

SYDNEY HARBOUR FEDERATION TRUST

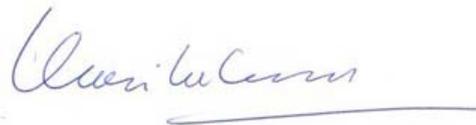
97th MEETING

Boardroom, SHFT Offices, Building 28 Best Ave, Mosman – Meeting in Private

18 February 2015

MINUTES

True & Correct Record of the 97th Meeting of the
Sydney Harbour Federation Trust



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Chair

DRAFT UNTIL SIGNED

Minutes of the 97th meeting of the Sydney Harbour Federation Trust held in the Boardroom, Sydney Harbour Federation Trust Offices at 10.10am on 18 February 2015.

Present

Ms Anthea Tinney	Chair
Clr Jean Hay	Member
Mr Rohan Jeffs	Member
The Hon Leo McLeay	Member
Mr Peter Lowry	Member
Ms Sandra Hook	Member
Ms Paula Braxton-Smith	Member

In attendance

Mr Geoff Bailey	Executive Director
Dr Susan Culverston	Chief Financial Officer
Mr Mark Billham	Executive Office
Mrs Jane Page	Secretariat
Mr Andrew Robinson	Solicitor, Robinsons Legal

Apologies

There were no apologies.

The meeting commenced at 10.10am on Wednesday 18 February 2015.

1) Introduction

- a) Welcome
The Trust RESOLVED to meet in private because of confidential budget matters on the agenda.

Moved: J Hay

Seconded: L McLeay

The Chair welcomed all to the meeting.

- b) Apologies
There were no apologies.
- c) Declarations of Interest
The declarations of interest were noted.

2) Middle Head Aged Care Facility (Agenda Item 8)

Mr Robinson had been asked to the meeting to discuss matters relating to the Middle Head Aged Care proposal.

Mr Lowry joined the meeting at 10.30am.

There was discussion about the letter the Chair had received from the Parliamentary Secretary.

There was also discussion about the Statement of Reasons for approval of the development application under the *Administrative Decisions (Judicial Review) Act 1977* requested by the Headland Preservation Group through Solicitors Baker & McKenzie in a letter dated 19 November 2014.

The draft response document had been reviewed by the working group established after the last Board meeting to review the request and draft response document. The Trust RESOLVED to endorse the draft Statement of Reasons and approve the Chair signing it on behalf of the Board.

Moved: A Tinney

Seconded: R Jeffs

Mr Lowry abstained from voting.

The Statement of Reasons would be sent to the Minister as well as Baker & McKenzie. It would also be sent as an attachment to the response to the Parliamentary Secretary's recent letter.

Mr Robinson and Mr Billham left the meeting at 11.40am.

Dr Elsie Heiss

Dr Heiss' appointment to the Board expired on 11 February 2015. The Chair acknowledged Dr Heiss' contribution to the Board and the wonderful achievements made by her in relation to reconciliation. The Chair thanked Mr Bailey and staff for the farewell function held on 17 February.

Ms Tinney's appointment to the Board expires on 5 March 2015. The meeting today would be her last Board meeting. Ms Tinney thanked staff for their efforts since being appointed Chair. She thanked Board members for their support and Mr Jeffs for the work he has contributed as Chair of the Audit, Risk and Compliance Committee. Ms Tinney thanked Mr McLeay for his chairing of the Military History Subcommittee and Mr Lowry for his chairing of the Tenant Selection Committee. The collegiality of the Board was most appreciated by Ms Tinney.

Ms Hook was asked to Chair the HR Subcommittee until the new Chair is appointed.

Mr McLeay on behalf of the Board, thanked Ms Tinney for her service as Chair. All were appreciative of the time and effort Ms Tinney had put into the role of Chair. The task of bringing together members of a Board is one that requires patience, tact and understanding.

Clr Hay will be acting Chair until a new Chair is appointed.

3) Minutes of the 95th Meeting held on 9 December 2014 (Agenda Item 2)

The minutes from the 95th meeting held in private on 9 December 2014 were considered.

The Trust RESOLVED to accept the minutes, as amended, from the 95th meeting of the Trust held in private on 9 December 2014.

Moved: R Jeffs

Seconded: J Hay

Minutes of the 96th Meeting held on 9 December 2014 (Agenda Item 2)

The minutes from the 96th meeting held in public on 9 December 2014 were considered.

The Trust RESOLVED to accept the minutes, as amended, from the 96th meeting of the Trust held in public on 9 December 2014

Moved: A Tinney

Seconded: L McLeay

4) Mid Year Financial Statements (Agenda Item 3)

Dr Culverston spoke to the report and outlined the Trust's financial position as at 31 December 2014. The end of December result indicated that the Trust will exceed its original budgeted outcome for 2014-15.

Additional budget funding in 2014-15 to bring forward some critical condition based maintenance from the 2015-16 program was discussed. The Chair of the Audit, Risk and Compliance Committee (AR&CC) advised that the matter had been discussed at

the last AR&CC and that the Committee had resolved to recommend that the funding of \$500k be approved by the Board.

An independent revaluation of SHFT Non-Financial Assets as at 30 June 2015 is to be undertaken.

The Trust RESOLVED to approve an increase in the 2014-15 supplier budget of (up to) \$500k to allow the condition based maintenance works to continue.

Moved: R Jeffs

Seconded: J Hay

The Trust RESOLVED that surplus equity funds now be allocated to the Asset Renewal Reserve, as previously approved by the Board after consultation with ANAO about this transfer and disclosure notes required.

Moved: R Jeffs

Seconded: L McLeay

5) Cockatoo Island Marine Centre (CIMC) (Agenda Item 4)

Mr Tim McKay, Director Property and Business Development, joined the meeting for this discussion.

