



21 JUNE 2001

Meeting No 1333

MINUTES of an Extraordinary Meeting of the Council of the City of Sydney held in the Council Chamber at the Sydney Town Hall, commencing at 5.14pm on 21 June 2001 pursuant to Notice 11/1333 dated 15 June 2001.

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PRESENT

The Right Hon The Lord Mayor Councillor Frank Sartor
(Chairman)

Councillors - Dixie Coulton, Kathryn Greiner, Robert Ho, Fabian Marsden and Lucy Turnbull.

At the commencement of business at 5.14pm those present were:-

The Lord Mayor, Councillors Coulton, Greiner, Ho, Marsden and Turnbull.

The General Manager, Director Corporate and Legal Services, Director City Development, Director City Projects and Director Living City Services were also present.

Apology

Councillor Nick Farr-Jones extended his apologies for his inability to attend the Extraordinary Meeting of Council as he was interstate on company business.

Moved by the Chairman (the Lord Mayor), seconded by Councillor Turnbull -

That the apology from Councillor Farr-Jones be accepted and leave of absence be granted.

Carried.

Congratulations to Councillor Kathryn Greiner AO

Before proceeding to the business of the meeting the Chairman (the Lord Mayor) conveyed congratulations, on behalf of Council, to Councillor Greiner for her appointment as an Officer in the Order of Australia in the Queen's Birthday Honours List.

The Chairman (the Lord Mayor) noted that this honour was granted to Councillor Greiner for her commitment over a long period to charities and in the areas of family support and prevention of child abuse.

Councillor Turnbull added her congratulations on this well-deserved honour.

Moved by the Chairman (the Lord Mayor), seconded by Councillor Turnbull -

That Councillor Greiner be congratulated on her appointment as an Officer in the Order of Australia.

Carried unanimously, and by acclamation.

Farewell to Director City Projects

Noting that this was the last Council meeting for Bill Tsakalos, Director City Projects, the Chairman (the Lord Mayor) expressed his appreciation on behalf of Council for the contribution made by Bill Tsakalos, who as Director City Projects had overseen more capital works than any former City Engineer or person in an equivalent position. The Lord Mayor noted that Bill Tsakalos had done an excellent job on behalf of the City.

Councillor Turnbull added her congratulations to Bill Tsakalos on his efforts and considerable achievements.

Councillor Greiner also wished Bill Tsakalos well in his future endeavours and thanked him for all the time and effort he had given to the City.

In reply, Bill Tsakalos (Director City Projects) thanked Councillors for their support and noted that the last few years had been a time of intense activity for Councillors as well as staff. He commented that, when decisions had to be made, the combination of political will, finance and sheer energy had been very fruitful.

Moved by the Chairman (the Lord Mayor), seconded by Councillor Greiner -

That Council thank the Director City Projects, Bill Tsakalos, for his contribution and wish him all the best in his future endeavours.

Carried unanimously, and by acclamation.

Order of Business

In accordance with Clause 12(2) of the Local Government (Meetings) Regulation 1999, the Council resolved that the order of business be altered such that the agenda items be dealt with in the following order:

2. Strategic Directions 2001-2005: Unlocking Opportunities for the Future
1. Budget Statement 2001-02
3. Review of Delegations of Authority
4. Staff Organisational Structure
5. Sussex Lane, Sydney - Owners Consent to Lodge Development Application in relation to 'KENS' site
6. PlanFirst - Submission to Department of Urban Affairs and Planning
8. Property Issues arising from City Strategic Directions
7. Employee Policy - Remuneration and Benefits

ITEM 1. BUDGET STATEMENT 2001-02

FILE NO:

DATE: 20/6/01

MINUTE BY THE LORD MAYOR

To Council:

1. INTRODUCTION

As the City moves on from its very successful Olympics related operations, it is an opportune time to consolidate the benefits from its past efforts.

The world stood and applauded Sydney for not only the efficient staging of the Olympic games but also the presentation of the City. All the staff at Council, in their own way contributed to this success and made all those associated with the delivery of every aspect of its operation very proud to be associated with the organisation.

We must now build on those strengths and move forward to reap the harvest of the wide array of talent available in the provision of better and more efficient services to the City.

The 2001/02 Budget is framed around, both maintaining and consolidating the momentum of previous years with continuing efficiencies and also signalling some new initiatives in areas such as;

- The transfer of the parking operations from the state government to allow a superior integration of on street parking provision and management;
- Provision for possible boundary changes arising from the Sproats report;
- New capital initiatives to enhance community facility and amenity;
- Increased provision for enhancements to core operations in parks; street trees; roads and footways

The financial strength of the City of Sydney is consolidated in the latest budget for the ensuing year 2001/02.

Operating income is projected at a record high of \$161.9 million and Operating expenditure, while higher than previous years is contained at \$119.0 million.

Many community service and environmental programs have been added to the City's already impressive list of services. These service enhancements have been instrumental in,

- increasing the safety of residents and visitors to the City,
- providing a clean infrastructure for use by the public,

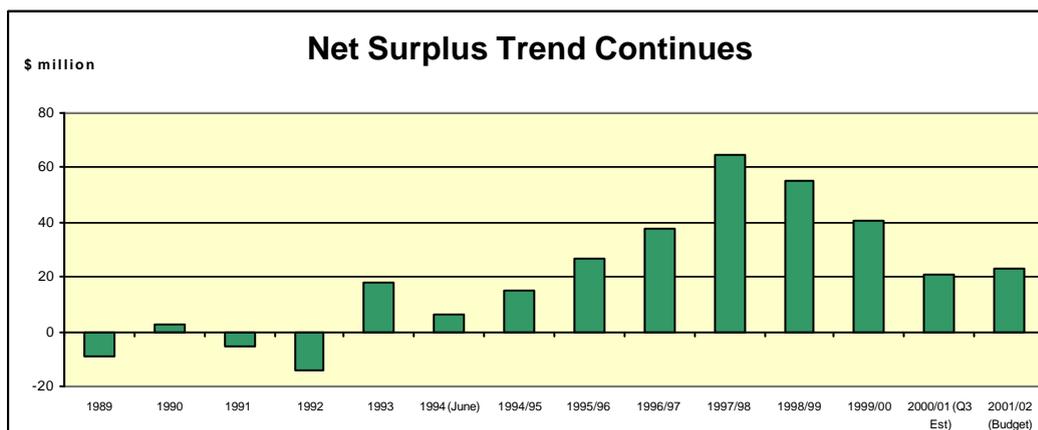
- the greening of the City with major street tree planting programs,
- improving the ambience of the footpaths and public spaces with the seasonal flower program,
- improving the well being of homeless persons,
- Staging the world acclaimed and premier New Year's Eve spectacular as well as supporting many other major cultural events.

In excess of \$270 million has been spent over the last 7 years, not only in improving the infrastructure but also in providing new and refurbished facilities in the field of arts and culture.

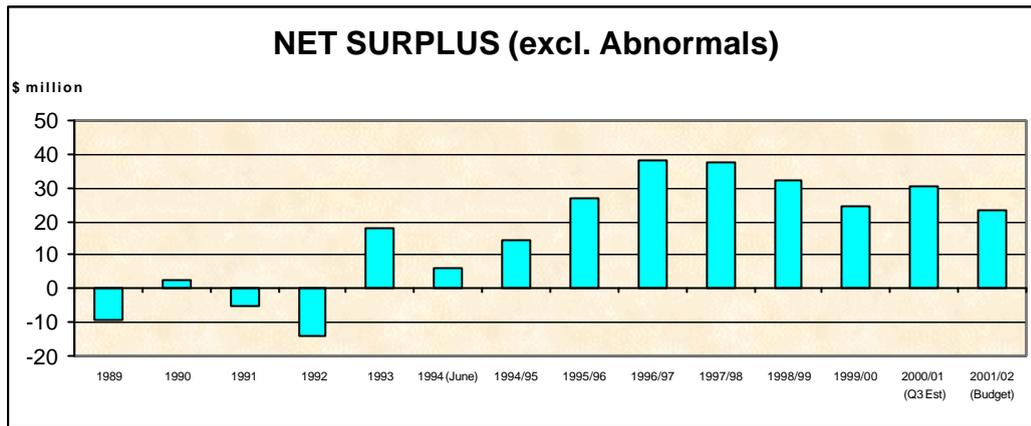
All this has been possible because of the responsible and strong financial management of Councils affairs. A fact which has been supported and endorsed by the international rating agency, Standard & Poor's, by the award of a "AAA" rating of the Council of the City of Sydney – the only Council in Australia to have been awarded such a high accolade. This must surely be the final proof, if there was ever a need for proof, that the City has so very successfully positioned its affairs in direct contrast to the inefficient and unprofitable organisation inherited back in 1991.

HEALTHY NET SURPLUS

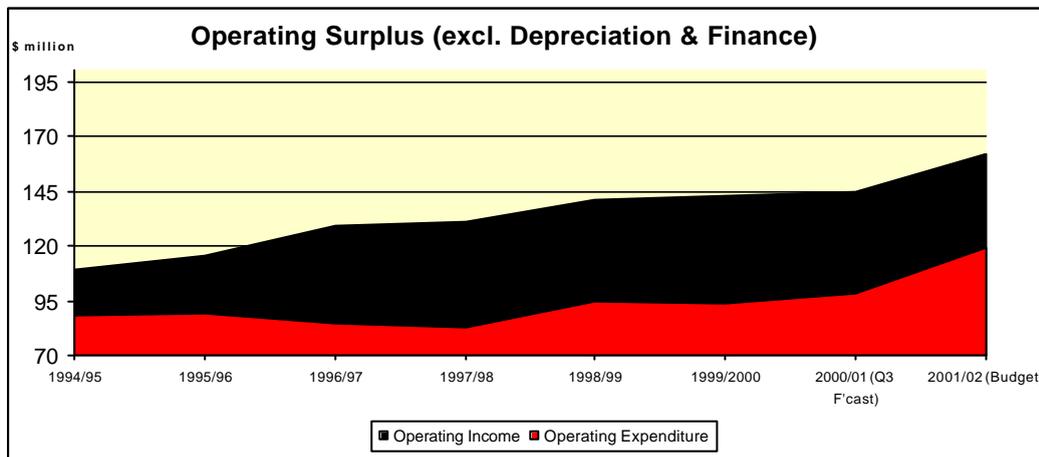
Through strong financial management of all its activities, Council achieved increasing surpluses continuously from 1993. An integral part of this was productivity gains when the City competitively tendered its main services in 1996/97 resulting in service improvements and cost savings. The 2001/02 budget proposes a further Net Surplus of



\$23.4 million – the 10th successive surplus. An impressive performance indeed.



The Operating Surplus, excluding Depreciation and Financing costs show the results of operating efficiencies gained over the years. While operating income has increased by 149%, operating expenditure has increased by 135%, resulting in an increase of the operating surplus by 210%.



OPERATING COSTS

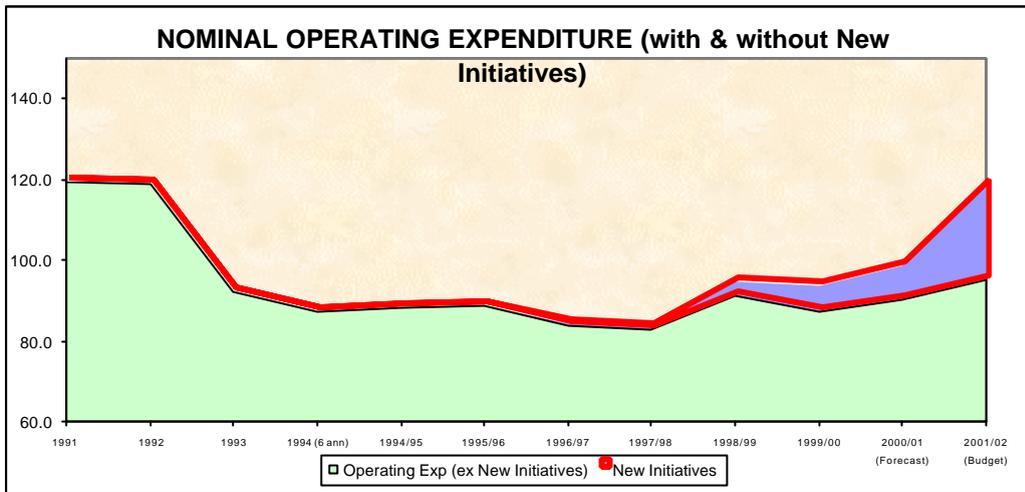
Operating expenditure has increased from \$88.3 million in 1994/95 to \$98.5 million in 2000/01 – an increase of only 11.5% over a 6 year period.

Costs have been contained through a process where services were competitively tendered to obtain best value in their delivery. In the meantime, additional costs were incurred and have been provided for in next year’s budget in those areas of service provision and enhancements mentioned previously.

