

SYDNEY HARBOUR FEDERATION TRUST

125th MEETING

Success Room
Cockatoo Island

Meeting in Private

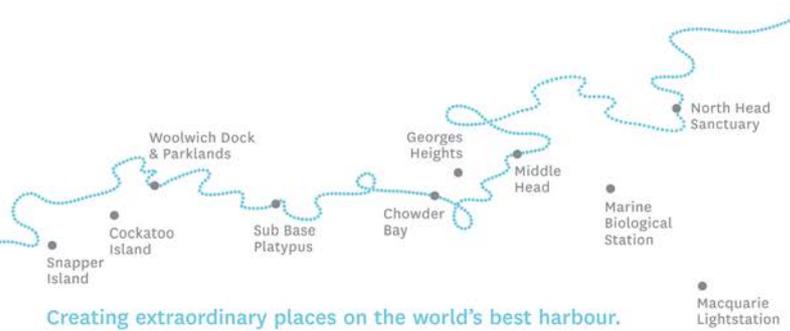
6 December 2018

MINUTES

True & Correct Record of the 125th Meeting of the
Sydney Harbour Federation Trust

A handwritten signature in black ink, appearing to read "Gary".

Chair



Minutes of the 125th meeting of the Sydney Harbour Federation Trust held in the Success Room, Cockatoo Island at 10.45am on 6 December 2018.

Present

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

In Attendance

Mary Darwell	Executive Director
Justin Bock	Director, Strategy & Planning (partial attendance)
Daniel Sealey	Senior Manager Planning & Environment (partial attendance)
Rosemary Southcombe	Secretariat

The meeting commenced at 10.45am on Thursday 6 December 2018.

The Board:-

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

Moved: J. Carrozzi

Seconded: S. Hook

1. Welcome

Joseph Carrozzi opened the meeting and welcomed attendees. The meeting was preceded by a tour of Cockatoo Island.

Due to time constraints in relation to the schedule for the day, the meeting commenced with Agenda Item 6 (Cockatoo Island Vision Refresh).

2. Cockatoo Island Vision Refresh (Agenda Item 6)

Justin Bock (Director, Strategy & Planning) and Daniel Sealey (Senior Manager Planning & Environment) were in attendance for this item.

The work to date by Management in leading a vision refresh process for the Trust and sites with the Board was discussed. The Board considered the further advice about gaps and opportunities.



Architects have been engaged to support the initial stage of the work by providing initial high level spatial concepts for discussion, drawing heavily on the Harbour Trust's Comprehensive Plan and Management Plan. They presented to the Board.

There was feedback and discussion on the presentation and vision for Cockatoo Island in view of its layered history (Aboriginal, convict, maritime and industrial). The positive work of the Harbour Trust to date in opening Cockatoo Island to the public was noted, as was the importance of using this vision refresh to ensure a more meaningful response to the Island's Aboriginal heritage values.

There was discussion about engagement with Aboriginal, military, maritime, heritage and tourism sectors and community generally. It was discussed that finalising the vision and strategy for Cockatoo Island would be the priority for the upcoming period.

The Board:-

- NOTED the work to date for the Cockatoo Island vision refresh process, including discussions at the Board strategy day and September Board meeting
- NOTED the contents of the PwC review of Key Gaps and Opportunities in Sydney's Tourism Economy
- DISCUSSED the presentation by architects and provided feedback
- RESOLVED that over the next six months the Harbour Trust will prioritise the vision for Cockatoo Island which will include engagement with CAC, indigenous leaders, military leaders and tourism leaders. This should commence prior to the next Board meeting (scheduled for 22 March 2019).

Moved: J. Carrozzi

Seconded: S. Hook

3. Introduction (Agenda Item 1)

The Chair:-

NOTED there was a quorum, with all Members elected in attendance.

a) Apologies

There were no apologies.

b) Declarations of Interest

The Declarations of Interest were NOTED.

c) Circular Resolution re Minutes of the Board Meeting (Private) held on 18 September 2018 (Passed).

The Board:-

- NOTED the Circular Resolution.



- NOTED that Minutes for publication on the Harbour Trust website have private and confidential information removed.

4. **Actions Arising from the Minutes** (Agenda Item 2)

Matters arising were included in Reports and considered during the course of the meeting.

5. **Chair's Report (verbal)** (Agenda Item 3)

The Chair updated the board on recent discussions regarding the Harbour Trust.

