



**THE HON SUSSAN LEY MP
MINISTER FOR THE ENVIRONMENT
MEMBER FOR FARRER**

MB20-000306

Mr Joseph Carrozzi
Chair, Sydney Harbour Federation Trust
Building 20, Best Ave
MOSMAN NSW 2088

Dear Mr Carrozzi *Joseph*

I write to you regarding the Independent Review of the Sydney Harbour Federation Trust (the Trust). A copy of the Review report is enclosed.

The Government agrees with the reviewers' key recommendation that the Trust continues as an ongoing Commonwealth entity and broadly accepts all other recommendations subject to more detailed planning and consultation. I will begin consultation soon on draft legislation to amend the existing Act to address the recommendations.

This letter sets out my expectations regarding the role of the Trust in implementing the recommendations.

I am pleased to note the Review has found that, overall, the Trust has done a good job of delivering valued public spaces, and that there is strong community support for the Trust's work. This is a testament to the dedicated efforts of the board and Trust employees over the past two decades, as well as the strong and active volunteer and community interest and engagement in the sites.

The Review finds that the Trust should operate as an ongoing entity, rather than as a transitional entity with a mission to remediate and handover the sites to NSW for ongoing management. However, the Review also finds that much stronger collaboration with the NSW Government and relevant local councils is needed to support a "whole of Harbour" approach to foreshore public parklands. My department will lead work to amend legislation and negotiate a Memorandum of Understanding (MoU) with the NSW Government to take forward these recommendations. I ask that the Trust work actively with the department on these things.

The Review identifies a need to improve the financial position of the Trust, including investing in further works on Cockatoo Island and North Head. The Government will consider this in the context of normal Budget processes. The Trust should work with my department to progress this. Recommendations related to Cockatoo Island and North Head should be taken forward by the Trust in the context of these Budget processes, as well as other reforms recommended by the Review, such as the proposed MoU with the NSW Government.

As an immediate step to improve the Trust's financial position, I authorise the spending of the balance of the \$23 million in cash held by the Trust that is not needed for rental relief and other revenue supplementation – around \$9 million. This funding should be used to keep sites safe and accessible, focused on the projects outlined in Attachment A, which reflects the Trust's advice on high priority works. I ask that my office is informed of any proposed material

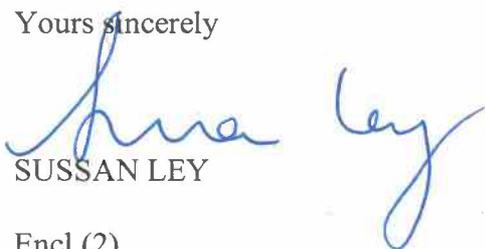
variations to this. A portion of the funding can also be used, if required, for detailed planning and analysis needed to underpin the longer-term financial sustainability of the Trust.

The Review makes a number of recommendations regarding the structure and capabilities of the Trust, the way in which it engages with the community and volunteers, and the potential to expand partnerships. I expect that the Trust will consider these recommendations and advise on what actions it will take in response. To support this, my department will arrange for the independent reviewers to meet with the Trust to discuss its findings and recommendations in detail.

The Review recommends that capabilities, processes and criteria for appointments to the Trust are reformed. My department will lead the implementation of this recommendation. I expect that the Trust will support this, including by establishing a skills matrix and conducting regular reviews of capability and performance to inform appointment decisions.

I ask that the Trust respond to this letter with a Statement of Intent, outlining what it intends to do in response to the expectations I have outlined. Both documents should be published on the Trust's website so that we are transparent and accountable to the community about the actions that will be taken. I also ask that Trust staff work closely with my department, which will coordinate, track and report to me on overall implementation of the Review's recommendations.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Susanna Ley". The signature is fluid and cursive, with a large initial "S" and a long, sweeping tail on the "y".

SUSSAN LEY

Encl (2)

Attachment A – Priority repair and maintenance works

Site	Project
Cockatoo Island	Industrial Precinct Roof and Gutter Upgrade (including Turbine Hall)
Cockatoo Island	Restoration of timber windows to the office/workshops – Buildings 10, 12 & 13
Cockatoo Island	Large Crane Remediation or Demolition of the cranes under reduced scope
Cockatoo Island	Fire safety program: Fire Main Booster and Detection System, and renew end of life of existing system
Cockatoo Island	Public safety works on Camber Wharf (Steel Pontoon) and timber supports
Headland Park	Residential dwelling program*
Headland Park	Fire safety program: Fire Main Booster and Detection System, and renew end of life of existing system
Headland Park	Sewer Infrastructure repairs
North Head	Building 1 Other Ranks Mess Urgent Repairs – concrete cancer, roofing, joinery repairs, structural
North Head	Repair damaged, unsafe and non-compliant roads and basic infrastructure
North Head	Residential dwelling program*
North Head	Fire safety program: Fire Main Booster and Detection System, and upgrade water supply and storage tank
North Head	Structural works including concrete cancer, restoration & conservation of Gun Emplacements, Observation Post & Tunnels
Platypus	Historic RETORT building base works
Woolwich	End of life barge ramp safety works

* Residential building end of lease repairs including structural repairs, hazmat removal, repairs to address water ingress, mould and termite damage.