The major capital works program undertaken by the City has brought with it greater pressures on the cost structure of Council. Natural consequences of this expenditure have been increased depreciation (result of a higher capital base) and increased maintenance costs on assets of a higher value. Included in the 2001/02 budget are prudent expenditure increases to continue to maintain these new assets such as additional granite footway cleaning; new tree maintenance initiatives; road management improvements.

In the next budget period of 2001/02, payments to Energy Australia for Smartpoles and integrating the parking enforcement functions of the City with that conducted by the Police, will result in projected increases in costs of approximately \$12.0 million per

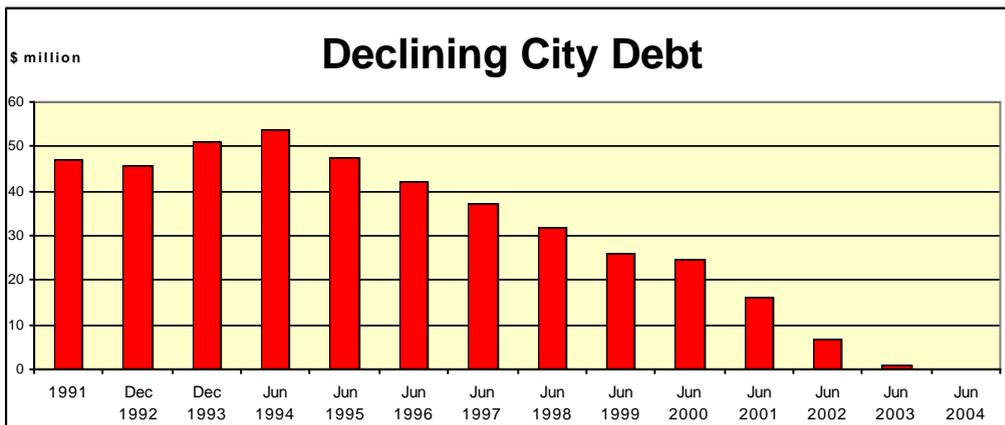
annum. This increase is offset by new income from QVB through the rental agreement and projected parking enforcement income from the whole of the city.



Activities which have commenced over the recent past few years and have imposed additional expenses of a sizeable amount have been classified as ‘New Initiatives’. Some of these activities relate to: the City Exhibition Space (\$1.1M pa); assuming control of the parking operations from the State Government (\$8.0M pa); homelessness strategies (\$1m); street safety camera and other safety programmes (\$1.2M pa); Smartpoles (\$4.3M pa), and a provision for additional building maintenance (\$1.0M pa).

CITY DEBT LEVELS

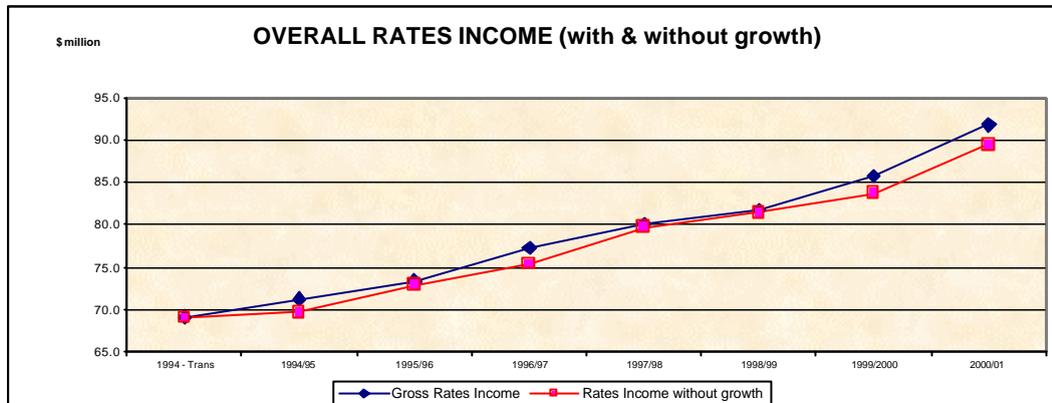
Despite major expenditure on capital works and the provision of additional services, the City has continued reducing its level of indebtedness. The City’s debts in June 1994 were \$53.7 million and this amount will be completely settled by 2003/04.



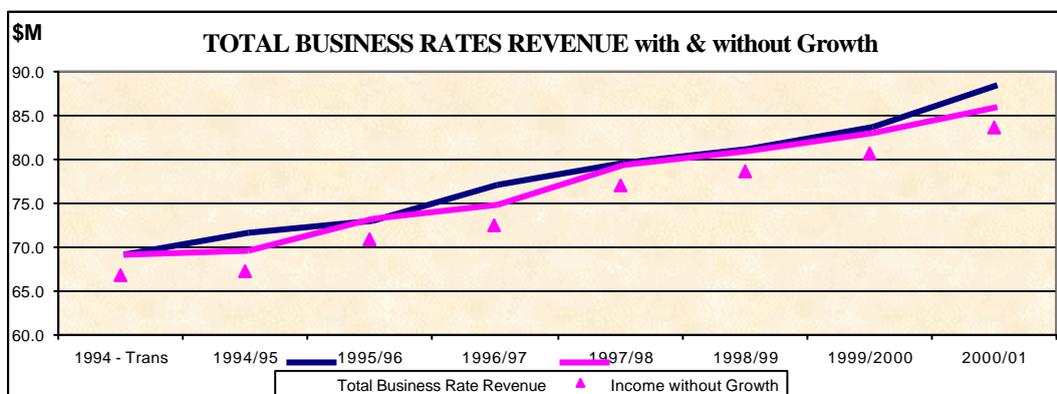
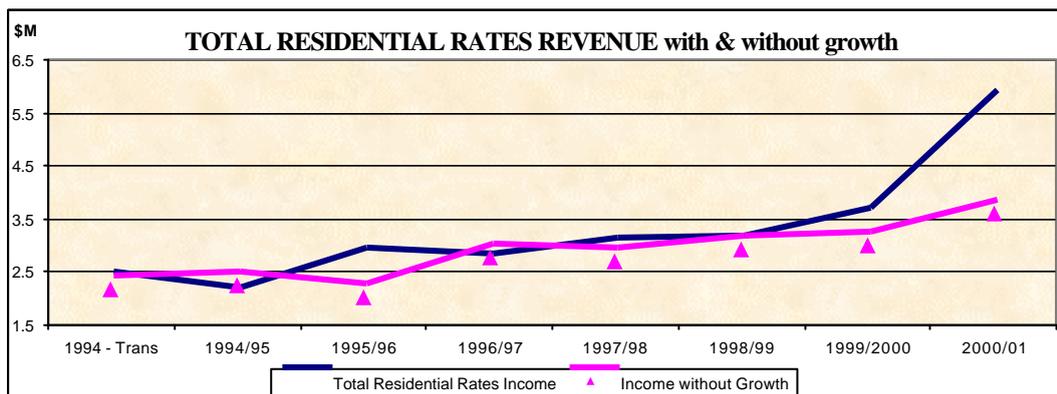
RATES

With the introduction of the Local Government Act 1993, the assessments, for rating purposes, were categorised as either Residential or Business. Taking into account the make up of the City, these categories were further broken down into 4 geographical areas – Pymont/Ultimo, East/South, Rocks and CBD General. This better reflected the distinction amongst these areas and rates in the dollar were calculated accordingly.

The modeling for setting the rates in the dollar for next year 2001/02, was undertaken with a view to having the rate increase or decrease reflect the movement in values. This has meant a more equitable distribution of income, which in effect is a tax on property.

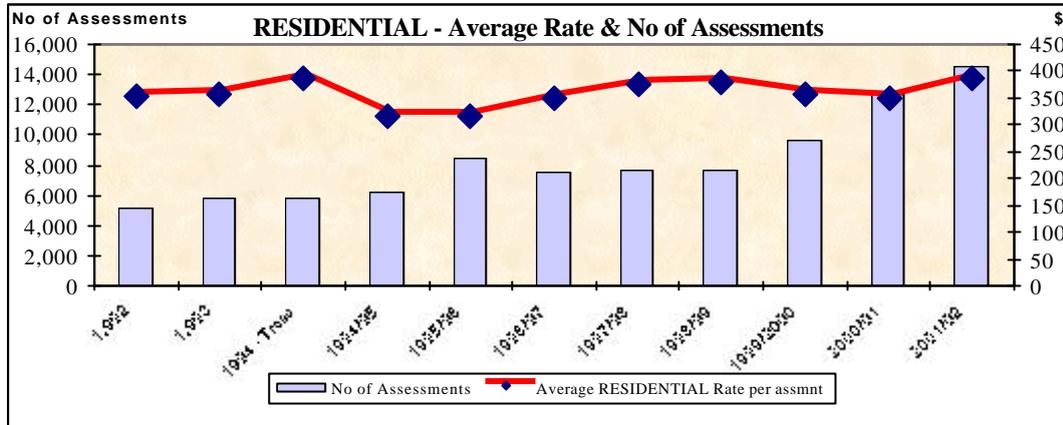


The City grew in residential accommodation and the Living City concept was given further impetus by this expansion. Rates revenue increased as a result of this growth and is evident in the two charts shown below.

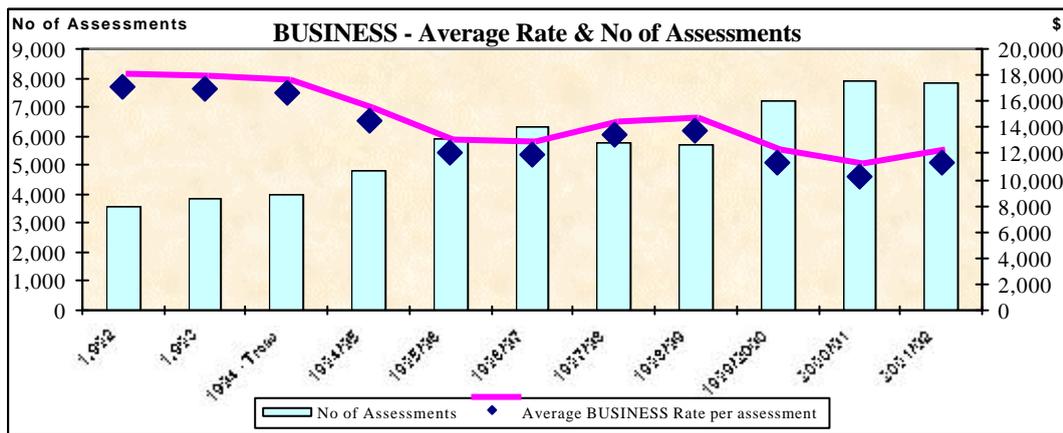


The average rates paid in each category per assessment shows that in the Residential category the number of assessments have increased by over 180% while the average rate

has gone up by less than 10%. This is reflective of the lifestyle changes and the success of the Living City concept where more people have chosen city living as a preferred option.



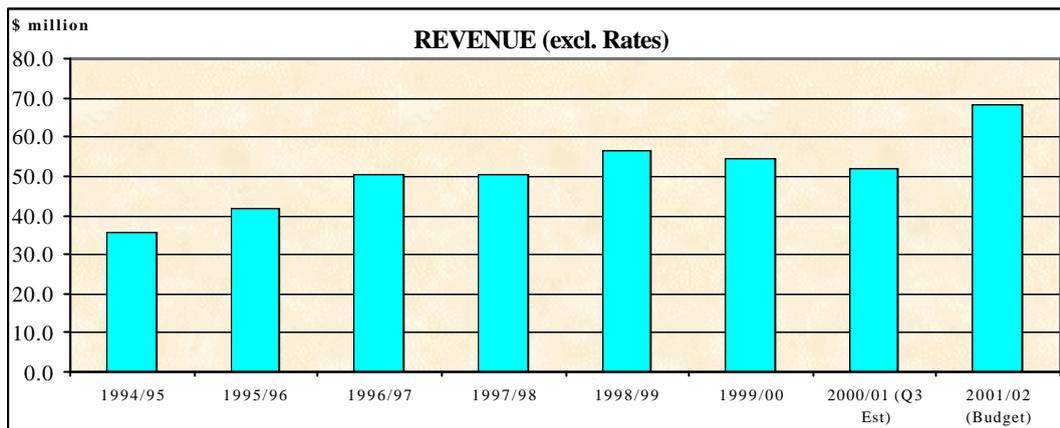
The Business category shows the number of assessments increasing by 118% while the average rate per assessment has reduced by almost 35%. Many commercial buildings have been subdivided into separate strata lots, creating more assessments without any increase in income.



