

SYDNEY HARBOUR FEDERATION TRUST

98th MEETING

Huon Room, Conference Centre, Building 30, Cockatoo Island
Meeting in Private

14 July 2015

MINUTES

True & Correct Record of the 98th Meeting of the
Sydney Harbour Federation Trust

A handwritten signature in cursive script, reading "Jean Hay".

Chair

DRAFT UNTIL SIGNED

Minutes of the 98th meeting of the Sydney Harbour Federation Trust held in the Huon Room, Conference Centre, Building 30, Cockatoo Island at 11.30am on 14 July 2015.

Present

Mr Kevin McCann AM	Chair
Mr Rohan Jeffs	Member
The Hon Leo McLeay	Member
Ms Paula Braxton-Smith	Member
Ms Josephine Cashman	Member

In attendance

Mr Geoff Bailey	Executive Director
Dr Susan Culverston	Chief Financial Officer
Mr Mark Billham	Executive Office
Ms Eliza Beashel	Director, Marketing, Communications and Visitor Experience
Mr Jamie Lonie	Director, Asset Management and Operations
Mr Tim McKay	Director, Property and Business Development
Mr David Llewelyn	Finance Manager
Mr Daniel Sealey	Manager, Planning
Clr Jean Hay AM	(from 12.50pm)
Mrs Jane Page	Secretariat

The meeting commenced at 11.30am on Tuesday 14 July 2015 with a visit to the site for the proposed Cockatoo Island Marine Centre which was to be considered by Board members at this meeting.

1) Introduction

a) Welcome

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

Moved: R Jeffs

Seconded: L McLeay

The Chair welcomed all to the meeting. The Chair noted that the two Board positions, nominees of the New South Wales Government, were vacant. Nominations are awaited. Ms Cashman in particular was welcomed to her first meeting of the Harbour Trust as a Director. Mr McCann, newly reappointed Chair gave a brief outline of his work background and history with the Harbour Trust since its inception.

b) Apologies

There were no apologies.

c) Declarations of Interest

The declarations of interest were noted. No changes were made.

2) Minutes of the 97th Meeting held on 18 February 2015 (Agenda Item 2)

The minutes from the 97th meeting held in private on 18 February 2015 were considered.

The Trust RESOLVED to accept the minutes, with minor amendments, from the 97th meeting of the Trust held in private on 18 February 2015.

Moved: R Jeffs

Seconded: L McLeay

3) Middle Head Update (Agenda Item 3)

Mr Andrew Robinson, Solicitor, Robinsons Legal, joined the meeting by teleconference in relation to this item.

The Trust was informed of separate legal proceedings brought by Headland Preservation Group (HPG) and Middle Head Healthcare (MHHC) under *the Administrative Decisions (Judicial Review) Act*.

Trustees reconfirmed they had exhaustively considered the proposal over an approximate two year period.

The Trust RESOLVED to endorse the lodgement of a submitting appearance in the second of these matters.

Moved: L McLeay

Seconded: R Jeffs

4) Lease Benchmarking and Available Listings (Agenda Item 4)

This report was noted. The rental market is quiet at the moment. Vacancies are taking a little longer to fill although the Harbour Trust's rates of occupancy are better than those being experienced in the CBD and at North Sydney. The leasing team has ongoing discussions with tenants regarding the tenants' requirements.

5) Draft Budget 2015-16 and Finance Report (Agenda Item 5)

Dr Culverston presented the draft budget for 2015-16 to Trustees.

The Harbour Trust's Audit, Risk and Compliance Committee have reviewed the draft budget and have recommended it to the Board for approval.

The budget provides a minor surplus. However, as a result of the likely revaluation of Harbour Trust land and buildings, the budgeted amount for depreciation will probably be required to be increased. This would reduce the surplus to a break even position. The independent revaluations are being finalised.

There was discussion as Dr Culverston explained the assumptions on which the budget was formed. The Audit, Risk and Compliance Committee were comfortable with the conservative approach taken with the budget.

The methodology in relation to maintenance and assets was discussed and the Chair will further discuss with Dr Culverston and Mr Lonie at an appropriate time.

There was discussion about the new Audit Committee arrangements as from 1 July 2015.

The Finance Report was noted.

The Trust RESOLVED to approve the Budget for 2015-16 as presented.

Moved: K McCann

Seconded: R Jeffs

6) Draft Strategic Plan (Agenda Item 6)

Dr Culverston spoke to the paper.

