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SYDNEY HARBOUR FEDERATION TRUST

134th MEETING OF THE TRUST

Board Room
Building 28, Best Avenue, Headland Park, Mosman

Meeting in Private

5 December 2019

MINUTES

Abridged Record of the 134th Meeting of the Trust

Sydney Harbour Federation Trust

(private and confidential information has been removed where indicated)

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

Chair

Minutes of the 134th meeting of the Sydney Harbour Federation Trust held in the Board Room, Building 28 Best Avenue, Headland Park, Mosman at 9.00am on Thursday 5 December 2019.

Present

Mr Joseph Carrozzi	Chair
Ms Jean Hay AM	Deputy Chair
Mr Garth Callender	Member
Ms Josephine Cashman	Member
Ms Sandra Hook*	Member
Mr Tim James	Member
Ms Jessica Keen	Member
Mr Michael Rose AM	Member

*by telephone initially and then in person

In Attendance

Ms Mary Darwell	Executive Director
Ms Vicki Cranfield (<i>partial attendance</i>)	Manager People & Culture
Ms Elyse Jeffress (<i>partial attendance</i>)	Chief Legal & Risk Officer
Ms Kathryn Roberts (<i>partial attendance</i>)	Director, Marketing & Visitor Experience
Ms Daniel Sealey (<i>partial attendance</i>)	Director, Planning & Environment
Ms Kathryn Werner (<i>partial attendance</i>)	Senior Planner
Ms Rosemary Southcombe	Secretariat

Apologies

Nil

The meeting commenced at 9.10am on Thursday 5 December 2019.

The Members of the Trust:-

- RESOLVED to meet in private because of confidential budget matters on the Agenda.
Moved: J. Carrozzi Seconded: J. Hay

1. Welcome

The Chair opened the meeting with an acknowledgement of the Traditional Custodians and Owners of the Harbour Trust lands and paid respects to Elders past, present and emerging.

Attendees were welcomed and the meeting was formally opened.

2. Introduction (Agenda Item 1)

The Chair:-

- NOTED there was a quorum of Members of the Trust in attendance.
- a) Apologies: There were no apologies for this meeting.
- b) Declarations of Interest
The list of Declarations of Interest circulated with the papers for this meeting was:
 - NOTED, with the following additions for Mr Tim James –

- Executive General Manager, Menzies Research Centre
- Director, MAST Partners Pty Ltd

Members of the Trust to advise if other declarations of interest are required during the meeting.

- c) The following Circular Resolutions were passed since the previous meeting:
- i. Executive Director bonus and forward remuneration following the outcome of the submission made to the Remuneration Tribunal in relation to the Executive Director's Remuneration for 2019-2020
 - ii. Lease negotiation parameters for the lease for Suite 203, Building 2 at Sub Base Platypus
 - iii. Minutes of the 133rd Meeting of the Trust meeting held in private on 17 September 2019

The Members of the Trust:-

- NOTED the approvals of the Circular Resolutions

3. Actions Items from Previous Meetings (Agenda Item 2)

The list of action items was taken as read, and Ms Darwell spoke to it.

The Members of the Trust:-

- NOTED the Action Items

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

The Chair advised he had spoken with Mr Stuart Ayres, Minister for Jobs, Investment, Tourism and Western Sydney, regarding the opportunity for the Harbour Trust and the NSW Government to work together, in particular in relation to Cockatoo Island. A letter has been sent to Mr Ayres' Chief of Staff to offer a tour of Cockatoo Island for Mr Ayres and also to advise that the Harbour Trust Review is underway.

The Chair spoke about the importance of workplace culture – to be discussed in further detail at Agenda Item 15.

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

The report was taken as read, and Ms Darwell spoke to it.

Ms Darwell reported that the Harbour Trust is performing well against the Corporate Plan targets.

Currently, the most critical issues are:

- The heavy workload for staff and the impact on wellbeing. There are 56 FTEs working across a wide range of responsibilities including Rangers, events, marketing, planning, site services, managing contractors, finance, and Human Resources, all of which are managed 'in house'. The only external support is for IT which is provided by the Department.
- The busy year ahead with events (2020 will be a Biennale year); and filming at North Head which was considered in a very short period and required a very fast turnaround by the Events team.
- Planning for 10 Terminal and Sub Base Platypus Stage 2.
- The Review of the Harbour Trust.
- WHS - Since Ms Elyse Jeffress started in the role as Chief Legal & Risk Officer, a number of risks have been identified. A new WHS position will be created at the end of the year to support additional capability.

- Given the workload volume, lower priority work is being deferred. This includes the EOI for North Head.