NON RATES REVENUE

Income from sources other than Rates has increased steadily from \$35.8 million to \$68.5 million over a seven-year period incorporating next year’s budget. The major sources have been,

- Construction Zone Kerbside Licences
- Income from external contracts
- Parking Meters
- Parking Stations (despite selling 1 parking station)
- Trade Waste income
- Venue Hire
- Rental from properties
- Parking Enforcement income



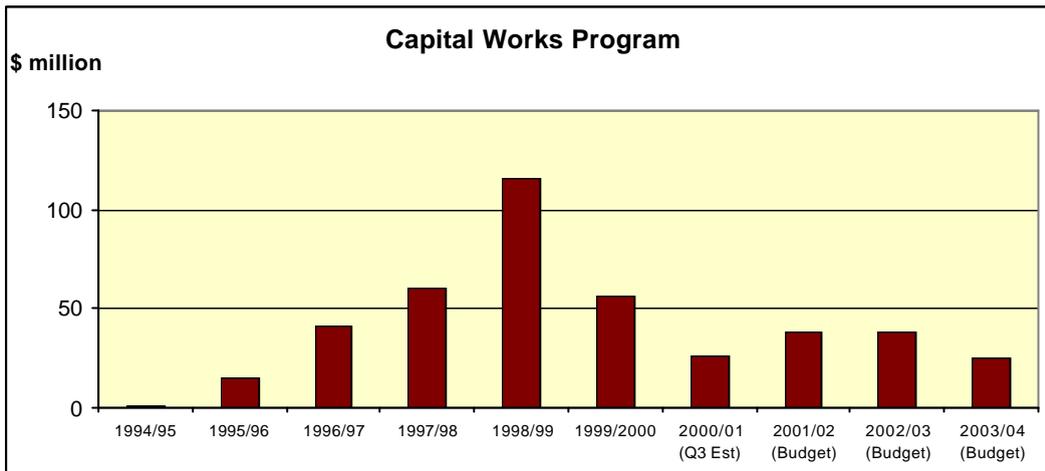
CAPITAL WORKS

In excess of \$270 million over the last seven years, has been spent on improvements to the infrastructure in the City, refurbishing significant historic buildings, such as Capitol Theatre and Customs House and building a new Recital Hall at Angel Place.

All monies spent on the city improvement program were either generated internally or through contributions and grants from the commercial and government sectors.

The major projects undertaken during this period were,

- Customs House refurbishment
- Footpath resurfacing
 - George Street
 - Park Street
 - Market Street
 - Bridge Street
- Pitt Street and Castlereagh improvements
- Alfred Street and Customs Square
- Martin Place re-design
- Cook & Philip Aquatic Centre, Park & Car Park
- Fig Lane Park
- Angel Place Recital Hall
- Hyde Park improvements
- Archibald Fountain refurbishment
- Public Art including the Sculpture Walk
- Haymarket (Dixon Street) improvements
- Chifley square
- Hyde Park Lighting Upgrades
- New Smartpole Lighting throughout the City
- Spanish Quarter Upgrade

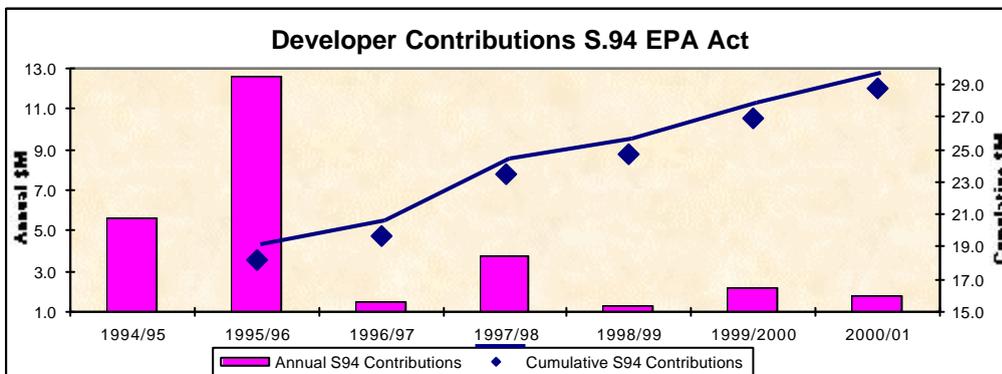


DEVELOPER CONTRIBUTIONS

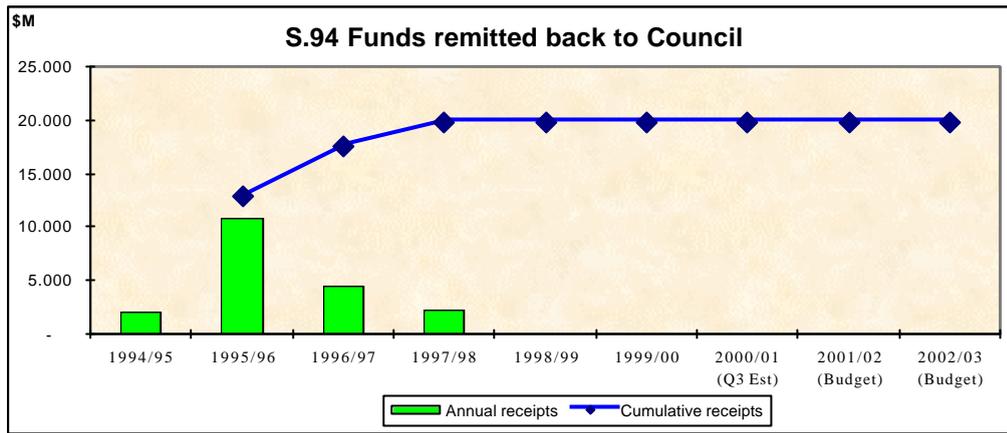
S.94 Ultimo/Pymont

The S94 Plan for Ultimo/Pymont, sourced funds from developers as contributions towards the building or upgrading of infrastructure in the vicinity of developments. The works, in the main, were carried out by Citywest Development Corporation (now part of Sydney Harbour Foreshore Authority).

The funds have been levied by the City (and by other consent authorities such as the Minister) and remitted to the SHFA for Ultimo Pymont works project.

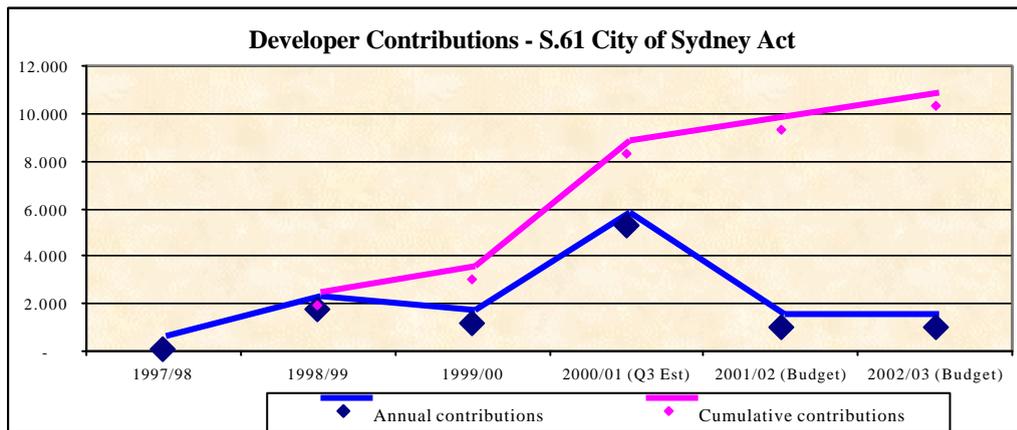


Some funds were in turn remitted back to Council to fund works carried out by the City.



S.61 City of Sydney Act

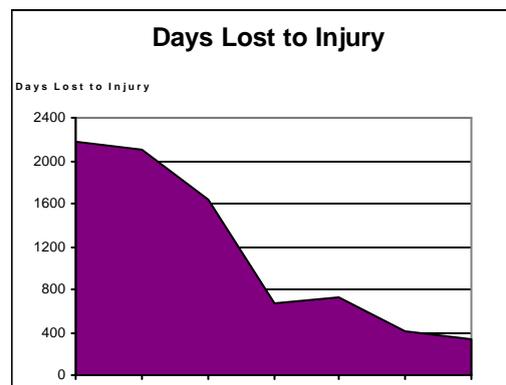
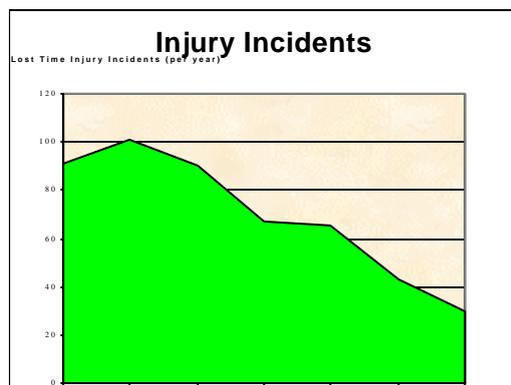
The City of Sydney Act incorporated a section to levy a contribution on developers towards the continued development of the City. The S.61 Works Schedule to which these funds are applied involved capital expenditure of \$147.2M. As the graph shows, 5.4 % has been recovered to date.



PERSONNEL

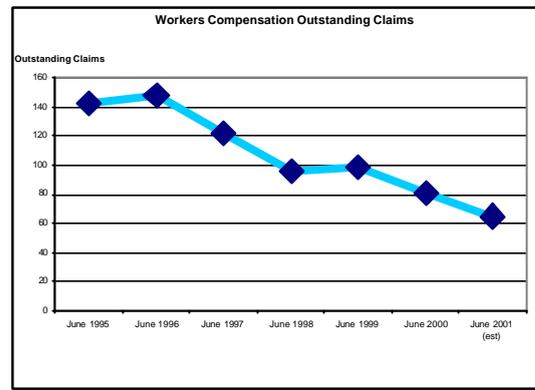
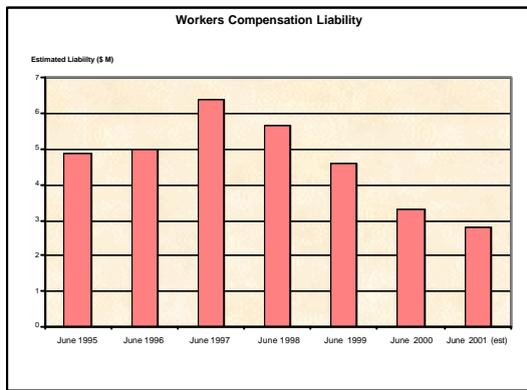
The lifeblood of the organisation, its employees, have rallied magnificently to enable Council to meet its objective of presenting the City in its best light to the world. In the process of completing the various tasks and projects, major headway has been made in reducing those factors inhibiting productivity and progress. This is both important for the City as a good employer supporting its staff, and as a real cost saving.

The number of incidents resulting in injury have decreased dramatically from 91 in 1995 to an estimated 30 in 2000/01. Consequently the number of days lost to injury have



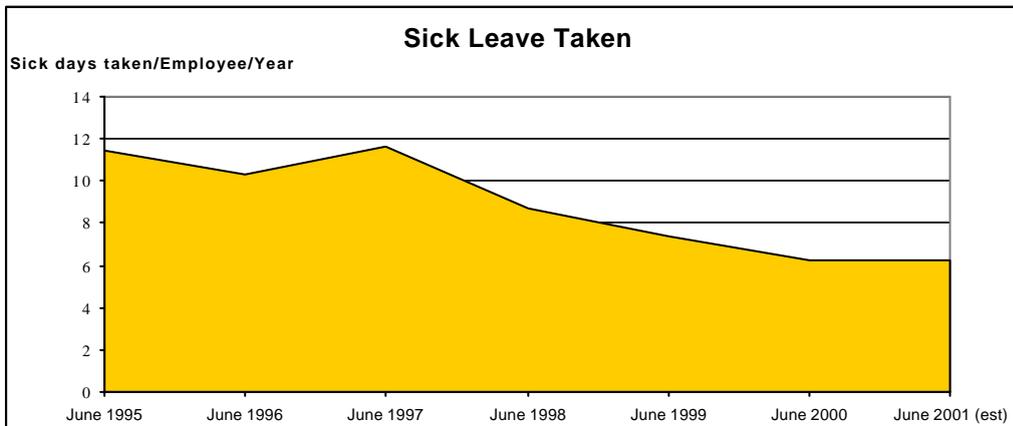
reduced from 2,179 to an estimated 330 in the same period. In recognition of this achievement, staff have been paid bonuses in accordance with the terms of the Joint Development Agreement.

