



SYDNEY HARBOUR FEDERATION TRUST

151st MEETING OF THE TRUST

Via videoconference

Meeting in Private

22 September 2021 at 9.30am – 3.30pm

MINUTES

True & Correct Record of the 151st Meeting of the Trust

Chair



Minutes of the 151st meeting of the Sydney Harbour Federation Trust held on Wednesday 22 September 2021.

Present

Mr Joseph Carrozzi AM	Chair
Mr Tim James	Member
Mr Bradley Manera	Member
Ms Carolyn McNally	Member
Mr Michael Rose AM	Member

In Attendance

Ms Janet Carding	Executive Director
Ms Libby Bennett (<i>partial attendance</i>)	Director Projects
Mr Graham Izod (<i>partial attendance</i>)	Director Assets & Parklands
Mr Nick Lawry (<i>partial attendance</i>)	Chief Financial & Commercial Officer
Ms Kathryn Roberts (<i>partial attendance</i>)	Director Marketing & Visitor Experience
Mr Daniel Sealey (<i>partial attendance</i>)	Director Planning
Ms Rosemary Southcombe	Secretariat

Apologies

Ms Sandra Hook	Member
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1. Meeting Opening (Agenda Item 1)

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.

The Chair:-

- NOTED all Members of the Trust were in attendance.

a) Apologies: Ms Sandra Hook

b) Declarations of Interest

A current list of Declarations of Interest was circulated prior to the meeting. Members of the Trust were requested to advise if any declarations of interest are required during the meeting.

2. Chair's Verbal update (Agenda Item 3)

The Chair updated the Trust Members on the Harbour Trust's case for investment from the Commonwealth; meetings with community and government representatives, including attending meetings to introduce Ms Carding to local government officials and Members of Parliament; and the two vacant Trust Member positions currently being reviewed by the Minister.

The Chair advised that an internal review of the Trust Members' capacity and performance will be undertaken (yet to be arranged).

3. Executive Director's report (Agenda Item 4)

The Executive Director's report prepared for this agenda item was taken as read and Ms Carding spoke to it.

Ms Janet Carding highlighted the following matters -

A strategic communications specialist has been engaged to assist Management to communicate the key messages from the recent consultation in relation to the Cockatoo Island and North Head Sanctuary draft concept visions. GT Communications will be working with the Harbour Trust for the next two or three months.

(Mr James declared that he is a personal friend of Gemma Tognini, the Executive Director of GT Communications, and asked that this be recorded. Mr James had no input into the decision to engage GT Communications and was not aware prior to this meeting that GT Communications had been engaged by the Harbour Trust).

It is important to keep in mind that there is a long journey ahead and the Harbour Trust and the community need to be on the journey together.

Ms Carding reported that it was likely that the consultation outcome reports will be released in the next two or three weeks. The messaging needs to be clear that the plans are still initial concepts and when masterplanning begins, the Harbour Trust will be seeking input. It also needs to be clear that the final plans for the sites will be contingent upon funding from the Commonwealth government.

There was discussion about the impact of COVID-19 on the Harbour Trust's budget, particularly in relation to the cancellation of proposed major events. Letters are being prepared to send to Harbour Trust tenants to advise them of the application process for rent relief. Tenants will need to meet the same threshold as the NSW Government's to be eligible for rent relief.

The Members of the Trust:-

- NOTED the Executive Director's report

[Mr Graham Izod; Ms Kathryn Roberts; Mr Justin Bock; Ms Libby Bennett; and Mr Daniel Sealey joined the meeting]

4. First Nations Reports – Advisory Group & Organisational Review (presentations By Cox Inall Ridgeway (Agenda Item 5))

Ms Yatu Widders Hunt, Director, Cox Inall Ridgeway joined the meeting for this item.

Ms Kathryn Roberts provided some background prior to the presentations. Cox Inall Ridgeway was engaged by the Harbour Trust to provide support and advice in evaluating the Aboriginal and Torres Strait Islander Advisory Group membership, recruitment, terms of reference and potential implementation process. They were also engaged to review the Harbour Trust's performance in relation to how First Nations' issues are integrated across the organisation.