Ms Darwell spoke about the draft 'Cockatoo Island Directions' paper which was included as an attachment to the Executive Director's report. It has been developed as a high level priorities document to illustrate the potential for Cockatoo Island. The document is consistent with the Management Plan. Members were positive about the document and suggested additional emphases. The Chair noted that the document makes it clear that the Harbour Trust continues to seek to grow opportunities, under its leadership, that are consistent with legislation and plans.

Ms Darwell advised that the Harbour Trust's new websites won awards – a 'gold' in the government website category; and a 'silver' in the best tourism website category (awarded by W³).

Members also discussed the visitor data reports included with the Executive Director's report.

The Members of the Trust:-

- NOTED the Executive Director's Report

6. Workplace Culture – Engagement Survey (Agenda Item 15)

Ms Cranfield and Ms Jeffress joined the meeting for this item to speak to the report on the results of the 2019 Harbour Trust Employee Engagement Survey conducted by Korn Ferry.

The survey was open from 16 - 30 September 2019 and there was an 80% response rate from employees. The questions in the survey were identical to those in the previous year's survey.

The overall result was positive compared to last year, with engagement at 64% (compared to 57% in 2018) and 66% for enablement (also 57% last year).

Resourcing was by far the number one issue identified in the survey with over half of employees feeling there are not enough people to do the work in their areas.

There was discussion about the 'flat' structure of the organisation means there is not much opportunity for promotion.

Induction training has been identified as requiring review. Ms Cranfield advised that a working group will be set up to review induction across the organisation. In addition, the Harbour Trust now has access to the Department's online training platform, LearnHub.

Other matters which employees identified as issues included timely decision making; and remuneration (which approximately 15% less than NSW) and superannuation which at 9.5% is less than the Commonwealth employees' rate of 15.4%.

The Executive team will be having an offsite in late January/early February and this will be followed by an all staff offsite. A report will be prepared for Members of the Trust following the offsites.

Ms Cranfield and Ms Jeffress left the meeting.

The Members of the Trust:-

- NOTED the Workplace Culture – Engagement Survey 2019 report

7. Sub Base Platypus Community Advisory Committee Membership (Agenda Item 9)

Ms Roberts joined the meeting and spoke to the report for this item.

The Sub Base Platypus CAC is a sunset committee that provides input into the development of the site during the construction and initial period of opening. Once construction is completed for Stage 2, the committee will roll into the General CAC.

The members considered the applications and approved the following memberships -

Mr Paul Forward
Mr Ken Williams
Ms Tammy Dodd
Mr Matthew Lorrimer
Ms Victoria Black

The Members of the Trust agreed to increase the membership number from 7 to 9. The desirability of tenant representation to fill one of the two vacancies was discussed. It was agreed that Members of the Trust, Mr James and Ms Keen, will have a discussion with members of Friends of Platypus and will advise the outcome.

The Members of the Trust:-

- APPROVED increasing the committee membership from 7 members to 9 members
- APPROVED memberships (as listed above)

Moved: J. Keen

Seconded: J. Hay

Ms Roberts left the meeting.

8. Mosman Drill Hall Precinct (Agenda Item 5)

Mr Sealey and Ms Werner joined the meeting for this item.

Prior to the Members of the Trust making a final decision about whether to approve the issuing of a permit for the planning application for the proposed installation and use of floodlighting of the existing outdoor courts at the Drill Hall Precinct, representatives from the following three stakeholder groups separately presented to the Members: residents from Cross Street; Headland Park Preservation Group; and Mosman Council & Mosman Netball.

The groups presented their views on a range of issues and concerns in relation to the proposed lighting of the Drill Hall netball courts including: traffic; parking; pedestrian safety; noise; light spill; environmental impact (including flora and fauna); visual impact of the number and height of the lights; lighting type; and government and community support for increasing access to sporting opportunities for females; and the appropriateness or otherwise of amending the Management Plan for the Mosman Drill Hall Precinct.

[Ms Hook joined the meeting in person].

Following the three stakeholder groups' separate addresses to the Trust, the Members discussed the issues and concerns raised.

The Members of the Trust RESOLVED to:

- APPROVE an amendment to the Management Plan for the Mosman Drill Hall Precinct
- APPROVE a planning application by Mosman Council to install lighting on three existing outdoor netball courts
- AGREE to vary the precinct lease with Mosman Council to reflect these approvals
- AGREE to the proposed use of the lights until 8.30pm and AGREED to include additional requirements in the Management Plan to further ensure protection of local amenity, as follows:
 - Lighting usage to be limited to Monday to Thursday (except public holidays), and only during the period from 1 March to 15 September every year (dates inclusive);
 - Lighting is only to be manually activated (i.e. lights will not turn on automatically if not needed and will be automatically extinguished by 8.30pm); and
 -

- Mosman Council is to prepare an Operational Management Plan to coordinate management of the Drill Hall/Rawson Park area – to be periodically reviewed in consultation with relevant stakeholders.