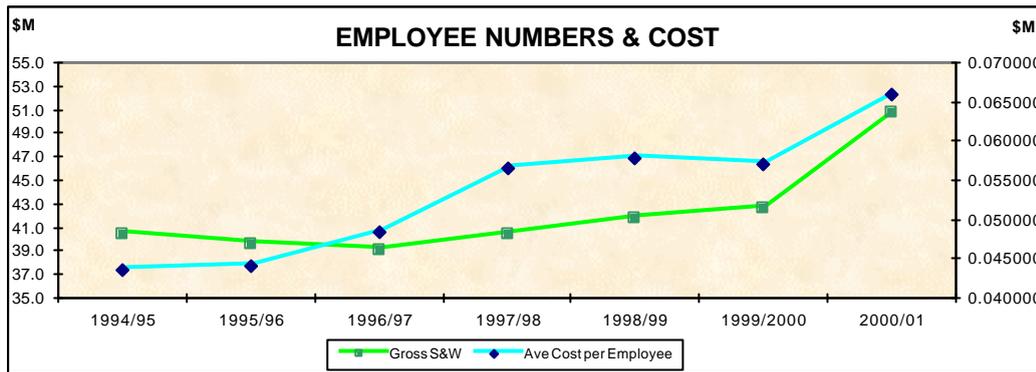
Significant inroads have been made in reducing the organisation’s worker’s compensation liability. Council has, over the past so many years, diligently followed a policy of providing a safe workplace for its employees. This has resulted in reducing the number of worker’s compensation claims on the organisation and has prevented employees from suffering injuries. This is especially commendable in an environment where worker’s compensation liabilities have been rising around the country and governments are finding it increasingly difficult to fund their obligations. It is important to note that Council has, over the past 8 years, cash backed its entire liability in addition to providing to Workcare, a Bank Guarantee to the value of its liability plus 20%.



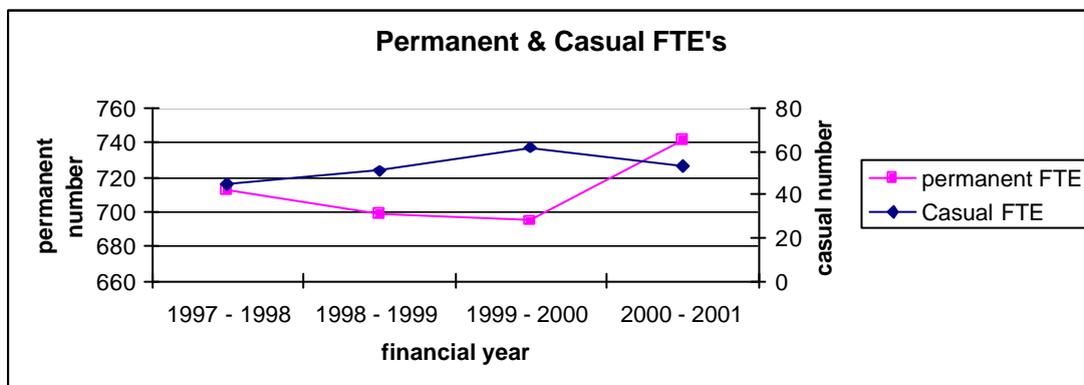
Further progress has also been made in reducing the number of sick days taken, from 11.5 days per employee per year to just over 6 days per employee per year.

A special vote of thanks is due to all employees for having co-operated so enthusiastically in improving the organisation’s productivity and health. More needs to be done in this regard, as even one accident is one too many.





Council is conscious of the need to manage the cost of staff resources. Whilst staff should be fairly remunerated for their excellent work, it is nonetheless an area that must be constantly under review. Work will be undertaken during the coming year maintain an equitable balance between costs, fair remuneration and Council in house capacity.



SYSTEMS & PROCESS

While admirable results have been achieved over the past decade, there are further improvements to be made. Council’s technological systems and processes have to be enhanced in their applications. This has begun and will be pursued with vigour over the next year. A major emphasis in the new financial year will be improving customer interface processes with technology as well as business process re-engineering. It is anticipated that more Council operations will be undertaken on-line and available to the public.

The use of technology in conducting the affairs of Council, thereby improving its productivity, is evident in the success of the introduction of electronic payments of creditors. Just over 50% of all payments to creditors are now made electronically with the take up of this option ever increasing. It is anticipated that more e commerce initiatives will be undertaken.

The next year sees the introduction of Cost Centres for each business/cost centre. This will enable better monitoring of performances, thus ensuring more appropriate action being taken to improve return on assets and consequently the more efficient use of Council’s funds.

Special productivity reviews will be undertaken in a number of areas including but not limited to; fleet operations; telecommunications; fees and charges; job costing and project management systems and processes; council premises.

FURTHER ECONOMIES

Whilst much has been achieved in the area of efficiency, trends in employee costs and staff numbers, need to be reversed. As occurs from time to time, fiscal discipline can recede and costs grow.

One of the first manifestations of this within organisations is unjustifiable increases in staff numbers. An examination of the organisation chart suggest that a number of operating units may be overly endowed with staff. The number of casuals expressed as FTE's also seems on the high side.

Moreover, should the City's boundaries expand, the City's capacity to absorb new staff and yield economies are enhanced if staff numbers are on the low side. Accordingly, the following actions are proposed:

- a) that resources levels of all units, including staff numbers, be reviewed by 30 September 2001, to the satisfaction of the Lord Mayor, with a view to achieving substantial reductions in the staff establishment, and actual staff numbers over time, the target to be determined by the Lord Mayor, currently envisaged in the range 5-10%:
- b) that the General Manager be directed to reduce the utilisation of casual employees with a view to eliminating all casual employees, except those required for specific seasonal or local reasons, or for which it is sensible to do so. For example, the use of casuals to cover for normal staff absences is not supported:
- c) the introduction of quarterly accountability reporting to the Lord Mayor and Council on staff numbers by operational unit (extending to M4 responsibilities within some divisions.)

ACCOUNTABILITY

With the gains of the past and the current strong financial position, it is vital that these benefits are not squandered.

Moreover further efficiencies are always achievable.

Accordingly, it is proposed that the Council's accountability regime be strengthened. Specifically, the internal audit functions will be outsourced and strengthened. A committee chaired by the Lord Mayor, including at least one external appointee will be established to oversee and empower all audit functions.

Further a new system of quarterly and annual accountability reports will be produced, designed to monitor trends, especially financial performance, on all key sectors of Council.

OTHER POLICY INITIATIVES

During the course of 2001/02 Council will be considering reports and taking appropriate actions in regard to:

- A review of 24 hour liquor licensing operations including associated gaming operations;
- Strata title review;
- Ecologically sustainable development initiatives;
- Review of all LEP's and DCP's with an expected consolidation of these in one Plan.
- Disabled access improvements
- Homeless brokerage programme
- Global City and Digital Community Programmes
- A floorspace study of the whole city.
- Contracting City Services to external parties

CONCLUSION

As is evident from the above, Council has progressed significantly since the dark days of the early 1990's when it faced substantial performance issues.

Major inroads have been made in improving its productivity, sound financial principles have been applied thus ensuring its continued viability and much has been achieved in improving the infrastructure and the ambience of the City. In addition, significant amounts of money have been directed towards the staging and promotion of cultural events and structures. The Capitol Theatre has been restored to its former beauty, Customs House has been refurbished to provide a cultural and commercial centre, a new Recital Hall has been built in the centre of the City and new and restored sculptures grace the City.

By any standards, the achievements are many.

We cannot however bask in past glories. Much needs to be done in continuing the improvements in efficiencies and the better use of funds for the greater benefit of the community. This budget for 2001/02 provides the framework to achieve those objectives and promotes the more effective use of its resources.

RECOMMENDATION:

That arising from consideration of a Minute by the Lord Mayor to the Extraordinary meeting of Council on 21 June 2001, on Budget Statement 2001-02, it be resolved that:

- (A) The Budget Statement 2001/02 by the Lord Mayor be endorsed and adopted;
- (B) the General Manager's Memorandum of 20 June 2001 be noted and the recommendations contained therein be adopted.

(SGD) COUNCILLOR FRANK SARTOR
 Lord Mayor
2001/02 BUDGET AND CORPORATE MANAGEMENT PLAN

FILE NO:
 DATE: 20/6/01

MEMORANDUM BY THE GENERAL MANAGER

To Council:

PURPOSE

To report back on the result of the statutory exhibition process in respect to the 2001/02 Budget and the Corporate Management Plan (CMP).

To recommend additional matters for consideration by Council that have occurred during the statutory process.

BACKGROUND

The 2001/02 Budget and CMP were approved by Council for public exhibition on 21 May 2001. The public notice duly appeared in the Sydney Morning Herald on 22 May 2001. Public notification period is 28 days to 19 June 2001. Copies of the documents were made available in the One Stop Shop and all City public libraries.

PUBLIC SUBMISSIONS

Following the exhibition period no submissions were received.

OTHER MATTERS

Corporate Management Plan

Changes have been made to reflect Strategic Directions Statement.

Budget

Staff have undertaken a comprehensive review of all line items to check accuracy. In addition, with the further month, some capital projects should be reconsidered as to timing, which affects appropriation requirements. Arising from this the following amendments are submitted for consideration.

	Proposed Change – Operating Budget	Reason
1.	Staff salaries in the Policy and Programming Unit increase by \$182,742 with corresponding decrease in Strategic Planning. IMPACT: <u>\$5,167 Decreased Expenditure</u>	Two staff seconded to the P/P Unit have now been permanently moved to gain alignment of function.

	Proposed Change – Operating Budget	Reason
2.	CAM salaries increase by \$9,447 IMPACT: \$9,447 <u>Increased Expenditure</u>	Error in original calculation associated with staff shifts.
3.	Half position ‘deleted’ from the OLM IMPACT: \$20,136 <u>Decreased Expenditure</u>	Staff resignation and determination not to refill FT position.
4.	Parking. Reduce income by 1/12 th and related expenditure. IMPACT: Expenditure <u>decrease</u> \$512,058 Income <u>decrease</u> \$916,667 Net Decrease in Surplus \$404,609	Delay in commencement of this transfer from the State Government Bottom line reduction.
	Capital Budget	
5.	ABC Pool to restore contingency to 5% as the project has just commenced. <u>Increase</u> by \$225,000	The budget allocation did not take account of an unexpected cost arising from a licence fee from the Royal Botanical Gardens (\$108,000 incl. legal) and other delays have increased costs on the operator as well as some further fit out costs.
6.	MCA Project <u>Decrease</u> – 2001/02 allocation by \$5,000,000	Delays in the decision that are needed to commence that project will move the timetable back by at least 4 months.
7.	Hickson Road Cliff – the project has been reassessed and the area is considered to not require work at this stage. <u>Decrease</u> requirement by \$500,000	Staff have reviewed this programme and take the view that the site does not require work in the short term 3-5 years.
8.	Capital Contingency – increase by \$3M	With timetable uncertainty on a number of projects, it would be prudent to allow flexibility to respond should circumstances alter.

	Proposed Change – Operating Budget	Reason
9.	Ultimo Pedestrian Network <u>increase</u> provision by \$200,000	Further discussions have occurred with SHFA in regard to this project originally approved by Council in July 2000. That approval was for a larger sum than the budget provision. SHFA advise that the new figure (\$1.4M) is more likely the case.
10.	Accessible City <u>increase</u> by \$300,000 to \$500,000	For projects yet to be specified arising from the Survey.
11.	Environmental Improvements \$300,000	New projects for practical sustainable environmental improvements.

ITEM	ORIGINAL	REVISED
ABC Pool	7.3M	7.5M
MCA	15.0M	10.0M
Hickson Road	.5M	-----
Capital Contingency	3.0M	6.0M
UPN	1.2	1.4M
Accessible City	.20	.50
Environmental Improvements	----	.30

RECOMMENDATION:

That arising from consideration of a Memorandum by the General Manager to Council on 21 June 2001 and following the placement of the draft 2001-2004 Corporate Management Plan, including the 2001-02 Budget, on public display for a 28 day period from Wednesday, 23 May to 19 June 2001, it be resolved that:

- (A) Council adopt the Corporate Management Plan for 2001-2004, as shown at Attachment A;
- (B) Council adopt the draft 2001-02 Operating and Capital Budgets as shown at Attachment B with the amendments in the General Manager's Memorandum of 21 June 2001;

- (C) Council make and levy for the rating year 2001-02 in respect of all land within the City of Sydney rateable as at 1 July 2001 or which becomes rateable during the rating year, the following minimum rates and rates in the dollar on the land values of all residential and business land:

	Residential	Business
Minimum Rate	\$319.00	\$406.00
Cents in \$ Ad Valorem		
General	0.4067	1.2898
East/South	0.2650	1.0350
Pymont/Ultimo	0.2340	0.5793
Rocks	0.2857	0.9178

- (D) Council aggregate the values up to a maximum of 3 car spaces and all storage spaces in respect of the Residential category and 1 car space and 1 storage space in respect of the Business category from 2001-02 subject to receiving certification by statutory declaration or other acceptable form of certification that none of the spaces are leased to a third party.
- (E) Council cap individual rate increases to 50% of the 2000-01 notional rate;
- (F) Council make and levy the domestic waste management charges indicated in the adopted 2001-04 Corporate Management Plan for each parcel of rateable land in the residential category;
- (G) Council fix the fees and charges indicated in the Corporate Management Plan and as shown in the schedule of fees and charges at Attachment C;
- (H) Authority continue to be delegated to the General Manager to vary fees and charges for commercial operations;
- (I) Council affirm that no expenditure from the General, Building and Boundaries Contingencies in the operating budget, the Special Contingency in the Capital Works budget and the Contingency in the Plant and Assets budget, is to be made without the joint approval of the Lord Mayor and the General Manager prior to commitment of funds.
- (J) Council re-affirm that all expenditure on plant and assets will continue to require the specific approval of the General Manager for each item.

