

Working Heritage

STRATEGIC PLAN

2018 - 2021

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1. CONTEXT

Over the past two decades, Working Heritage has developed from a small volunteer committee managing a single site to become a successful, self-funded profit-with-a-purpose business managing fifteen properties across Victoria. It has a comprehensive governance regime overseen by a nine-member Committee of Management. Its reliable and growing revenue streams and permanent staff of six see it positioned to further expand in the coming decade. Working Heritage has over \$100M in assets under management including built and unbuilt land in metropolitan Melbourne and regional Victoria.

Having established a successful strategic approach and methodology for the adaptation and leasing of heritage properties on public land, Working Heritage is at a critical point in its development. The Victorian Government has accepted the recommendation of the Victorian Environmental Assessments Council (**VEAC**) that Working Heritage be reformed as a Trust for Public Heritage. This transformation recognises our notable achievements and will see Working Heritage change and expand, providing the necessary critical mass enabling Working Heritage to have a greater impact across Victoria as a successful model of sustainable heritage property management.

Of particular significance, the former Royal Mint site is a unique opportunity for Working Heritage. The site generates 70% of gross revenue, however, it is a site of interest for the development potential of the land on the eastern portion of the site (currently used as a commercial car park) with both the government and private sectors showing interest. Working Heritage is actively investigating the appropriate development opportunities for this site.

Since rebranding as Working Heritage in 2015, the organisation has worked to establish a profile with government, the public, the heritage profession, and the arts and culture sector by developing our social and traditional media presence, by our participation in public events and conferences, and by building relationships with our stakeholders and like-minded organisations and businesses.

Our role in ensuring sustainable re-use of heritage buildings ensures that the embodied energy in these facilities is conserved saving materials, energy and water while reducing waste. Furthermore, we influence sustainable property management through our adaptation of heritage buildings demonstrating best practice heritage management that enhances the fabric of the buildings and ensures comfortable and sustainable re-use for the community.

2. STRATEGY SNAPSHOT 2018 - 2021

2.1. OUR STRATEGIC FOCUS

Sustainable growth by scope and scale building upon our strengths and extending into new and innovative areas of heritage property management.

2.2. OUR PRIORITIES

- 1) Government relationship
- 2) Financial health
- 3) Awareness and influence
- 4) Enhanced asset utilisation and a culture of innovation
- 5) Positive social impact

2.3. OUR PILLARS

- 1) Sound, responsible and strong organisational culture
- 2) Best practice heritage property management
- 3) Partnerships
- 4) Proactivity
- 5) Creativity

3. OUR VISION

3.1. OUR THREE-YEAR VISION

Financial security: Working Heritage secures ongoing income from the Mint site.

Government Relationship: work with the State government to create the Trust for Public Heritage and build organisational capacity for expanded operations.

Awareness: Build organisational recognition, reputation and relationships.

Innovation: in reuse of redundant government assets and embedding environmental sustainability into our processes.

Income: Jack's Magazine is successfully leased and accessible to the public.

Growth: At least an additional 5 sites under Working Heritage management.

Social Impact: Working Heritage establishes respectful working relationships with the Traditional Owners of our sites.

3.2. OUR SEVEN-YEAR VISION

Government relationship: Working Heritage is a Trust for Public Heritage with long term commitment from the State Government.

Social Impact: Working Heritage has an established relationship with the Traditional Owners of each of its sites.

Growth: revolving fund established and operating successfully. Up to 10 new properties under management and 1-2 properties identified for sale with covenant.

Organisational capacity: Working Heritage has sound governance and in-house expertise in property management, project management, financial management, historic places management, business development and communications with the experience and skill to actively manage and develop its portfolio.

Financial Security: Working Heritage has the financial capacity to deliver its vision and is financially self-sufficient.

Environment and sustainability: Working Heritage is contributing to the achievement of DELWP's strategic environmental outcomes through its *Environment and Sustainability Strategy*.

Asset utilisation and Innovation: A development strategy for the Mint site has been agreed with the State Government led by Working Heritage. A network of creative spaces is established in regional and rural communities.

Awareness and Influence: The Working Heritage brand is recognised and understood by government, social enterprise, property, arts and culture, and hospitality sectors.

3.3. OUR 21-YEAR VISION

The Working Heritage Trust for Public Heritage and revolving fund is established in the public eye as the leader in transforming redundant heritage properties for public benefit having successfully adapted, leased, and, in some cases sold, over 100 heritage properties.

Government relationship: The organisation's role in supporting the State Government's statutory protection of heritage places is understood and valued by government as critical in making widespread heritage protection viable.

Awareness and influence:

Working Heritage is the first port of call for organisations and businesses looking to lease, use or own a heritage building or property.

Working Heritage provides professional leadership in the field of built/heritage conservation through workshops, conferences and assistance.

Organisational capacity: Our organisation is characterised by its sound governance, expertise, its diversity and its innovative approach.

Asset utilisation and innovation: Our properties are thriving, vibrant and valued for the contribution they make to public amenity and environmental sustainability in Victoria where the population has nearly doubled since Working Heritage began.