The Public Governance, Performance and Accountability (PGPA) Act requires all Commonwealth entities subject to the Act to prepare and publish corporate plans. The Department of Finance has reviewed the Harbour Trust's draft Corporate Plan which is required to be provided to the responsible Minister and the Finance Minister as soon as practicable after the plan is prepared. It is also required to be published on the Harbour Trust's website by 31 August each year.

The Trust RESOLVED to approve the draft Corporate Plan, with amendments.

Moved: K McCann

Seconded: L McLeay

7) Cockatoo Island Marine Centre (CIMC) (Agenda Item 7a and 7b))

Planning Assessment

At the beginning of the meeting, Trustees undertook a site visit of the area to be used for this proposal.

The proposal was on public exhibition from 27 May to 23 June 2015. The objections to the proposal and the submissions in support of the proposal were reported upon. The Trustees concluded that all consultation processes had been undertaken appropriately. The objects of the SHFT Act had been taken into account. Management assured the Trust that all appropriate statutory processes had been undertaken. The Community Advisory Committee (CAC) had discussed the proposal at its meeting on 10 June 2015 which followed on from discussion about an earlier CIMC proposal at the CAC meeting in June 2013. Comments by the CAC were provided to Trustees.

The Trust RESOLVED to approve the Development Application, subject to conditions, to be issued by the Executive Director under delegated authority.

Moved: L McLeay

Seconded: R Jeffs

Request for Lease Approval

The CIMC proposal was previously approved by the Board in December 2013 subject to planning approval and by the Minister on 23 December 2013. Since then the design of the proposal has been further modified to address heritage and visual issues identified during the Harbour Trust's planning assessment of the DA. These changes also affected the lease terms and conditions as outlined in the Heads of Terms. The Tenant Selection Committee has reviewed the new lease terms and has recommended them to the Board for approval.

There was discussion regarding terms of the lease.

The Trust RESOLVED to approve the updated proposal as detailed in the Key Heads of Terms (25/05/2015) Marina Facilities, Cockatoo Island, tabled at the meeting.

Moved: K McCann

Seconded: L McLeay

8) Policies for Approval (Agenda Item 8)

The report was taken as read.

Trustees were brought up to date on the implementation of the Protective Security Policy Framework (PSPF) and changes to the Risk Management Framework. Information was also provided about an update to the Privacy Policy.

The Trust RESOLVED to approve the following draft policies:

- Personnel Security Policy
- Information Security policy
- Physical Security Policy
- Risk Management Policy
- Business Continuity Management Policy
- Privacy Policy

Moved: R Jeffs

Seconded: L McLeay

9) Governance, Risk and Compliance (GRC) Report (Agenda Item 9)

The report was noted.

The report provided an update on the status of the GRC Framework, Compliance and Risk Management activities and new issues that had arisen in the reporting period.

The proposed MoU with the Department of Education was noted.

There was further discussion regarding the role of the Department's Audit Committee in relation to reporting matters to the Board.

10) Community Advisory Committee (CAC) Update Report (Agenda Item 10)

The Executive Director spoke to the report.

Notes from the CAC meeting held on 10 June 2015 were tabled at the meeting for the information of Trustees.

11) Disability Action Plan Annual Report 2015 (Agenda Item 11)

The report was noted.

This report is a statutory obligation under the *Disability Discrimination Act 1992*.

12) Indigenous Employment Strategy Annual Report (Agenda Item 12)

The report was noted.

As at 30 June 2015, the Harbour Trust, in keeping with Government policy set a goal of achieving 2.5% of its staff as indigenous staff. Indigenous employees currently make up 1.6% of Harbour Trust staff.

There was discussion about programs available in regard to indigenous employment and procurement.

Further discussion will take place between management and Ms Cashman regarding a future event to be run by SHFT.

13) Audit, Risk and Compliance Committee (AR&CC) (Agenda Item 13)

The Chair of the AR&CC reported throughout the meeting as appropriate.

The final field work by ANAO will be undertaken in July/August with findings reported to the Harbour Trust AR&CC in September.

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

The report was noted.

Discussions have commenced for the Harbour Trust's Enterprise Agreement.

The Chair on behalf of the Board thanked Nick Hollo, Deputy Director, for his valued contribution to the Trust over the last 15 years.

15) Work Health and Safety Report (Agenda Item 15)

The report was noted.

There was a very low rate of injury.

Other Business

The Chair requested a report on the Harbour Trust's Diversity Policy in relation to women in leadership.

The Chair requested dates for 2016 Board meetings be set.