(SGD) MURRAY DOUGLAS
General Manager

Moved by the Chairman (the Lord Mayor), seconded by Councillor Turnbull -

That arising from consideration of

- (i) a Minute by the Lord Mayor to the Extraordinary meeting of Council on 21 June 2001, on Budget Statement 2001-02, and
- (ii) a Memorandum by the General Manager on 2001/02 Budget and Corporate Management Plan, it be resolved that:
 - (A) The Budget Statement 2001/02 by the Lord Mayor be endorsed and adopted;
 - (B) Council adopt the Corporate Management Plan for 2001-2004, as shown at Attachment A to the subject Memorandum by the General Manager;
 - (C) Council adopt the draft 2001-02 Operating and Capital Budgets as shown at Attachment B to the subject Memorandum by the General Manager, with the amendments in the subject General Manager's Memorandum;
 - (D) Council make and levy for the rating year 2001-02 in respect of all land within the City of Sydney rateable as at 1 July 2001 or which becomes rateable during the rating year, the following minimum rates and rates in the dollar on the land values of all residential and business land:

	Residential	Business
Minimum Rate	\$319.00	\$406.00
Cents in \$ Ad Valorem		
General	0.4067	1.2898
East/South	0.2650	1.0350
Pymont/Ultimo	0.2340	0.5793
Rocks	0.2857	0.9178

- (E) Council aggregate the values up to a maximum of 3 car spaces and all storage spaces in respect of the Residential category and 1 car space and 1 storage space in respect of the Business category from 2001-02 subject to receiving certification by statutory declaration or other acceptable form of certification that none of the spaces are leased to a third party.
- (F) Council cap individual rate increases to 50% of the 2000-01 notional rate;
- (G) Council make and levy the domestic waste management charges indicated in the adopted 2001-04 Corporate Management Plan for each parcel of rateable land in the residential category;
- (H) Council fix the fees and charges indicated in the Corporate Management Plan and as shown in the schedule of fees and charges at Attachment C to the subject Memorandum by the General Manager;

- (I) Authority continue to be delegated to the General Manager to vary fees and charges for commercial operations;
- (J) Council affirm that no expenditure from the General, Building and Boundaries Contingencies in the operating budget, the Special Contingency in the Capital Works budget and the Contingency in the Plant and Assets budget, is to be made without the joint approval of the Lord Mayor and the General Manager prior to commitment of funds.
- (K) Council re-affirm that all expenditure on plant and assets will continue to require the specific approval of the General Manager for each item.

Amendment moved by Councillor Greiner, seconded by Councillor Coulton -

That the motion be amended by -

- (A) the addition of the following to clause (C): “and subject to further amendments to restore funding for the Sculpture Walk and increase funding for the Ultimo Aquatic Centre”;
- (B) the addition of the words “and Council” after “General Manager” in clause (J).

The amendment was lost on the following show of hands -

Ayes(1) - Councillor Greiner

Noes (5) - the Chairman (the Lord Mayor), Councillors Coulton, Ho, Marsden and Turnbull.

Amendment lost.

The motion was carried unanimously.

ITEM 2. STRATEGIC DIRECTIONS 2001-2005: UNLOCKING OPPORTUNITIES FOR THE FUTURE

FILE NO:

DATE: 15/6/01

MINUTE BY THE LORD MAYOR

To Council:

1. VISION

Few cities can claim the level of accomplishment and success that has been achieved in the past decade by the City of Sydney.

Driven by a well-articulated vision, the City has been transformed from a commerce-based monoculture into a dynamic and constantly evolving hub for business, retail, residential and the arts. The heart of each of these sectors in NSW lies within the City of Sydney.

This has not happened by accident. Underpinned by the Living City Vision, and with key milestones such as the 2000 Olympics, the new Millennium and the Centenary of Federation, the City has adopted, at key intervals, a series of strategic directions documents reviewing progress and setting the course of Council thinking.

The Sydney Olympics, the City Improvements Program, the completion of the City Plan and much of the Living City program are now successfully behind us. It is timely that we chart the City's course for the coming years. These achievements have given our city a new context. So great have been the changes that our City has a new dynamic and an ability to leverage further accomplishments.

Our Vision for the future should continue to be based on the Living City idea - dynamism borne of diversity and innovation, built on a culture of excellence.

Having had terrific branding with a highly successful Olympic Games and the unprecedented exposure which it brought, Sydney must now meet the following challenges:

- build competitive advances to meet the demands of the global economy;
- built unique attributes of world renown;
- meet community aspirations and needs.

The City of Sydney's role is confined mostly to Central Sydney. The above challenges are as relevant to Central Sydney as they are to Greater Sydney. Translated to our local context these goals imply the following actions:

- Support for State and National initiatives in deriving sustainable benefits for our City from globalisation, while noting that the quality of Central Sydney is a critical factor in determining perceptions about Sydney, as the Olympics demonstrated;
- Ensure our core services get principal attention – ie make the City even cleaner, better maintained, aesthetically pleasing and well managed.
- Undertake strategic initiatives that add value to improving the quality of our City in non-core areas, such as Homelessness and City Safety, in a manner that achieves value for money;
- Enhance the uniqueness of this City by encouraging and undertaking innovative events and cultural initiatives that add to the cultural life of this City;
- Expand community and civic infrastructure and services in a fiscally responsible manner;
- Achieve design excellence in the built environment;
- Improve physical access to, and within, the City, within the constraints of our jurisdiction;
- Respond positively to issues of environmental sustainability;

- Expand the City's capacity to achieve these things by broadening its jurisdiction.

The key reason for the City's success has been the ability to articulate a clear and exciting vision and then to implement that vision through very practical and real initiatives. But with the achievements of the past decade, we have reached some jurisdictional limits.

To take our City to the next level we need to overcome those limits. This Minute will outline a number of feasible opportunities that are constrained only by jurisdictional limits. In summary, the strategy next few years is, in large measure, about unlocking opportunities for the future - for future Councils to implement.

In our policies, projects and programs are found many benchmarks for local government. The City of Sydney has, through expertise and commitment, established a range and standard of services and delivery rarely matched in Australia. We have achieved this by identifying deficiencies or service vacuums and developing solutions. And we added value to existing services or facilities; building on existing frameworks to broaden reach or enhance delivery or where necessary conceived and developed new services and initiatives ourselves.

The City also has developed an important role as an advocate for reform, taking independent public positions on key issues of governance and public policy reform. There is much that remains to be advocated, as part of this role, in the near future, to capitalise on the progress of recent years.

2 SUPPORT FOR GLOBAL SYDNEY INITIATIVES

As a key stakeholder in greater Sydney's economic growth and prosperity the City has a vital interest in Sydney's role as a global and regional financial and business centre.

The City is working with members of the Global Sydney Committee to assess and better understand the key factors in Sydney's success: as a city which values, educates, nurtures and attracts knowledge workers, the need to provide competitive telecommunication infrastructure capacity, especially the delivery of broadband access to residents and small businesses; and the need to be able to recruit and retain a workforce that can supply, when required, labour on a 24 hour basis.

The City's cultural program also is an important part of developing Sydney's reputation as a regional centre, not only for business and finance, but for culture and recreation as well.

It is Sydney's lifestyle attractions which are a key component of its competitive strengths as a place to live in and do business in.

The City is also working with the Committee of Sydney to articulate and advocate Sydney's interests in debate and discussion on priorities for infrastructure funding. Sydney's future economic prosperity is not just a great benefit for the city itself and its people, it is also an essential feature of a thriving nation.

3 BETTER CORE SERVICES

Our goal for Sydney in a service delivery sense is very simple – to make Sydney a clean, attractive and safe place to visit, work and live. In reality, this is a complex and multi-disciplined objective that requires constant care, attention to detail and vigilance.

It is proposed that in the coming years the City give a new emphasis to the quality and efficiency of its core services. Over the next five years, our services must:

- Focus on outcomes, not inputs – intensively managing the city as a place rather than treating assets and contracts in isolation;
- Drive performance – by setting and reviewing programs and performance, measuring and assessing outcomes to achieve goals;
- Strive for continuous improvement – by rewarding excellence and addressing poor performance;
- Focus on the needs of the customer – by making it easy for customers to talk to us, making sure we listen and delivering what they need.

We must remain committed to the philosophy of competitive tendering as a means of regularly testing our services to ensure the City is getting the highest quality services at the best value.

Should the City's boundaries expand, a series of Neighbourhood Service Centres will be established to give residents and ratepayers quick and convenient contact with the City. Service delivery will be driven from the Neighbourhood Service Centres and will focus on the specific needs of the community – rather than a one size fits all approach.

The City's agenda will be delivered through its programs – both core and non-core. Core programs are those which are expected of local councils and are undertaken by most, if not all, councils in NSW.

Existing core programs comprise:

- Street cleaning;
- Street and footpath management;
- Parks management;
- Street tree management;
- Domestic waste services;
- Community and Recreation services;
- Civic services;
- Library services;
- Traffic management;
- Land use planning;
- Development control;
- Law enforcement;
- Health regulation;
- Building regulation;
- Civic Property management;
- Stormwater management.

Given the imminent completion of the first round of competitive tendering, Council has an opportunity to review service levels and the efficiency and effectiveness of delivery of all of its services. Accordingly, service enhancements are being pursued, but these must be offset by new efficiencies.

There is scope for improvement in core services. This is even more important if the City's boundaries are to expand.

4. ENHANCED NON-CORE PROGRAMS AND SERVICES

Non-core services are those which are not expected of local government and hence not undertaken by most Councils. However the City of Sydney undertakes a range of non-core programs such as:

- Graffiti removal;
- Homeless support;
- the City Safety Program;
- the Community Grants program;
- the Cultural Grants program;
- the Events Program;
- New Year's Eve;
- the Public Art Program;
- Cultural infrastructure provision and management including the Capitol Theatre, the City Recital Hall, Customs House, and the Asian Arts Centre in the Corporation Building;
- the Street Banner program;
- the City Flower program;
- the provision of on-street and off-street parking;
- Parking enforcement in Pyrmont;
- City Retail Support.

(a) Graffiti removal

The City currently removes graffiti from City owned buildings and structures and from structures owned by EnergyAustralia and the Roads and Traffic Authority. Under agreements with those agencies the City's graffiti removal contractor removes all posters, graffiti and stickers from their public infrastructure within 24 hours. This has led to a dramatic improvement in the visual amenity of the City.

However, the City's capacity is significantly restricted by the very limited cooperation of private building owners where most of the graffiti occurs. To improve the services jurisdictional change must occur.

The City is seeking power from the State Government to allow it authority to remove graffiti from publicly accessible private property on an equitable basis. Also, the City is cognisant of the importance of this issue in the inner city, and its further relevance should City boundaries expand.

(b) Programs for the Homeless

The City of Sydney not only leads Australian local government in assisting homeless persons, but provides programs equal to, if not exceeding, the current capabilities of State and Federal agencies.

The City now is recognised not only as a credible deliverer of assistance to the homeless, but in fact a lead agency in this field. The opportunity now exists for the City to enhance its role in this important area. Areas the City can develop include:

- Expansion of the Street Outreach Service in partnership with the State Government agencies, such as the extension into Woolloomooloo at the invitation of the State Government;
- Enhancement of the Emergency Accommodation Brokerage program;
- New strategies for dealing with the chronic homeless, whose needs are not being met by current services, in partnership with DOCS;
- Enhance the statewide role of the City's Homeless Persons Information Centre through joint partnership with the State Government;
- Lead the way in the analysis of the City and Statewide homelessness problem and developing responses to the key issues, based upon the City's unequalled database on homelessness.

(c) The City Safety program

The Safe City Program has set the benchmark for local government public safety and crime prevention programs. It underpins the City's work to make our streets, parks and communities safer and more friendly. It also has laid strong foundations for cooperation and interaction between the City of Sydney and its local police commands.

According to the NSW Bureau of Crime Statistics, in a 2001 report on the City Safety program: "Sydney has become a safer city over the last few years according to those who live and work in it". The report went on to say its findings were "consistent with the Strategy preventing an increase in crime".