Ms Roberts introduced Ms Widders Hunt who spoke to the two Cox Inall Ridgeway reports which were included in the papers circulated to the Trust Members prior to the meeting -

- *Aboriginal and Torres Strait Islander Advisory Group Evaluation and Advice*

The report outlined the key considerations for the Harbour Trust in relation to the Aboriginal and Torres Strait Islander Advisory Group going forward, including membership guidelines, governance framework, meeting protocols, remuneration and integrated organisational changes.

There was discussion about the key challenges and opportunities the report has raised, including the importance of engagement; determining the best way to recruit members (e.g. skills mapping, public EOI; working with recruiters); consideration of the option of remunerating for expertise; and the concept of moving to advisory groups being partners.

- *Harbour Trust Performance Review of integration of First Nations Issues*

The report was produced to provide evaluation and advice in relation to how First Nations issues are integrated across the Harbour Trust. The issues of engagement, the NSW Government Architect's Connecting with Country framework and partnerships were covered.

Feedback in the report included issues such as ensuring there is integration throughout the engagement processes between the various stakeholder groups; upskilling staff in key competencies related to engagement with First Nations people; funding for First Nations engagement and initiatives; consideration of adopting a 'Connecting with Country Draft Framework' or similar; and committing to increasing the number of partnerships with First Nations organisations for cultural education and programming on sites.

Following discussion it was agreed that the recommendations from Cox Inall Ridgeway reports were broadly supported and the details be discussed at the Reform Steering Committee or at a separate meeting with some/all of the Trust Members.

The Chair thanked Ms Widders Hunt for her time in joining the meeting and speaking to the reports. Ms Widders Hunt left the meeting.

The Members of the Trust:-

- NOTED the *Aboriginal and Torres Strait Islander Advisory Group Evaluation and Advice* report
- NOTED the *Harbour Trust Performance Review of integration of First Nations Issues* report

5. Aboriginal Cultural Framework Mapping (Agenda Item 6)

Mr Peter White, Gamilaroi Murri, Senior Manager Aboriginal Strategy and Engagement, Create NSW, joined the meeting for this agenda item and paid his respects to the Traditional Custodians and Owners of the land from where he joined the meeting.

Ms Roberts and Mr White prepared the report for this agenda item and Mr White spoke to it.

Mr White advised he has been on the Harbour Trust's Aboriginal & Torres Strait Islander Advisory Group for the past three years however his attendance at this meeting was not in that capacity.

Mr White spoke in detail about the need for the Harbour Trust to develop a set of cultural principles and overarching framework that can be used as a guide to inform current capital projects and master plans.

There was general discussion about the considerable opportunity that exists in relation to moving away from a transactional approach to engagement, and moving towards a relationship-based approach and building First Nations thinking into everything that the Harbour Trust does. It was acknowledged that landscape, language and people are intrinsically intertwined and to ensure First Nations experience and story-telling are captured in a connected way, it will be necessary to identify the right people to help with pathfinding.

It was agreed that in parallel to developing the proposed framework, there is a need to develop visible pilot programs and 'quick wins'.

It was proposed that the first step in the process would be for a series of workshops to be held with the aim of identifying a set of guiding First Nations cultural principles.

The Members of the Trust:-

- APPROVED the development of a cultural framework as a core piece of Harbour Trust work that will help inform current capital projects and upcoming masterplanning projects.
- APPROVED the proposed series of workshops

The Chair thanked Mr White for his report and for his time. Mr White left the meeting.

6. Budget 2021/22 (Agenda Item 7)

Mr Nick Lawry spoke to the report prepared for this agenda item.

The draft budget was presented at the Trust Meeting on 23 June 2021. Management was requested to incorporate an estimate of the cost of implementing the outstanding recommendations of the Independent Review and to investigate the feasibility of providing for those costs in FY21.

An updated draft budget was presented at the Trust Meeting on 2 & 5 August 2021. Management was requested to provide further information on the assumptions that underpin the draft budget.

In response to the Trust Members' request, Mr Lawry prepared for this meeting an updated draft Budget paper which provided background information to support the proposed budget.

Following discussion, the Trust Members requested further information to confirm that the Harbour Trust is permitted to use the remaining Markham Close funds for the budgeted deficit and that this confirmation be included in an updated budget paper and recorded in the minutes.

