J. Bock talked to this presentation which posed questions regarding the strategic direction for the Harbour Trust, its ambition and where it sees itself in four years' time (under the PGPA Act the Harbour Trust must have a four year plan).

*[J. Keen re-joined the meeting (in person) at 11.20am].*

There was discussion about the proposed wording for the Harbour Trust's vision. Suggestions included:

- To create extraordinary places **that amplify Australian stories**
- To create extraordinary places **of national and international significance**
- To create extraordinary places **of natural, built and cultural significance**
- To create extraordinary places **on the world's best harbour** (current wording)

There was discussion about how to best position the Harbour Trust over the next four years. Needs to include engaging with NSW regarding North Head; and the Department of Finance about Snapper Island.

The Board:-

- NOTED the work to date on the Corporate Strategy 2019-23.

## 8. Draft Recreation Strategy (Agenda Item 6)

Daniel Sealey (Senior Manager Planning & Environment) joined the meeting for this item.

J. Keen made a declaration of interest in relation to this item as she is co-Chair of the Recreation Committee for North Sydney Council.

An update from Mosman Council has been received regarding the Drill Hall netball lights and the actions that have been undertaken. Mosman Council advised their actions to date in relation to traffic mitigation and they intend to complete the work and provide a report by the end of April 2019. M. Darwell had a meeting on 21 March 2019 at Mosman Council with the General Manager and the Director Environment & Planning.

D. Sealey spoke to the Draft Recreation Strategy. The draft Strategy examines the use of Harbour Trust land for active and passive recreation, and considers constraints and opportunities for new or modified recreation facilities to meet community needs. The draft Strategy provides guiding principles, derived from the objects of the Harbour Trust's Act and strategic planning documents, to provide a decision-making framework that balances considerations such as maximising public access and protecting environmental and heritage values.

The Harbour Trust lands provide a wide range of recreation facilities. With increasing population and sports participation, and demographic change, the Harbour Trust is increasingly approached with requests for new or changed recreation facilities, such as the recent proposals to resurface Middle Head Oval, and to install lights on netball courts at the Drill Hall. Such requests are absorbing a considerable amount of Harbour Trust staff's time. A Recreation Strategy will provide a clear framework for dealing with these requests, and will facilitate a conversation with stakeholders through the public consultation process.

Adaptive re-use of existing facilities (e.g. the gym at North Head) will be considered as part of the Strategy. Any proposals for change will need to be evidence-based.

The Board:-

- AGREED that the draft Recreation Strategy be placed on public exhibition for 6 weeks. The draft Recreation Strategy will then be brought back to the next Board meeting on 16 May 2019.

Moved: S. Herman

Seconded: S. Hook

## 9. Macquarie Lightstation – Draft Management Plan (Agenda Item 7)

Daniel Sealey (Senior Manager Planning & Environment) was in attendance for this item and spoke to the paper.

In December 2018, the Board agreed to the preparation of a draft Plan for the Macquarie Lightstation precinct. The Draft Plan updates the current Plan, reflecting changes since 2007, including remediation of site contamination; removal of fences; and alterations to private residences; as well as changes to relevant plans and policies. The Draft Plan does not propose any significant changes to desired outcomes for the site.

The Draft Plan has been prepared for the dual purpose of satisfying the requirements of both the Comprehensive Plan and the EPBC Act.

The Draft Management Plan has been out for public consultation (public exhibition and discussed at CAC meetings on 21 November 2017 and 27 February 2019). At the end of the consultation period, the Harbour Trust received three submissions in relation to the Draft Plan, a summary of which was included in the Board papers for this meeting.

Subject to the Board's agreement, the Harbour Trust will ask the Minister for advice about the Draft Plan in accordance with Section 341S(6(a)) of the EPBC Act. The Minister will consult with the Australian Heritage Council in preparing that advice. The Harbour Trust must consider any such advice received from the Minister.