The City now has an opportunity to develop further initiatives based on the strong progress achieved to date:

- Undertake research and consultation to identify needs and opportunities to enhance "Safe City" through new initiatives and programs – especially in the light of potential boundary changes which could bring areas such as Kings Cross, under City administration;
- Act as a catalyst for new relationships between City stakeholders and the NSW Police Service. For example, advocate and assist with the development of alternative strategies for dealing with alcohol-related crime;

- Develop a drug action plan for the City of Sydney in consultation with the Police and other stakeholders;
- Enhance and formalise interaction between the City of Sydney and local police commands in areas such as urban planning, licensing, law enforcement and, street cleansing to enhance public safety;
- Expand the role of the City's Law Enforcement officers to complement the role of police on the streets and also to provide a liaison function with the community to provide and receive information regarding crime and other community concerns;
- Develop "Safer By Design" guidelines for architects and developers in relation to commercial developments in the city;
- Continue the Safe Taxi Ranks program for key Taxi ranks in the City;

(d) Community and Cultural grants

One of the challenges facing the City of Sydney following the 2000 Olympic Games is to create a rich and varied social and cultural infrastructure for city residents, workers and visitors alike. Local government has a key role to play in the development of cultural initiatives; a role which is different from but complementary to the role of state and federal government.

The City contributes substantial funding to community and cultural groups through its grants program.

Over the next five years, the City of Sydney will focus on unlocking opportunities to develop new artistic endeavours that can grow into uniquely Sydney events. We will entertain partnerships with City stakeholders to create and promote major cultural events in the City. These events may be initiatives of the City of Sydney, such as New Year's Eve, or external events such as the Sydney Film Festival.

We will also continue our support of smaller cultural initiatives relevant to local community groups in the LGA. This support may act as a catalyst for new ideas to be implemented; ideas which may develop and grow into new events on the City's cultural calendar.

The City is moving away from being merely a funding body and towards stronger partnerships with existing cultural institutions. We will continue to initiate and promote opportunities to create cultural opportunities that build on Sydney's cultural heritage and uniqueness.

It is proposed that these programs be continued, based on the following principles:

- That programs continue to be divided into two broad categories:
 - small local undertakings of direct benefit to the local community and,
 - cultural and community events or programs of unquestionable benefit to the City as a whole;

- That the City explicitly not fund staff positions in external organisations;
- That the City seek events where its involvement substantially adds value to the staging of an event of importance to Sydney;
- That the City not dilute its effectiveness by attempting to fund excessive numbers of organisations or events;
- That the City favour cultural events that add distinctiveness and excitement to Sydney

(e) The provision of parking

The management of parking meters has been an ongoing issue for Council, a key concern being the downtime of meters caused by vandalism.

It is proposed that the General Manager be directed to give the improvement of this area high priority, including the possible introduction of new technology.

A related issue is Council's operation of its parking stations, particular to ensure compatibility of pricing policies with City planning policies designed to discourage peak hour congestion.

In this regard it is proposed that the new tender for the management of the Goulburn Street Car Park includes requirements that address Council's policy objectives, such as peak hour pricing.

The City will pursue options for providing easy access weekend parking by using tenant car spaces in appropriate buildings, as part of a review of parking and retail strategies.

(f) Parking enforcement

Responsibility for all street parking enforcement in our Local Government Area is expected to be transferred to the City of Sydney soon.

In the transition period over the past two years the level of enforcement has declined dramatically. Effective parking enforcement is vital to the City's street and traffic management role – to discourage commuter parking and encourage short stay parking for those seeking to shop or do business in the CBD, and to minimise congestion caused by traffic bottlenecks.

It is proposed that when the Parking Officers are transferred to our jurisdiction, the City shall give high priority to greatly improving the efficiency and effectiveness of parking enforcement, with major gains to be achieved within six months. This should include the phased introduction of hand-held computer technology.

5. ENHANCEMENT OF THE CITY'S UNIQUE ATTRIBUTES

The most vibrant cities around the world are identifiable by their ability to capitalise on their unique attributes, be they geographical, historical, social or cultural. Sydney, with its harbour, relaxed lifestyle and multicultural demography is well placed to take advantage of these features in developing its own uniqueness.

The City of Sydney seeks to develop its cultural and community calendar around these attributes.

This has resulted in initiatives such as:

- New Year's Eve, which has achieved world renown;
- The Sydney Festival;
- The City's commitment to public art, involving expenditure of over \$8m over the last five years alone in addition to the restoration of many monuments;
- City parades;
- The Cabaret Convention;
- Chinese New Year;
- Support for the Sydney Film Festival and Tropfest

In choosing its involvement in new cultural opportunities the City must determine whether an event either provides excitement to the City or has the potential to grow into a strong and uniquely Sydney event.

Future opportunities could include:

- A Festival for Youth which combines performance and participation and includes music, dance and theatre;
- An Art and New Media Event;
- A Festival of Dance;
- Joint ventures with the major Australian galleries and museums;
- A City-based Indigenous cultural event.

Sydney also has gained from the City's provision of Cultural Infrastructure, including the Capitol Theatre, the City Recital Hall at Angel Place, Customs House, and the Corporation Building.

In recent times the City has been exploring the redevelopment of the Museum Of Contemporary Art and West Circular Quay. The Museum is intended to contain a Moving Images Centre and give the city a new and vibrant cultural institution that will attract a substantial international profile. The City's objective also is to activate West Circular Quay.

The City also is pursuing the transformation of Lower Town Hall, as a significant and much needed new cultural venue.

6. EXPANDING CIVIC AND COMMUNITY INFRASTRUCTURE

Despite the successful completion of the biggest capital works program ever seen in Central Sydney, there is still much to be done to improve the urban infrastructure of the city. Our focus will be the creation of new cultural and recreation facilities and more open spaces in the city.

In the past ten years, the City has built a suite of modern, state-of-the-art recreation and community facilities. The challenge for the next five years is to maximise the usage of these facilities, while delivering a range of services that improve our residents and ratepayers' health and well-being.

Short to Medium Term Projects

There are a number of significant projects that will be substantially implemented within the next three years:

- (a) Establishing a new Surry Hills Park.

The City will finalise negotiations to transform the current Sydney Police Centre Car Park in Goulburn Street, Surry Hills into a park comprising almost 1 ha. of open space. The new park will be of tremendous benefit to the 5000 local residents living within the area bordered by Wentworth Avenue, Oxford Street, Flinders Street and Albion street. Until now they have had possibly the least amount of parkland per person in Australia,

- (b) Upgrading the Observatory Hill precinct

The City proposes to restore Observatory Hill, currently dissected by the Cahill Expressway's approach onto the Sydney Harbour Bridge. By covering the Cahill Expressway cutting, the area's currently segmented open space will be reunified and enhanced. The City also proposes restoring the Meteorological Building for active and cultural uses.

- (c) Build a new aquatic centre in Ultimo

The City is committed to the construction of an Aquatic centre for residents and ratepayers in Pyrmont/Ultimo. To be located on the site of the former AML&F Woolstore, this \$20-24 million facility will provide an Olympic-size pool, and leisure and hydrotherapy pools.

- (d) Upgrade of the Andrew Boy Charlton Pool

The Andrew 'Boy' Charlton pool in Woolloomooloo Bay is a Sydney icon. The City of Sydney currently is embarking on a \$9 million restoration of the pool and its facilities to enhance its appeal and practicality through better design and technology.

- (e) Upgrading Prince Alfred Park

The City will review the future of Prince Alfred Park with a view to improving its utility and public usage. Opportunities exist to achieve a consolidation of active uses on the northern edge including tennis and basketball courts, a skateboard ramp and, if feasible, a

swimming pool, some limited ancillary car parking, and the restoration and enhancement of the rest of the park for passive uses.

- (f) The enhancement of Sydney Town Hall including Sydney Square and the DrUITT Street frontage;

Sydney Town Hall currently has significant access and useability problems. For example disabled access is available only through the DrUITT Street/Basement entrance, with access to the upper gallery of the Centennial Hall only available through the Council Chamber.

Likewise the public are not well served by current toilet facilities, poor acoustics and seating in the Council Chamber and access to the City's shopfront services including the Library in Town Hall House.

Medium to Long Term Projects

Other projects which will be addressed within 3-5 years, but are slated for implementation at a later date include;

- (a) The Upgrading of Wentworth park. This requires the removal of greyhound racing from Wentworth Park to allow reunification of the grounds and establishment of new sporting fields and passive recreation areas.
- (b) The creation of a new and expansive civic square opposite Sydney Town Hall.
- (c) The City Gateways Project which is predicated on changes to the City boundaries and involves:
- the upgrade of William Street to establish a major civic boulevard;
 - the upgrading of Oxford Street;
 - the upgrading of Broadway.

As the City has done in the past, the program of works will be achieved, where appropriate, in partnership with the private sector and the State and Commonwealth Governments.

7. ACHIEVING DESIGN EXCELLENCE IN THE BUILT ENVIRONMENT

The City has led the way in improving planning controls in recent years, and has been recognised for its efforts, having been awarded the 1999 RAlA President's Award for our City Plan, and the National Planning Minister's Award the following year.

Among the City's achievements have been the adoption of stronger residential amenity controls, and most importantly, the introduction of design excellence provisions and competitive design processes for major development city developments.

However, effective achievement of design excellence for new city buildings, and the improvement of the standard of urban and architectural design in the City, also requires legislative backing. In view of this, the City will seek to:

- Amend the Environment Planning & Assessment Act to provide powers to consent authorities to require design competitions or competitive design processes in appropriate circumstances, and to strengthen the powers of consent authorities with respect to urban design issues.

Moreover, given the multiplicity and complexity of planning controls in the City's local government area, and the limitations and impediments these impose on the City's planning functions, the City will also seek to:

- Rationalise the number and complexity of planning controls in the City's local government area, consolidating the various layers of planning instruments into a single planning document, including the merger of Local Environmental Plans and Development Control Plan- consistent with the State's recently announced initiative, Planfirst;
- The creation of a hierarchy of development control within the new plan to increase certainty in the development process and strengthen the City's ability to withstand appeals to the Land & Environment Court;
- Review the consent authority roles within our local government area, and advocate the maximisation of delegations to the City from the Minister for Urban Affairs and Planning;
- Tighten planning controls on licensed premises containing gaming machines.

8. IMPROVING ACCESS

Central Sydney is the most accessible location in the metropolitan area. However, growth in the City's population and workforce puts an ever-increasing strain on the finite capacity of the CBD's roads and footpaths.

Over recent years, the City has implemented a range of significant improvements that improve access while balancing the often competing needs of city users, be they pedestrians, private motorists, commercial vehicles or public transport.

Footpaths have been widened to improve pedestrian amenity. Access to the harbour foreshores and Darling Harbour has been improved, although much still needs to be done in the latter case. Amendments to the City's planning policies have been introduced to divert the supply of off-street parking spaces away from long-stay parking for commuters, and towards short-term parking access for retail and entertainment purposes.

This has further increased demand for public transport, particularly buses and trains. While public transport authorities are under State control, the City of Sydney was the first municipality to introduce a substantive network of bus priority lanes, as well as safe taxi ranks for commuters.

There remain significant measures that can be achieved in the next few years:

(a) **Reaping the benefits of the Cross City Tunnel.**

The Cross City Tunnel will dramatically improve transport flow and CBD amenity given that approximately half of all East-West traffic on our streets is “through traffic” heading to destinations other than the city. We must seize every opportunity to maximise the benefits to city traffic and pedestrian amenity the tunnel will bring.

(b) **Managing city traffic during Cross City Tunnel construction**

Management of the city road network during tunnel construction will be a difficult task, given disruption to CBD streets, requiring significant effort and cooperation between the City and State.

The City, because of its wider responsibility to city stakeholders, must take a leading role in identifying and resolving traffic issues arising during the Tunnel’s construction phase so as to minimise the impact on the city.

(c) **Light Rail Extension**

The City will work cooperatively with the State Government to review the possible extension of the Light Rail to Circular Quay and other alternative enhancements of city transport following completion of the Cross City Tunnel.

(d) **Coach layover facilities**

The ongoing growth in buses and tourist coaches in the city has created a demand for layover facilities. While a new layover has just been established on the western edge of the CBD, the City will aim to establish another layover, on the eastern edge, in the Domain Carpark. The City will continue to pursue other options to improve coach storage and management.

(e) **Access Study**

The City has already achieved significant improvements in access to the CBD. Additionally we will undertake an access study for Central Sydney focussing on practical and achievable initiatives. As a beginning, a program will be introduced to provide disabled-friendly footpath ramps at all major intersections within three years. Access for bicycles also will be reviewed.