These controls will be reflected in the approval conditions for the planning application. Mosman Council will also be required to undertake ongoing monitoring of lighting, traffic, parking and noise.

- NOTE the proposed lighting will be funded by a \$150,000 grant from NSW Government.

Moved: J. Keen

Seconded: J. Hay

Mr Sealey and Ms Werner left the meeting.

There was discussion regarding the importance of reviewing management plans regularly. The management plan for the Mosman Drill Hall precinct was implemented in 2006 and there was general agreement that it would be appropriate for management plans to be reviewed every five years.

9. Unsolicited Proposal (Agenda Item 6)

[CONFIDENTIAL DISCUSSION]

10. Leasing Policy (Agenda Item 7)

Mr Simon Konecny (Deputy General Counsel Commercial, Australian Government Solicitor) and Ms Jeffress joined the meeting. Ms Jeffress spoke to the report.

Ms Jeffress reported that the Leasing Policy was due for review. A revised draft was circulated to the Members of the Trust prior to the meeting.

The revised policy and associated evaluation protocol have been reviewed by AGS with the aim of streamlining the policy by separating it from the evaluation protocol. The revised policy will also clarify the unsolicited proposal process. The revised policy also clarifies the role of the TSC; the relationship between the TSC, the Executive Director and the Members of the Trust in approving leases and lease renewals; and clarifies the application of the Subsidy Principles.

The Members of the Trust:-

- APPROVED the revised draft Harbour Trust Leasing Policy for public exhibition and consultation (after Christmas 2019)
- NOTED the draft Lease Application – Evaluation Protocol
- NOTED the draft Harbour Trust Rental Subsidy Principles for Contributory and Delivery Partners
- NOTED the Trust will consider the full package of documents for approval at its March 2020 meeting

Moved: J. Hay

Seconded: J. Cashman

11. Revised Members' Charter (Agenda Item 10)

Mr Konecny and Ms Jeffress were in attendance for this agenda item. Ms Jeffress spoke to the report.

A draft revised Members' Charter was considered at the 133rd Meeting of the Trust on 17 September 2019. At that meeting, the Members requested: the wording of the Charter in relation to consultation with stakeholders be amended; and the Australian Government Solicitor (AGS) be instructed to review the revised draft of the Members' Charter.

Ms Jeffress advised that the Charter has been amended to revise the wording in relation to consultation with stakeholders; references to “Board” throughout the document have been amended to “Members” to reflect the language used in the *Sydney Harbour Federation Trust Act 2001*; and AGS has reviewed the draft revised Members’ Charter and proposed some amendments to improve the structure of the document and to set out the legislative framework the Members operate in more clearly.

Following discussion, the Members of the Trust requested more detail in relation to setting strategic direction for the organisation be included in the Charter.

The Members of the Trust:-

- APPROVED the revised Members’ Charter, subject to the inclusion of more detail in relation to setting strategic direction for the organisation.

Moved: J. Carrozzi

Seconded: S. Hook

Mr Konecny left the meeting.

12. Portfolio Audit Committee (Agenda Item 11)

Ms Jeffress was in attendance for this agenda item and spoke to the report.

The Harbour Trust was required to submit the following papers for the PAC Meeting scheduled for 10 December 2019 –

- Internal Audit Reports
- Performance Reporting
- Risk Reporting
- Fraud Reporting
- WHS Reporting
- Financial Reporting

The Members of the Trust discussed resourcing for WHS and the importance of continuing to embed WHS within all roles, and the intention of the Executive Director to examine reporting arrangements for WHS.

Ms Jeffress reported to the Members of the Trust on recent WHS matters including Comcare notifications made since the date of the WHS Report.

There was discussion about the complexity of the WHS risk profile across the Harbour Trust sites, highlighting that the risk profile is wide ranging, including construction, environmental, working with children and resourcing.

Ms Jeffress has identified that WHS, together with financial risks, are the top risks for the organisation and advised that definitive compliance sign off for WHS was not possible.

It was noted that significant reform had been implemented, however, the current system is paper-based and the Harbour Trust is waiting on work by the Department to move to an online system.

The Members of the Trust discussed the issues raised in the report and noted that WHS auditing would occur through the Event Management and Contractor Management audit.

The Members of the Trust requested further information in relation to the fire protection measures and bushfire management plans (given recent bushfires) for the next meeting.