Social Impact: The social benefits that Working Heritage provides to the community are measured and published. Working Heritage leases suitable vacant land under its management to providers of social and affordable housing.

Financial Health: Working Heritage is recognised as a financially secure, sustainable and resilient property trust.

4. STRATEGIC PRIORITIES

4.1. STRATEGIC PRIORITY 1: GOVERNMENT RELATIONS

Objective: *Transition from Committee of Management to a Trust for Public Heritage with a capital fund and secure income to fund operations.*

How this can be achieved:

- Productive and responsive Ministerial and Departmental relations.
- Maintain high standard of heritage management.
- Maintain contact with and presence to the VEAC Response inter-agency working group.
- Continue to embed deeper relationships with existing and new stakeholders/partners and other participants in the sector and beyond.
- Actively explore new, innovative models of use and adaptation.

External threats:

- Trust created but Working Heritage bypassed.

Mitigation strategy:

- Remain politically relevant.
- Strengthen bipartisan relationships.
- Share our vision of the future with key stakeholders.

4.2. STRATEGIC PRIORITY 2: FINANCIAL HEALTH

Objective: *Match our growth trajectory with appropriate financial resources*

How can this be achieved?

- Increase our revenue through:
 - o more productive leases on key city properties Horticultural Hall, Jack's Magazine and the Mint Bar including turnover provisions in hospitality leases; and
 - o look for opportunities to develop land consistent with heritage conservation objectives.
- Diversify income streams:
 - o Examine opportunities to diversify income streams
 - > Consider the land development option
- Develop a long-term financial resilience fund.
- Take the lead on the long-term future of the Mint site.
- Seek management of properties with commercial potential to underpin low return properties.

External threats:

- Loss of the management of the Mint site to other parties without ongoing role and revenue for Working Heritage.
- Failure to secure more productive leases for key properties.

Mitigation strategies:

- Prepare a development strategy for the Mint site that can be used to advocate for both Working Heritage as manager of the site best positioned to guide future development of the site.
- Adopt professional and innovative approaches to lease negotiations with mutual benefits for Working Heritage and tenants.

4.3. STRATEGIC PRIORITY 3: AWARENESS AND INFLUENCE

Objective: *Working Heritage is recognised as a leader in adaptive reuse of heritage buildings.*

How this can be achieved:

- Relevant sectors include:
 - o State Government
 - o Local government (partner)
 - o Arts and Culture (source of tenants and users)
 - o Universities (partner and potential tenant or user)
 - o Property (source of tenants)
 - o Hospitality/tourism (source of tenants)
 - o Heritage profession (reputation and assistance to WH)
 - o Not-For-Profit (source of tenants and users)
- Media Communications: tell our stories
 - o Social and mainstream media
 - o Thought leadership: research focused on innovative reuse of heritage buildings underpins WH strategy
- Targeting of heritage conservation and property industry forums
- Inviting key people for briefings to Committee meetings
- Celebrating our achievements
- Nomination for profession/industry awards

External Threats:

- Incident-related reputational damage

Mitigation strategy:

- Risk management and monitoring across all WH sites

4.4. STRATEGIC PRIORITY 4: ENHANCED ASSET UTILISATION AND CULTURE OF INNOVATION

Objective: *Our portfolio of properties is, as a whole, in use by the community and environmentally, socially and financially sustainable.*

How this can be achieved:

- Complete and implement our asset management strategy embedding environmental sustainability and climate change into our processes.
- Complete asset management plans for each site using a standard methodology.
- Monitor and improve performance of each property against financial, social and environmental criteria
- Think expansively to improve performance: e.g. public/private partnerships, collaborations with institutions and community groups
- Look for low risk opportunities to experiment - in particular with rural/regional properties.
- Collection of relevant data to identify opportunities for improvement and enhancement.
- Consider digital strategies for innovation via increased operational efficiencies
- Analyse Working Heritage workplace needs in relation to portfolio and staff expansion. Develop strategy for workplace efficiency, productivity and creativity- identify options and consider move of office from the Mint site.

External Threats:

- Natural disaster, fire, vandalism, tenant business failure, site management failure

Mitigation strategy:

- Asset management includes risk assessment and management

4.5. STRATEGIC PRIORITY 5: WORKING HERITAGE TO HAVE A POSITIVE SOCIAL IMPACT

Objective: *To deliver discernible and measurable community benefits overall and at a property specific level.*

How this can be achieved:

- Develop social impact framework to enable identification and delivery of social benefits aligned with relevant State Government policies
- Build our relationship with Traditional Owners
- Develop relationships with the social enterprise sector as a potential route to tenancies with positive social outcomes
- Increase relationship with local government to align Working Heritage properties with social policies of Councils.
- Measure and report on public benefit delivered by Working Heritage
- Continue to engage local communities when considering development/use options for sites.

External threats:

- Adverse community reaction to site use and development
- Poor or ineffective implementation of uses with social benefit

Mitigation strategy:

- A place-based, consultative approach responding to local needs is adopted for repurposing of Working Heritage sites.