(f) **Improved public transport**

The City is a strong and vocal advocate of the importance of improved public transport services and infrastructure. The City has identified and will continue to propose public transport innovations such as new CBD train stations, higher capacity station platforms, improved access to Ferry Services and improved taxi services.

9. ADDRESSING ENVIRONMENTAL SUSTAINABILITY

Sydney is arguably one of the most beautiful cities in the world. We must work to protect its beauty by creating a sustainable city and environment. As the local government

authority responsible for Sydney, we must show the necessary leadership in responding to issues of environmental sustainability.

Ecologically sustainable development (ESD) principles need to be permeated into our everyday policy, programs and practice. To that end, we intend to focus on five key areas of Council activity where we can make a difference:

New Developments and major refurbishments

We will strengthen environmental standards for all new developments and major refurbishments in the city. To achieve this, the City will look at amending planning controls, and also use educational and promotional strategies.

Environmental performance of existing building stock

The City will establish programs with other agencies to influence the environmental performance of existing building stock.

Public spaces

We will improve the City's public spaces through effective and appropriate management plans incorporating recognised sustainability principles.

Transport and mobility

The City is a major partner in the future planning and management of traffic in and around the city – as such we must look at strategies for improving mobility and reducing emissions.

Water and Air Pollution

Over the next two years the City will undertake a assessment of air pollution levels within the City and the City system's contribution to water pollution.

Provision of services

An integral part of improving the quality and efficiency of our core services over the next 5 years will be setting environmental targets for those services. As the City's contracts come up for renewal, environmentally sustainable development targets and criteria will be integrated into the new contracts.

10. JURISDICTIONAL REFORMS

Local government has a vital role to play in improving its citizen's quality of life, but is currently constrained from doing this by a flawed structure and a raft of inadequate legislation. That is why the City has become such a strong advocate for local government reform.

There are a number of key areas that the City seeks substantive and meaningful jurisdictional reform:

(a) Local government boundaries

As put to the 2001 Inquiry into the Structure of Local Government, the City believes that the current structure of local government is preventing local councils delivering good government to their local communities.

Local government boundaries in the inner city must be substantially reformed so that local councils can produce and deliver efficient services; maintain and provide infrastructure; are financially sustainable; provide effective community access and participation; provide the best policy-making and planning and reunite communities.

The following projects or initiatives mentioned above are either wholly or partly dependent on City boundary changes:

- City Gateways project (William St, Oxford St, and Broadway);
- The Domain Coach Lay-over;
- Expansion of Safe City program to inner City areas;
- Further expansion of homeless programs to inner city areas;
- Expansion of its graffiti program.

(b) Reform of Development Appeals system

The current system of development appeals must be reformed to make it more accountable and provide more consistent decision making. The Land & Environment Court should not be able to override the planning and environmental policies of democratically elected councils, nor 'stand in the shoes' of Councils, except where Councils have failed to make a decision.

The City will continue to strongly argue for substantive reform of the Land and Environment Court. It has proposed a development appeals system which is less costly, quicker and fairer. It will provide much needed consistency and certainty and restore confidence in the system and has received widespread support for its campaign – both from other local councils and the public.

(c) Graffiti removal

Most graffiti occurs on private buildings or buildings not owned by the City, hence the City has limited legal power to clean graffiti.

The City has proposed an amendment to the relevant legislation to gain the power to remove graffiti from publicly accessible exterior walls of private property. This is a sensible and sound amendment that can only improve the amenity of the city and undoubtedly would receive widespread public support.

(d) Commercial waste and litter reforms

There are certain areas in the city which consistently generate high levels of waste and litter. A disproportionate use of Council resources, and therefore ratepayer's money, is required to maintain acceptable levels of cleanliness in these locations.

To improve the cleanliness of these areas and fairly share the cost burden the City seeks the authority to enforce improved cleaning of footpaths of errant premises.

This could be done by requiring the property owners or lessees to enter into a commercial waste contract; or allowing the City to recover its costs for the additional cleaning required near these locations.

In view of this, the City will seek legislative reform to obtain the authority to ensure improved cleaning of footpaths outside such premises by requiring relevant owners/lessees to enter into commercial cleaning contracts, or other such arrangements, to achieve an acceptable standard of cleanliness in the vicinity of their premises.

Where they fail to enter into such agreements or arrangements the City will seek authority to recover costs for any disproportionate level of services that are required to be provided in order to maintain the cleanliness and amenity of the area at an acceptable level on an ongoing basis.

There are also activities and sites in the City which result in accumulation and dumping of waste in the public domain. It is evident that a number of errant firms do not have adequate waste removal contracts in place. Council, however, has no means of verifying that firms have such a contract where it is asserted that a private supplier is being used.

As a result, Council is required to remove this waste at ratepayers' expense.

In view of this, Council will seek legislative reform for the authority to require evidence of current commercial trade waste contracts or arrangements. Where a firm is unable to demonstrate that they have a satisfactory commercial trade waste contract or arrangement in place, Council will seek the right to provide the service to that firm on an ongoing basis and recover costs accordingly.

(e) Improving the City's ambience

Part of being a Living City means having a safe, pleasant and vibrant city life that is active 24 hours a day. Achieving the right mix of late night uses is critical to the living city.

The changes to the licensing laws several years ago has led to an explosion in the number of gambling machines and venues. Late night dining is starting to occur but is inhibited by licensing restrictions, labour laws (eg after midnight penalty rates) and the habits of city workers, residents and visitors.

The City wants more cultural events, venues, cafes and restaurants operating late night as well as more lifestyle related late night uses other than those offered by the sex and gaming industries.

The City believes that progress could be made by deregulating the liquor licensing industry so that smaller businesses such as restaurants and cafes can serve alcohol with snacks and meals. Deregulation would be along the similar lines to that which occurred in Melbourne several years ago.

This has resulted in the flourishing of new, smaller wine bars that cater to a new and different market to traditional licensed premises. The ability of small, presently unlicensed premises, to serve alcohol with food and snacks will promote the goal of late night dining venues in the city.

The City seeks a review of the liquor licensing legislation and planning laws in NSW to encourage:

- Lifestyle changes and late night dining
- The establishment of bars with a greater degree of customer amenity and free of gaming machines
- Prohibit the growth of any more gaming machines
- Limit the location of auto-teller machines within or near gaming venues
- Requiring compulsory warning and welfare assistance information signs near all gaming machines;

(f) Wentworth Park

The City has long advocated the removal of greyhound racing from Wentworth Park, and the creation of a major new harbour side park for residents, providing much needed passive and active recreation facilities.

To enable this project to commence, the State Government must secure the agreement of the greyhound racing clubs to relocate at the end of their current licence agreement or sooner. This may require support for the establishment of a suitable greyhound racing facility in an appropriate location in western or Greater Sydney.

Moreover, upon effecting the relocation of greyhound racing, the Government must return responsibility for the management of Wentworth Park, including those areas currently under the de facto control of the racing clubs, to the City of Sydney.

The City is committed to pursuing this important goal with the NSW Government.

(g) Observatory Hill project

As previously outlined, the City proposes upgrading the Observatory Hill precinct. In order to facilitate this, the City requires control over the entire precinct (including the Meteorological Building and adjacent lands) preferably by way of a long term lease. Once this has been achieved, a plan of management will be prepared and works can be scheduled thereafter.

11. FINANCE

The funding for the City's recurrent initiatives are provided for in the Budget and foreword estimates.

A number of the capital initiatives also are funded in the forward estimates. All initiatives can be funded from surpluses over time.

Available City funds will increase substantially within two years with the complete elimination of debt payments and commencement of income from the QVB lease estimated to achieve about \$7m per annum.

However, acceleration of this program requires further funding initiatives. In summary, additional funds may be sourced from the following;

- The sale of St Peters Tip;
- The sale of the Wattle Street depot, subject to clarification of requirements in the event of boundary expansion;
- The sale of other properties

The disposition of funds depends on the order in which the projects are able to be achieved. In this regard it should be noted that early retirement of Council's Smartpole agreement with Energy Australia would require additional resources.

The property implications of these initiatives are further discussed in the confidential Minute on "Property Issues Arising From City Strategies"

12. FURTHER ORGANISATIONAL IMPROVEMENTS

A vital component of achieving our Strategic Directions over the next 5 years will be a well focused, innovative, cost effective and skilled organisation. An outstanding job was done during the City Care and Olympic period. This tradition will be enhanced through further investments in staff and systems to promote an organisation ready to meet the challenges and opportunities of a World City in the 21st Century.

To take advantage of the increasing global environment, the Council organisation must be dynamic, and innovative in its management and performance. The organisation must demonstrate excellence with strong core values such as responsiveness and integrity. We have been, and will continue to be, a benchmark in Local Government management and systems.

Further reforms will be undertaken in a number of areas to enhance organisational capacity at the same time as ensuring value for money. A major project will be to improve Customer Interface areas to provide a seamless and responsive 'face' to our many customers and clients.

This will include strategic IT investments and possible partnering with other key agencies to deliver a customer-centric organisation that eventually will provide a 24 hour/ 7 day a week information and service processes. The identification of these strategic eGovernment interventions in the provision of access and infrastructure will gear the organisation to provide a transparent and accessible public operation and provide internal efficiencies. Council will be keen to ensure that such investments be sustainable, cost effective and support the wider Global City initiatives.

The next 5 years will be crucial in establishing Sydney's position as a 'clever' city connected both internally and externally. The goals in these Strategic Directions recognise that the organisation both directly and indirectly has to be 'fit for purpose' to meet both the direction of the Council, and community aspirations and needs. Notwithstanding the real needs for agile management systems and IT initiatives, a clear

stewardship function will continue to be emphasised on the core operations to ensure a functioning, safe and attractive City environment.

13. CONCLUSION

The City's achievements in recent years leave it well placed to capitalise on its proven abilities as a service provider, a project manager, and advocate for reform and an organisation the demonstrates compassion, cultural awareness and an ability to seize opportunities.

While some major challenges now lie behind us, as unmitigated successes, there are now many new goals we can strive for. This paper has identified some of them – both in a macro and micro sense – to give the City and its stakeholders a true appreciation of the opportunities we can embrace.

I encourage this Council, the administration and the workers, residents and visitors who are part of the City of Sydney to embrace our call to unlock the opportunities of the years ahead.

The City's capacity to achieve many desired and exciting gains is predicated on jurisdictional changes and/or land transfers.

Some of these projects will take 5, 10 or even 15 years to achieve. But most cannot be achieved if the jurisdictional and other barriers are not removed in the near future.

RECOMMENDATION:

That the Minute by the Lord Mayor entitled "Strategic Directions 2001-2005 – Unlocking Opportunities for the Future" be endorsed, and the Lord Mayor and General Manager be authorised to pursue the initiatives and policies outlined herein.

(SGD) COUNCILLOR FRANK SARTOR
Lord Mayor

Moved by the Chairman (the Lord Mayor), seconded by Councillor Turnbull -

That arising from consideration of a Minute by the Lord Mayor to the Extraordinary meeting of Council on 21 June 2001 on Strategic Directions 2001-2005 - Unlocking Opportunities for the Future, it be resolved that the subject Minute by the Lord Mayor be endorsed, and the Lord Mayor and General Manager be authorised to pursue the initiatives and policies outlined therein.

Amendment moved by Councillor Greiner, seconded by Councillor Ho -

That the motion be amended by the deletion of the entire motion and the substitution of the following new motion -

That arising from consideration of a Minute by the Lord Mayor to the Extraordinary meeting of Council on 21 June 2001 on Strategic Directions 2001-2005 - Unlocking Opportunities for the Future, it be resolved that -

- (A) the subject Minute by the Lord Mayor be noted, and
- (B) to ensure accountability and the public interest being met, actions and policy initiatives in relation to the Strategic Directions 1-12 as noted in the body of the Minute be the subject of reference and discussion with Councillors prior to the formulation of any policy alterations.

The amendment was lost on the following show of hands -

Ayes (2) - Councillors Greiner and Ho

Noes (4) - the Chairman (the Lord Mayor), Councillors Coulton, Marsden and Turnbull.

Amendment lost.

The motion was carried on the following show of hands -

Ayes (4) - the Chairman (the Lord Mayor), Councillors Coulton, Marsden and Turnbull

Noes (2) - Councillors Greiner and Ho

Motion carried.

ITEM 3. REVIEW OF DELEGATIONS OF AUTHORITY

FILE NO:

DATE: 19/6/01

MINUTE BY THE LORD MAYOR

To Council:

Council has delegated authority to carry out its function in two modes:

- (a) Through Standing Delegations to the Lord Mayor (Schedule A), the General Manger (Schedule B), and to Standing Committees of Council namely the Planning, Development and Transport Committee, and the Priorities and Outcomes Committee;
- (b) Through specific delegations that arise from time to time (Schedule C);

All of the current delegations under all of the above categories are attached.