There was discussion regarding the Risk Management Policy and the Fraud Policy which are due for review. Approval was sought from the Members of the Trust for the current policies to remain in force until they are reviewed and updated policies are presented to the next Meeting of the Trust.

The Members of the Trust:-

- NOTED the reports provided by the Harbour Trust to the PAC Secretariat for the PAC Meeting scheduled for 10 December 2019
- NOTED the PAC Annual Report has been approved by the PAC Chair
- APPROVED the current Risk Management Policy and the Fraud Policy (both currently due for review) to remain in force until updated versions are presented to the Members of the Trust at the next Trust Meeting

Moved: J. Carrozzi

Seconded: J. Hay

Ms Jeffress left the meeting.

13. Macquarie Lightstation (Agenda Item 8)

The report was taken as read, and Ms Darwell spoke to it.

Ms Darwell reported that the Harbour Trust prepared and exhibited a draft amendment to the current Macquarie Lightstation Management Plan in accordance with the EPBC Act and the Harbour Trust's Comprehensive Plan. The outcome of the public exhibition was reported to Members on 22 March 2019 (128th meeting) where Members agreed to ask the Minister for advice on the draft Plan in accordance with section 341S(6) of the EPBC Act, noting that the Minister may consult with the Australian Heritage Council (AHC) prior to finalising this advice.

Advice was received from the Minister's delegate and AHC, stating that the draft Plan addresses the matters prescribed by the EPBC Act, but minor changes were recommended to improve clarity. Accordingly, the draft Plan has been revised and confirmation has been received from the Department of the Environment that the proposed minor changes to the revised draft Plan satisfactorily address the AHC's feedback.

The Members of the Trust:-

- NOTED the Australian Heritage Council's (AHC) advice that while the draft Macquarie Lightstation Management Plan is not inconsistent with the Commonwealth Heritage Management Principles and the requirements of the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act), some minor changes to the draft Plan are recommended before it is finalised
- NOTED that the draft Plan has been revised to incorporate the AHC's feedback
- NOTED the draft Plan has also been revised to remove any ambiguity regarding the application of NSW planning laws to the site
- APPROVED the revised draft Plan in accordance with the Comprehensive Plan and section 341S(2) of the EPBC Act
- AGREED to register the Plan as a Legislative Instrument in accordance with the *Legislation Act 2003* (Cth) and give notice on the internet and in the Gazette, in accordance with section 341S(8) of the EPBC Act
- NOTED that under section 341X(1) of the EPBC Act, the Plan will be due for review within five years

Moved: J. Carrozzi

Seconded: J. Hay

14. Finance Report (Agenda Item 12)

The report was taken as read, and Ms Darwell spoke to it.

Ms Darwell reported that the revenue position was weaker than projected for the period ending 31 October 2019. While expenses were being controlled, additional resources would be allocated to support WHS work.

The Members of the Trust:-

- NOTED the Finance Report

15. Sub Base Platypus – project update (Agenda Item 13)

The report was taken as read, and Ms Darwell spoke to it.

Ms Darwell reported that Stage 1B has reached practical completion. There are some defects works to be undertaken. SLR's fit-out is underway and Australian Sailing will be doing its fit-out in the New Year. The public has additional access but sections of the site will off limits to the public while fit-outs are underway.

[CONFIDENTIAL DISCUSSION]

The Members of the Trust:

- NOTED the progress in relation to Stage 1B and issuance of practical completion on 15 November 2019
- NOTED the progress on Stage 2 design works

16. Community Advisory Committee Report (Agenda Item 14)

The report was taken as read.

The minutes of the following community advisory meetings were included in the report.

- Aboriginal and Torres Strait Islander Advisory Group Meeting held 27 August 2019
- Sub Base Platypus CAC meeting held 4 September 2019
- General CAC meeting held on 6 November 2019

The Members of the Trust:

- NOTED the Community Advisory Report

17. Harbour Trust Review (Agenda Item 16)

Ms Carolyn McNally and Ms Erin Flaherty (the Reviewers) joined the meeting for this item.

The Review was announced on 30 October 2019. Three public forums have been held and Ms McNally attended a Community Advisory Committee meeting on 6 November 2019.

The Reviewers discussed with the Members of the Trust some of the issues that have been raised during their meetings with the community.

The Reviewers advised they had met with various stakeholders.

Another forum will be held in February in the CBD which will be a more general forum. The Reviewers' final report is due by March 2020.

The Reviewers left the meeting. (They attended the meeting in public which took place immediately after this meeting).

In camera session was not held.

Meeting closed at 3.00pm