Mr Lawry advised that the paper for this agenda item is also seeking approval for an ad hoc capital expenditure budget of \$500,000 to fund capital expenditure that falls outside the parameters of the various capital projects funded by existing equity injections or announced appropriation funding. This funding is intended to cover items such as minor capital works, lease incentives/lessor works and small infrastructure replacements or refurbishments.

Following discussion, the Trust Members did not approve the ad hoc capital expenditure budget and advised that approval from the Trust Members be sought when required.

An additional attachment to the Budget paper, 'Cockatoo Island & North Head Sanctuary Strategic Works Proposed Budget 2021-22', was circulated to the Trust Members prior to the meeting. The paper provided detail on the anticipated composition of the Reform Budget ('Master Planning Expenditure' in the Budget paper). This additional attachment was discussed by the Reform Steering Committee last week. The Trust Members were supportive of the proposed masterplanning expenditure contained within the budget. The expenditure will be formally approved upon the Trust Members' approval of the Budget 2021/22 paper.

The Members of the Trust:-

- REQUESTED an explanation/footnote be added to the Budget 2021/22 paper confirming that the remaining Markham Close funds can be used to fund the operating deficit and that the updated paper be circulated out of session.
- DID NOT APPROVE the ad hoc capital budget for 2021/22 for capital expenditure.

7. Cost Recovery Implementation Statement 2021-22 (Agenda Item 8)

The report for this agenda item was taken as read and Mr Nick Lawry spoke to it.

The Cost Recovery Implementation Statement (CRIS) provides information on how the Harbour Trust implements cost recovery for Liquor Permits and Planning Applications. It also reports financial and non-financial performance information for these activities and contains financial forecasts for 2021-22 and three forward years.

Mr Lawry advised there were no material changes from last year's report.

The report prompted discussion in relation the importance of customer satisfaction particularly in relation to Property and Planning. Mr Lawry reported that tenant survey has not been undertaken since before the start of the pandemic in 2020. It was suggested that Ms Carding contact the NSW

Department of Planning, Industry & Environment to understand NSW's approach to working towards the shortening of planning approval times and potential opportunities for alignment at Harbour Trust.

The Members of the Trust:-

- APPROVED the Cost Recovery Implementation Statement 2021-22.

8. Tenant Selection Committee – request for approval (Agenda Item 9)

Mr Nick Lawry spoke to the report prepared for this agenda item.

The Tenant Selection Committee (TSC) is seeking Trust Members' approval to extend the Harbour Trust's agreement with a tenant for the use of a shed at North Fort for a further twelve (12) month period commencing 1 October 2021 and terminating 30 September 2022.

Mr Manera declared that he is known personally to the tenant.

Under the Harbour Trust Leasing Policy, the Executive Director does not have the authority to approve an extension of a licence agreement for a period greater than 12 months.

The tenant currently occupies a shed and North Head but has requested the use of a more suitable shed. Whilst the tenant is requesting the use of a different premises, the tenant has held a licence at North Fort for the same type of work and under the same name so the request is interpreted as a licence extension.

The Members of the Trust:-

- APPROVED extending the licence agreement for a further twelve months to 30 September 2022.

9. Budget approval for masterplanning (Agenda Item 10)

It was noted that the agenda sent out for this meeting stated a paper would be tabled at this meeting for this agenda item. This item, however, is covered in the Budget report (Agenda Item 7) – listed as 'Master Planning Expenditure'. An attachment to the Budget report provided detail about this proposed expenditure.

10. Finance Report (Agenda Item 11)

The Finance Report presentation prepared for this agenda item was taken as read and Mr Nick Lawry spoke to it.

The report prompted discussion about the way forward out of the current COVID-19 restrictions which are anticipated to start easing from 11 October 2021.

The Harbour Trust needs to be proactive with tenants. Mr Lawry advised that a letter had been prepared for tenants to advise them of the process for applying for rent relief and that outdoor licences for gyms and takeaway alcohol permits had been approved.

Ms Carding advised that the Executive team has discussed what is required for the reopening of Cockatoo Island. Two weeks will be required for staff to mobilise and complete the work that needs to be undertaken. Four weeks will be required for the volunteers.