Upon receipt of the Minister's advice, if the Board approves the Draft Plan it would then come into effect, superseding the 2007 Plan.

The Board:-

- NOTED the outcomes of the public exhibition of the Draft Plan, including proposed minor amendments.
- AGREED that the Minister be asked for advice regarding the Draft Plan.
- NOTED that the Minister may consult with the Australian Heritage Council prior to finalising their advice regarding the Draft Plan.

Moved: J. Keen

Seconded: S. Hook

## 10. Corporate Governance (Agenda Item 8)

[CONFIDENTIAL DISCUSSION]

## 11. Community Advisory Committee Membership Review and Renewal (Agenda Item 9)

As at January 2019, 12 out of the 15 standing members (excluding Ex-Officio Positions) have served or exceeded the 3 year term on General CAC Committee. A requirement of the *Sydney Harbour Federation Trust Act 2001* is, 'A member holds office for the period specified by the Trust. The period must not exceed 3 years'.

There was discussion regarding the interpretation of not exceeding 3 years and whether members can be reappointed. The Board requested additional information and clarification on this matter (to take place out of session).

To ensure there is a range of skills and knowledge based expertise that aligns to the direction of the Harbour Trust, it is recommended that a full membership review be undertaken on 'General Positions' requiring all expiring members to reapply. Members will be asked to advise on their specialist areas of knowledge across a range of competencies and particular knowledge of Harbour Trust sites. A membership criteria matrix was included with the Board report for this item.

The Board:-

- NOTED the proposed direction outlined in the report.
- REQUESTED clarification out of session regarding terms, change process and representation.

### **13. Finance Report (Agenda Item 10)**

J. Bock (Director Strategy & Operations) was in attendance for this item and spoke to the report which was provided to update the Board on the financial performance for the period ending 28 February 2019 and to also provide an indicative forecast for the remainder of the financial year.

Currently forecasting a Board approved deficit for the year of \$1.2m, \$300k of which will be for crane remediation.

The Board:-

- NOTED the Finance Report.

### **14. Gifts, Benefits & Hospitality Policy (Agenda Item 11)**

M. Darwell advised that a draft Gifts, Benefits & Hospitality Policy has been developed to replace the existing Gift Policy in order to clarify the circumstances under which gifts and benefits can be accepted; update the amount (from \$15 and over to \$25 and over) for mandatory recording of gifts and benefits on the Gifts, Hospitality & Benefits Register; and to include the requirement to record hospitality on the Gifts, Hospitality & Benefits Register.

Following discussion it was agreed to amend page 2 of the new policy to indicate "employees may accept **occasional** gifts or benefits of minor value"; and to remove the requirement of employees to advise their Director if they accept such a gift.

The Board:-

- APPROVED the draft Gifts, Benefits & Hospitality Policy with the above amendments.

### **15. Internal Audit Plan (Agenda Item 12)**

J. Bock (Director of Strategy & Operations) was in attendance for this item and spoke to the Internal Audit Plan report.

Three internal reports are planned for the next FY: Events Management; Contractor Management; and Workplace, Health & Safety.

The Board:-

- NOTED the progress of addressing actions arising from the Internal Audit Report on Contractor Management.
- APPROVED the Internal Audit Work Plan for 2019-20, subject to Budget approval.

**16. Governance Risk and Compliance Report (Agenda Item 13)**

The Board was updated on the status of Risk Management activities and new issues that have arisen from end of October 2018 until the end of January 2019.

There were two Comcare Reportable Incidents during this period, both of which stemmed from the same cause. These occurred on Cockatoo Island on New Year's Eve. Further information was provided in the WHS Report included in the papers for this meeting.

The Board:-

- NOTED the Governance, Risk and Compliance Report.

**17. Sub Base Platypus – Project Update (Agenda Item 14)**

J. Keen made a declaration of interest in relation to this item as Sub Base Platypus is on the agenda for North Sydney Council.