6. **Executive Director's Report** (Agenda Item 4)

Mary Darwell spoke to her report on the year 2018/2019 to end of October. The report included the Quarter One Performance Reports against the Harbour Trust's Corporate Plan and Reconciliation Action Plan; and Additional Business Information.

The Board:-

- NOTED the Executive Director's Report.

7. **Board Meeting Schedule** (Agenda Item 5)

The schedule of Board meetings for 2019 has been finalised in consultation with Board members.

The Board:-

- APPROVED the Board Meeting Schedule.

8. **Sub Base Platypus – Project Update** (Agenda Item 7)

Mary Darwell spoke to the report and the Board discussed it.

Phase 1B of the project began in mid-September and is currently tracking on time and ahead of budget. In addition some possible 'add value' project design variations have been identified and the viability of progressing these is currently being costed and analysed.

On 16 October 2018 the Harbour Trust commenced an Open Leasing Marketing campaign to secure tenants for the remaining suites (not taken up by EOI proponents) for buildings 2 and 10.

On 13 November 2018 the Chair and CEO hosted a tour by the Hon. Melissa Price MP and Mr Trent Zimmerman MP.



Stage 2 direction and preliminary renders were discussed with the Platypus CAC at a meeting held on 27 November 2018 and other stakeholders. All were generally supportive.

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.
- AGREED to continue to use internal property leasing resources rather than engage external agencies at this stage.
- ENDORSED the direction that Management is considering for Stage 2 design, including public engagement.

9. Philanthropy & Corporate Sponsorship Opportunities and Direction (Agenda Item 8)

Justin Bock (Director, Strategy and Planning) was present for this agenda item and spoke to the Philanthropy and Corporate Sponsorship Opportunities and Direction paper.

Given the funding constraints facing the Harbour Trust there is a need to prioritise a focus on philanthropy and corporate sponsorship.

The Board considered the information on the growing market in Australia for philanthropy and corporate sponsorship; the challenges of raising funds in a crowded space; key insights into best practice the need for fund structures to be assessed against future need; the need to evolve to aligned vision and value. The importance of board leadership; and a number of execution and sequencing questions to be explored for the next Board meeting (in March).

The Board:-

- NOTED the research into the market and best practice exemplars.
- AGREED to the emerging themes and success factors.
- DISCUSSED leadership and involvement.
- REQUESTED management provide a further paper in March around direction, resourcing and strategy.

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

Mary Darwell spoke to the Macquarie Lightstation Draft Management Plan paper.

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 Plan updates the current Plan, reflecting changes since 2007, including remediation of site contamination; removal of fences; alterations to private residences; as well as changes to relevant plans and policies. The Draft Plan also includes detailed conservation policies



derived from the supporting draft Conservation Management Plan 2018. The Draft Plan does not propose any significant changes to desired outcomes for the site.

Relevant stakeholders were consulted in early 2017 about the Harbour Trust's intention to update the Plan. The CAC was also consulted about this at its meeting on 21 November 2017. No significant issues or concerns were raised by stakeholders.

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 Draft Plan would be exhibited in accordance with the Comprehensive Plan and EPBC Act Regulations. This will involve exhibition for a minimum of 28 days and notification on the Harbour Trust website; and in *The Australian* and local newspapers. In addition, stakeholders including relevant Australian and NSW Government agencies; Woollahra Council; NSW, Metropolitan and La Perouse Aboriginal Land Councils; site leaseholders; CAC members; local residents; and other interested individuals and groups will be directly notified by email and/or letter. Copies of the Draft Plan will be available for public inspection on the Harbour Trust's website, in the Harbour Trust's offices at Mosman, in Woollahra Council offices, and Woollahra Library.

The Board:-

- NOTED the contents of the Draft Plan.
- NOTED the outcome of preliminary consultation.
- AGREED that the Draft Plan be placed on public exhibition; and that the Minister be asked for advice.
- NOTED that before making a decision on whether to approve the Draft Plan, the Board will consider public submissions and the Minister's advice.

11. Trust Decisions – AGS advice (Agenda Item 10)

Representatives from Australian Government Solicitor (AGS) joined the meeting for this item and spoke to their advice to the Harbour Trust on decision making under the *Sydney Harbour Federation Trust Act 2001*.

In setting the strategic direction of the Harbour Trust and making decision on individual matters, the Board is required to comply with applicable legislation, principally the *Sydney Harbour Federation Trust Act 2001* and the *Public Governance, Performance and Accountability Act 2013*.