There was discussion about the need for the Harbour Trust to connect with its F&B tenants and to ensure our sites are welcoming and free from planning obstacles.

The Chair requested that a one-page summary outlining the Harbour Trust's post-COVID-19 roadmap be prepared.

The Members of the Trust:-

- NOTED the Finance Report.

11. Assets & Parklands Update (Agenda Item 12)

Mr Graham Izod joined the meeting for this agenda item. The report for this agenda item was taken as read.

Mr Izod gave a presentation which included the key achievements and sensitivities in relation to: capital investment projects (10 Terminal and Sub Base Platypus Stage 2); backlog capital projects; and the repairs and maintenance programs. An update on Building & Site Services and Rangers was also provided.

There was discussion about the pace at which repairs on Cockatoo Island were taking place. Mr Izod was requested to produce a high-level overview of the status of current projects for the Trust Members.

There was also interest shown about the decision-making process in relation to the restoration and/or preservation of Harbour Trust buildings and sites. It was agreed Mr Manera, Mr Rose and Ms Carding would meet with the Harbour Trust's heritage architect, Ms Libby Bennett, about this issue.

It was also agreed to organise a meeting with Mr Izod and Ms Carding with the two new Trust Members, Ms McNally and Mr Manera, so they are fully informed about the plans for 10 Terminal.

The Members of the Trust:-

- NOTED the Assets & Parklands Update Report and presentation.

[Mr Michael Rose AM left the meeting]

12. Risk & WHS Report (Agenda Item 13)

The report prepared for this agenda item was taken as read.

Mr Lawry reported that feedback from the Portfolio Audit Committee in relation to the Harbour Trust's Risk report is that it is too granular and needs to be more high level.

It was agreed that a 'deep dive' on Risk with the Trust Members be an agenda item at a future Trust Meeting.

The Members of the Trust:-

- NOTED the Risk Report provided to the Portfolio Audit Committee (PAC) for the 15 September 2021 PAC Meeting
- NOTED the Work Health & Safety Report provided to the Portfolio Audit Committee (PAC) for the 15 September 2021 PAC Meeting
- NOTED the Executive Monthly WHS Snapshot (August 2021)

13. Internal Audit Report (Agenda Item 14)

The report prepared for this agenda item was taken as read and Mr Lawry spoke to it.

Mr Lawry advised that the Internal Audit Report was presented to the Portfolio Audit Committee (PAC) at its meeting on 15 September 2021. There were no areas of non-compliance.

Feedback from the PAC meeting will be incorporated into the draft 2021-22 Internal Audit Plan. The updated plan will then be presented to the Trust Members for final approval.

It was noted that the Interim Executive Director, Ms Linda Ward, had flagged to the Members of the Trust that they should confirm the appropriateness of the arrangements for the Harbour Trust's superannuation. Ms Carding and Mr Lawry will meet to discuss this matter.

The Members of the Trust:-

- NOTED the Internal Audit Report
- NOTED the draft 2021-22 Internal Audit Plan

14. Community Advisory Committee (CAC) Update (Agenda Item 15)

The report prepared for this agenda item was taken as read and Ms Roberts spoke to it.

Ms Roberts reported that six advisory group meetings had taken place since the Trust Meeting held on 2 & 5 August 2021. Four were in relation to Cockatoo Island and North Head Sanctuary. The other two were statutory community advisory committee meetings, i.e. the CAC general meeting (which was Ms Carding's first meeting) and the Sub Base Platypus CAC meeting.

Ms Roberts reported that Trust Members' increased attendance at the various advisory meeting groups has been well received.

Following on from the discussion earlier in the meeting (Agenda Item 5) in relation to reviewing the focus, structure, membership and agenda for the Aboriginal & Torres Strait Islander Advisory Group meetings, there was a suggestion that a similar process be undertaken for all the advisory groups.

Ms Roberts advised that there are a number of advisory group meetings scheduled for November and there will also be a community event to mark the 20th anniversary of the Harbour Trust.

The Chair thanked Ms Roberts and her team for the work they do to facilitate the advisory group meetings.

The Members of the Trust:-

- NOTED the Community Advisory Committee (CAC) Update

An *in camera* session with Trust Members and Ms Carding was held.

Meeting closed 3.25pm