The project update for the Board provided information in relation to the leasing of Stage 1B and emerging thinking on Stage 2. Stage 1B is proceeding as outlined in Table 1 in the report provided to the Board.

In relation to Stage 2 (Torpedo Factory), the Harbour Trust is consulting with the community regarding the design concept. The concept, which is subject to funding, involves removing some walls and roofing to create an area of partly covered public open space and some time-limited visitor car-parking. Drop-in information sessions were held on 28 February 2019 and 2 March 2019, with over 100 people attending. Community feedback has been very positive. Submissions close on 26 March 2019 and will be subsequently reported to the Board.

The Harbour Trust has been approached as there is interest in the presence of kayaks at Sub Base Platypus. Discussions are continuing with proponents and North Sydney Council.

There was a suggestion of having markets at the site. M. Darwell will speak with North Sydney Council about this.

S. Alborough joined the meeting to update the Board on leasing at Sub Base Platypus.

[CONFIDENTIAL DISCUSSION]

The Board:-

- NOTED the progress of Stage 1B construction, leasing, planning and stakeholder engagement.
- NOTED the variations that have been agreed in relation to the construction program.
- NOTED the engagement of external agencies to assist with Food and Beverage and potentially commercial lease.

**18. Philanthropy & Corporate Sponsorship (Agenda Item 15)**

J. Bock (Director Strategy & Operations) was in attendance for this item and provided the Board with an overview of the current status of the Philanthropy & Corporate Sponsorship strategy.

Some issues have been identified and the Harbour Trust will need to ensure appropriate governing rules are compatible with DGR status; update the constitution for the trustee company of the Sydney Harbour Conservancy to make it fit-for-purpose (currently it is too generic); and apply for specific listing under the Income Tax Assessment Act so donations for any purpose can be tax deductible.

The Harbour Trust's new website will provide the option for people to donate. A few small projects will be identified to receive these funds.

It was suggested that it might be worth looking into Google as they provide free advertising for not-for-profit organisations.

Further work will be undertaken on the Philanthropy & Corporate Sponsorship strategy and it will be brought back to the Board meeting in May 2019.

The Board:-

- NOTED the Philanthropy and Corporate Strategy Report.

### **19. Community Advisory Report (Agenda Item 16)**

Minutes from the following Community Advisory Committees were included in the report to inform the Board of the outcomes of the meetings:

- Sub Base Platypus CAC meeting held 6 February 2019
- Aboriginal and Torres Strait Islander meeting held on 20 February 2019
- General CAC meeting held on 27 February 2019

There was a discussion at the Aboriginal and Torres Strait Islander Advisory Group in relation to 2020 marking the 250<sup>th</sup> anniversary of Captain Cook's landing in Australia. This anniversary could provide the opportunity to highlight the importance of Harbour Trust sites and Indigenous continuous culture and connection to land.

M. Darwell has had a discussion with Professor Aaron Corn from the Musicology Society of Australia in relation to 2020. One of the Society's projects is the National Recording Project for Indigenous Performance and they may have some ideas for celebrating living cultures for 2020.

### **20. Reporting Timelines (Agenda Item 17)**

Reporting timelines for the Harbour Trust's key reports (i.e. Annual Report; Annual Performance Report; and Corporate Plan) were presented.

The Board:

- NOTED the Reporting Timeline Report.

### **21. Other Business – Commercial Proposal**

[CONFIDENTIAL DISCUSSION]

### **22. In Camera**

Board members made various comments regarding the draft letter for the Minister for the Environment which was circulated to Board members, as agreed at the Board meeting held on 27 February 2019.

The Board:-

- AGREED for M. Darwell to review the letter in consultation with the Chair.

The meeting closed at 3.45pm.

Following the closure of the meeting, S. Herman was thanked for her contribution to the Board. This was her last Board meeting although she will remain a Board member until the end of April. A farewell / thank you dinner will be arranged.