The Executive Director outlined the background of the proposal.

Aspects of the proposal were discussed, including the positioning of the dry stack and the visual impact it might have if placed on the Harbourside rather than the Dockside (Sutherland Dock).

Further information was sought regarding the positioning of the dry stack and the visual impacts.

The Trust RESOLVED to reconsider the proposal for Cockatoo Island Marine Centre with particular attention being given to the visual impact of the dry stack when that information became available.

Moved: P Lowry

Seconded: P Braxton-Smith

6) Tenant Selection Committee – Board Representative (Agenda Item 5)

Mr Lowry resigned from the Tenant Selection Committee at the last Board meeting. Clr Hay accepted the nomination for the position of Chair of the Tenant Selection Committee.

The Trust RESOLVED to appoint Clr Hay as Chair of the Tenant Selection Committee.

Moved: A Tinney

Seconded: R Jeffs

7) Roden Cutler Club, North Head (Agenda Item 6)

In accordance with the Trust's leasing policy, approval by the Board was sought for the leasing of Building 5 (Roden Cutler Club) at North Head Sanctuary, Manly to the International College of Capoeira Pty Ltd. Details were outlined to the Board. The Tenant Selection Committee has endorsed the recommendation to the Board.

The Trust RESOLVED to approve a 4 year lease with further options of 4 years and 2 years (total 10 years) of Building 5 (715sqm known as the Roden Cutler Club) at North Head Sanctuary to the International College of Capoeira Pty Ltd trading as College of Sport & Fitness (CSF) subject to confirmation of the valuation.

Moved: J Hay

Seconded: P Lowry

Note: Cllr Hay and Mr Lowry have subsequently provided their approval of this lease following review of the valuation.

8) Community Advisory Committee (CAC) Membership (Agenda Item 7)
CAC members had their appointments confirmed in May 2013 for a period of 2 Years. Their appointments will expire before the next scheduled Board meeting. After discussion about the future appointment of members of the public to the CAC it was decided that a review of membership was desirable.

The Trust RESOLVED to endorse the appointment of those listed in the attachment to the report for a period of one (1) year. Written advice regarding the role of the CAC will be sent with the appointment letter.

Moved: L McLeay

Seconded: S Hook

The Chair raised the need for meeting procedures for public meetings to be adopted by the Board and included when advice of Board meetings in public were published. Mr Robinson had advised he would provide some examples of such procedures.

Mr McLeay left the meeting at 1.30pm

9) Governance, Risk and Compliance (GRC) (Agenda Item 9)
Dr Culverston provided an update on the status of the GRC framework, actions taken and new issues that have arisen from 1 November 2014 to 31 January 2015. The report had been considered by the AR&CC at its last meeting.

The draft Strategic Plan circulated at the meeting was noted. Trustees were asked to advise Dr Culverston of any comments. The final draft would be tabled at the June Board meeting for decision.

Audit Committee

The *Public Governance, Performance and Accountability Act 2013* (PGPA Act) provides for Government to share services. The Department of the Environment is keen to share a Portfolio Audit Committee with its agencies – having one Audit Committee. It is anticipated that this will be operational from 1 July 2015. In light of this and the fact that the appointments of the two Independent Members of the Trust's AR&CC were due to expire in March 2015, their appointments should be extended until 30 September 2015 to enable them to sign off on the financial statements for the current financial year. The appointment of Chair of the AR&CC would also be extended until 30 September 2015.

Under the definition of *quorum* in the AR&CC Charter, there was need for an alternate chair of the AR&CC in the event that the Chair of the Committee was not available. Mr McLeay nominated to the position.

The Trust RESOLVED to:

- extend the contracts of the current Independent Members of the Audit, Risk and Compliance Committee until 30 September 2015
- extend the appointment of the current Chair of the Audit, Risk and Compliance Committee until 30 September 2015
- appoint Mr McLeay to the position of alternate Chair of the Audit, Risk and Compliance Committee should the Chair of that Committee be unavailable.

Moved: A Tinney

Seconded: J Hay

10) Risk Management (Agenda Item 10)
The report was noted.

Mr Jeffs gave an outline of discussion points from the AR&CC meeting. The Ernst & Young (Internal Auditors) review of Risk Management recommended a number of actions that management will address in the coming quarter.

11) Work Health and Safety Presentation by Clayton Utz (Agenda Item 11)

This presentation was deferred until a future meeting.

12) Work Health and Safety Report (Agenda Item 12)

The report was noted.

The AR&CC confirmed that training was in place for volunteers and contractor (induction to Trust sites).

Identification of trends in WH&S figures was desirable, if possible. Trend information does prove challenging due to small number of incidents compared with the number of visitors to sites and the difficulty in counting visitors to some sites (because of the large number of entry and exit points). Management would continue to review this.

13) Report by the Chair, Audit, Risk and Compliance Committee (Agenda Item 13)

Mr Jeffs reported throughout the meeting feedback from the AR&CC meeting held on 17 February 2015. The Committee has recommended that the Chair sign the ANAO Terms of Engagement. The letters were signed by the Chair.

14) Executive Director's Report (Agenda Item 14)

The report was taken as read. The Board noted the diversity of projects being undertaken by the Trust.

Other Business

The extensive media coverage the Trust has had since the last meeting was tabled.

Incoming Correspondence

- Letter from EDO on behalf of HPG requesting a Statement of Reasons under the *Administrative Decisions (Judicial Review) Act 1977 (Cth)* for the amendment to the Middle Head Plan of Management.
- Letter from EDO on behalf of HPG application to access to documents under the FOI Act.
- Letter from the Hon Bob Baldwin MP.

The meeting closed at 2.00pm