There was detailed discussion regarding the objects, functions and powers of the Harbour Trust under the *Sydney Harbour Federation Trust Act 2001*. The Harbour Trust is a corporate Commonwealth entity and Board members and staff have duties as officials under the *Public Governance, Performance and Accountability Act 2013* including duties in relation to: care and diligence; acting honestly; use of information; and disclose interest.



The Board:-

- NOTED the advice from the AGS on the Harbour Trust objects and powers.

12. Contractor Management Internal Audit Report (Agenda Item 16)

A representative from the auditors joined the meeting for this item via teleconference and spoke to the report.

Following an analysis of the Harbour Trust's WHS issues, management decided to bring forward an internal audit on contractor management and field work for this audit commenced on 20 August 2018.

The overall objective of this internal audit was to examine the Harbour Trust's management of its commercial contracts and contractors. The internal audit focused on high risk areas in managing the Harbour Trust's contract activities in accordance with Commonwealth legislation, policy and regulations.

The audit was concluded in October and the final report was provided in November.

The Board:-

- NOTED the Internal Audit Report on Contractor Management.
- NOTED the actions arising from the Internal Audit Report, and requested that Management amend the completion dates to ensure each action was achievable within the time line.
- NOTED the continued focus of Management on compliance and risk management.

13. Finance Report (Agenda Item 11)

The Finance Report was provided to update the Board on the financial performance for the period ending 31 October 2018 and to provide an indicative forecast for the remainder of the financial year.

The Board:-

NOTED the Finance Report.

14. Treasury Report (Agenda Item 12)

The Treasury Report was provided to update the Board on the Harbour Trust's treasury position as at 31 October 2018.

The Board:-

- NOTED the Treasury Management position for the Harbour Trust.



15. Strategic Asset Management Plan (Agenda Item 13)

The Strategic Asset Management Plan was provided to the Board.

Through a concerted effort over the last 12 months, the Harbour Trust has been able to build a reasonable base level of information in order to generate an inaugural Strategic Asset Management Plan (SAMP). The SAMP –

- Comprises six Asset Management Plan Schedules: Buildings and Structures; Marine Assets; Services and Utilities; Roads and Pathways; Open Spaces; and Other Assets
- Varies in quality between asset schedules, and resides at an asset not sub-asset level in the asset hierarchy (e.g. at the building level, not at the window or door level)
- Is intended to enable the Harbour Trust to prioritise effort and expenditure

There are a number of gaps which are listed in the SAMP, each of which will need to be addressed through each iteration of the SAMP.

The Board:-

- NOTED the contents of the Strategic Asset Management Plan.
- NOTED, in particular, the gap analysis and the steps for future improvement.
- THANKED Management for the work to date.

16. Property Report (Agenda Item 14)

The Property Report was provided to update the Board on the status of the Property Business unit reform.

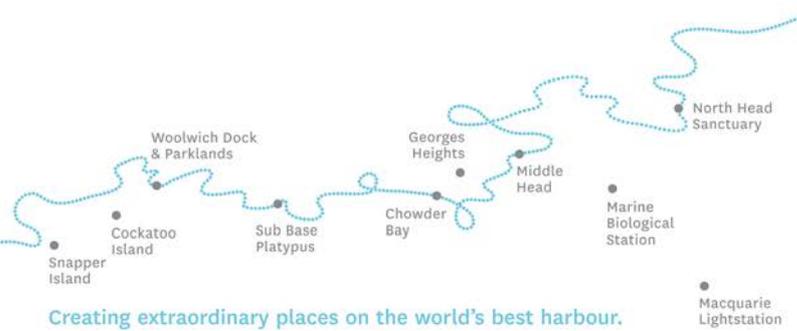
The Board:-

- NOTED the Property Report.

17. Governance, Risk & Compliance Report (Agenda Item 15)

The Governance, Risk & Compliance Report was provided to update the Board on the status of Risk Management activities and new issues that have arisen from end of August until the end of October 2018.

The report provided information on Compliance; Risk Management; Protective Security Policy Framework; Internal Controls; and Workplace Health & Safety.



The Board:-

- NOTED the Governance, Risk & Compliance Report.

18. Community Advisory Committee Report (Agenda Item 17)

The Community Advisory Committee Report was provided to inform the Board of the outcomes of the community meetings.

A General CAC meeting was held on 13 November 2018 and a Platypus CAC meeting was held on 27 November 2018.

The Board:-

- NOTED the Community Advisory Report

19. In Camera (Agenda Item 18)

In camera session not held due to the Public Meeting starting immediately after the private meeting.

The meeting closed at 3.10pm.