As can be seen there is a myriad of specific delegations that have built up over time. The need for such delegations will continue to arise from time to time but it is important that they be reviewed annually.

It is proposed that all of the specific delegations in Schedule C be revoked, and replaced with those delegation on issues that are still current as listed in Schedule D.

It is also proposed that specific delegations given for the entering into of contracts do not extend indefinitely to allow the variation of such contract over time. From time to time delegations given to the General Manager, such as those contained in the proposed Employee Remuneration and Benefits Policy, are not intended to be sub-delegated. These delegations mainly involve the General Manager.

There are also a number of delegations that arise with the adoption of each budget, mainly concerning expenditure of contingency funds, consultancy expenditures and expenditure on ad hoc grants. These are intended to become standing delegations.

RECOMMENDATION:

Arising from this Lord Mayor's Minute it is recommended that:

- (A) all delegations granted by Council, other than standing delegations (including those in Schedule C) be revoked;
- (B) Council approve the delegations listed in Schedule D;
- (C) the General Manager's standing delegations be amended as highlighted in bold in Schedule B;
- (D) the Lord Mayor's standing delegations be amended as highlighted in bold in Schedule A;
- (E) all the issue specific delegations be reviewed by Council annually in June;
- (F) the delegation contained in the Reports to this meeting of Council, including the Budget, the Strategic Direction Minute, the Employee Remuneration and Benefits Policy, the Property Issues arising from City Strategic Directions be incorporated in the new delegations schedule as appropriate.

(SGD) COUNCILLOR FRANK SARTOR

Lord Mayor

Moved by the Chairman (the Lord Mayor), seconded by Councillor Turnbull -

That arising from consideration of a Minute by the Lord Mayor to the Extraordinary meeting of Council on 21 June 2001 on Review of Delegations of Authority, it be resolved that -

- (A) all delegations granted by Council, other than standing delegations (including those in Schedule C to the subject Minute by the Lord Mayor) be revoked;

- (B) Council approve the delegations listed in Schedule D to the subject Minute by the Lord Mayor, subject to an amendment to section 2 of Schedule D as provided to the meeting;
- (C) the General Manager's standing delegations be amended as highlighted in bold in Schedule B;
- (D) the Lord Mayor's standing delegations be amended as highlighted in bold in Schedule A;
- (E) all the issue specific delegations be reviewed by Council annually in June;
- (F) the delegations contained in the Reports to this meeting of Council, including the Budget, the Strategic Direction Minute, the Employee Remuneration and Benefits Policy, the Property Issues arising from City Strategic Directions be incorporated in the new delegations schedule as appropriate.

Carried unanimously.

Note - The Lord Mayor's standing delegations, the General Manager's standing delegations and specific delegations as approved by Council are as follows:

DELEGATIONS OF AUTHORITY

Schedule A**DETERMINATION OF THE FUNCTIONS AND POWERS OF THE LORD MAYOR**

Subject to compliance with existing Council policies and decisions and pursuant to Section 226 and Section 377 of the Local Government Act 1993 and as a matter of policy, Council delegates to the Lord Mayor, on an ongoing basis, the following powers and functions, additional to those contained in the Local Government Act 1993 and the City of Sydney Act 1988:

1. General and Policy Direction

- (a) to direct the General Manager, except as otherwise provided by the Local Government Act 1993;
- (b) to carry out such other functions and exercise such powers, as Council may determine from time to time;
- (c) to exercise the ongoing delegations to the Lord Mayor contained in policies adopted by Council.

2. Management of Council meetings and business

- (a) the authority to call and schedule meetings of Council and Council Committees, briefings and inspections;
- (b) to determine the agendas for all meetings of Council and Council Committees, subject to the Local Government Act 1999 and the Local Government (Meetings) Regulation 1993 and any other Act or Regulation, except where Council determines that a specific item be placed on its agenda;
- (c) the power to expel a person or persons from a meeting is delegated to the Lord Mayor or to another Chairman of the meeting in respect of a Council meeting and to the Chairman of each Council Committee of which all members are Councillors in respect of a meeting of that Committee.

3. Expenditure

- (a) to approve all expenditure from contingency funds, provided it is within the terms of the budget adopted by Council, after consultation with the General Manager;

DELEGATIONS OF AUTHORITY

- (b) to approve all reasonable travel by Councillors and staff to destinations outside Australia, and all expenses associated with overseas travel and Council related business attended to, subject to such expenditure being reported in the annual report as well as in quarterly performance reports to Council;
- (c) to determine requests for grants and donations, such as venue hire discounts and ad-hoc requests from charities, subject to budget constraints.

4. External relations and representations

- (a) to approve all press statements and publications issued on behalf of Council, unless Council determines otherwise on a specific issue;
- (b) to determine who should represent Council on external organisations and committees and inter-agency working parties (subject to consultation with the General Manager where staff are involved), and at civic ceremonial and social functions, where the Lord Mayor is unable to attend and Council has not determined its representative(s).

5. Organisational Accountability and Performance Management

- (a) to oversee the performance of the General Manager, and that of the organisation and program areas within the organisation, subject to prior consultation with Councillors prior to completion the General Manager's annual performance review, and to generally ensure that the organisation is accountable for its actions and performance;
- (b) to negotiate and settle terms of a contract of employment with the General Manager including determining the appropriate remunerations, bonuses and incentives, and inform Councillors accordingly;
- (c) To vary the terms of any contract of employment with an existing General Manager, and in the case of substantial changes, after consultation with Councillors;
- (d) To settle performance standards, and plan, and carry out performance reviews, of the General Manager, after consultation with Councillors;
- (e) To approve the payment of any performance bonus or incentive to the General Manager;
- (f) To take other quasi administrative actions involving the General Manager including, but not limited to, approval of annual leave;
- (g) To suspend the General Manager at short notice for serious causes and, only after prior consultation with Councillors, to terminate the General Manager's employment;

DELEGATIONS OF AUTHORITY

- (h) To negotiate and settle termination arrangements with the General Manager, including any termination payments to be made;
- (i) To accept the resignation of the General Manager;
- (j) to have direct access to Council's audit and review functions;
- (k) to obtain direct access to all Council files and records, and reports;
- (l) to obtain direct and independent advice relevant to Council functions, all such cases to be reported to Council, where appropriate.

6. Mayoral and Civic Role

- (a) in respect of the Office of the Lord Mayor, to:
 - i. determine the structure of the Unit
 - ii. allocate expenditure within the Unit, not exceeding the global budget of the Unit approved annually by Council
 - iii. determine the number and description of all staff positions
 - iv. be fully and formally consulted in respect of the appointment (or dismissal) of all staff
 - v. direct staff within the Unit and allocate tasks;
- (b) To carry out the civic and ceremonial functions of the Lord Mayoral office, pursuant to the provisions of the Local Government Act 1993.

7. General authority of Council during recesses

- (a) To exercise, during recesses of Council, the powers, authorities, duties and functions of Council other than:-
 - i. those reserved to the Council itself by Section 377 of the Local Government Act 1993;
 - ii. those powers and functions delegated to the General Manager by Council resolution on 21 June 2001;

DELEGATIONS OF AUTHORITY

with such delegations to be effective from midnight on the day of the last Council meeting prior to a recess period as approved by the Council, up to the time of commencement of the first Committee meeting at the conclusion of the recess period, and any such decisions made by the Lord Mayor pursuant to such delegation to be reported on a weekly basis in the Councillors' Information Service.

DELEGATIONS OF AUTHORITY

Schedule B

DELEGATION OF AUTHORITY TO THE GENERAL MANAGER

Sydney City Council:

- A. Recognises that certain functions are conferred on the General Manager by the Local Government Act 1993; and
- B. Delegates to the person holding the position of General Manager its functions under the Local Government Act 1993 and any other legislation conferring functions on the Council, except –

Powers otherwise dealt with:

- 1. the functions which are required by or under the Local Government Act 1993 or by or under any other Act or instrument to be performed by the governing body of the Council;
- 2. functions and authorities delegated to the Lord Mayor or to Committees of Council;

Policy and procedure

- 3. power to make or amend Council policy;
- 4. witnessing the affixing of the Common Seal of the Council;
- 5. release for public exhibition and comment of any plan or policy, which is required by legislation to be exhibited;
- 6. the sub delegation of authority in matters where Council requires the authority to be executed by the General Manager directly;
- 7. the exercise of authorities and functions in a manner not consistent with the policies and decisions of Council;

Budget and resource allocation

- 8. approving or varying Council's budget;
- 9. the allocation of revenue gains outside the budget;
- 10. any variation of approved expenditure that goes beyond one operating unit;

DELEGATIONS OF AUTHORITY

11. the setting and variation of priorities for Council's programs, including priorities relating to the Capital Works program, studies, policy development programs and other initiatives specified by Council;
12. the variation of any external contract, deed or agreement, approved by Council, the Lord Mayor, or the General Manager, except the expenditure of specific project contingency allocations within approved budgets and minor variations which may be undertaken with the concurrence of the Lord Mayor;
13. in relation to any new capital works item and any other capital works item specified by Council in the budget approval process:
 - the approval of project briefs
 - the appointment of consultants
 - the approval of final design
 - the approval to commence works;
14. determination of applications for grants, donations and concessions, to charities, cultural and other organisations;
15. any expenditure from contingency funds within the annual budget except with the approval of the Lord Mayor, and excepting those relating to projects referred to in Clause 12 above;

Organisational Structure and Personnel Matters

16. the approval of the organisation structure at Director level;
17. the appointment of senior staff (that is, Director level positions) unless prior consultation with Council has occurred;
18. structural changes involving M3 managers, unless the Lord Mayor's concurrence is first obtained;
19. the appointment of staff to unit manager (M3 level) positions, unless prior consultation with the Lord Mayor has occurred;
20. entering into any enterprise agreement or altering personnel policies that would affect a class of employees and would have ongoing implications for Council in terms of cost or service delivery;

Council Operations and Services

21. carrying out new non-core services not already being undertaken at the date of this resolution of Council;

DELEGATIONS OF AUTHORITY

22. significant variation of any existing Council service that would have ongoing implications for Council in terms of cost or service delivery;
23. contract specifications relating to matters such as service levels and design;
24. setting or altering fees and charges, excluding amounts or fees and charges payable for services provided on a commercial basis;

Property, Land Use and Related Matters

25. granting of leases or licences, and approving applications for use of public land or crown land excluding:
 - i. leases on Council's commercial properties with rental valued at less than \$100,000 per annum;
 - ii. those involving the use of a footway or part of a crown reserve which is based on a license revocable at any time, and which conforms with Council's policies;
 - iii. those involving the erection of a hoarding which is for a period not exceeding three years and which confirm to Council's policy on hoarding;
 - iv. those relating to a temporary use of public land or crown land (including parks and open spaces) not exceeding one week;
26. adoption of a plan of management for community land;
27. matters relating to community land pending the adoption of a plan of management;
28. granting of owner's consent to the lodgement of an application to carry out development on property or land (including roads) owned or managed by Council except where such development involves:
 - i. alterations or additions to the fit-out or internal fabric or appearance of the building;
 - ii. minor changes to the external fabric or appearance of the building;
 - iii. a use based on a licence from Council that is revocable at any time, such as tables and chairs on a footway and that such consent is given on the basis that it does not fetter Council's discretion as consent authority.

Cultural

29. the development or formation of relationships with other cities, including sister city agreements;
30. the approval of civic and ceremonial events;

DELEGATIONS OF AUTHORITY

31. the granting of civic honours;

Planning and development

32. determination of applications for development consent under the Environmental Planning and Assessment Act 1979 involving the erection of a building of more than three storeys;

33. determination of applications for approval to demolish a heritage item or for the award of Heritage Floor Space;

34. determination of applications for approval to demolish a residential building;

35. determination of applications for consent or approval which involve a variation under s82 of the Local Government Act 1993 of a prescribed standard or a Council policy;

36. determination of applications for approval to construct a bridge or tunnel.

DELEGATIONS OF AUTHORITY

Schedule D

Ongoing Delegations and Updated Specific Delegations

Section 1: Remake of delegations where action is ongoing

Date of previous Council decision (if any)	Subject	Delegation to	Updated delegation
21.02.00	Underground Public Conveniences	General Manager	That arising from consideration of a report by the Priorities and Outcomes Committee to Council on 21 February 2000, authority be delegated to the General Manager to finalise lease terms and conditions for the adaptive re-use of underground public conveniences.
21.02.00	Walsh Bay Development Site	General Manager	That arising from consideration of a report to Council on 21 February 2000, authority be delegated to the General Manager to undertake negotiations, on the basis of the resolution of Council on 21 February 2000, in relation to dedication of lands to the City of Sydney.
03.04.00	Capitol Theatre Management Board	Lord Mayor	That arising from consideration of a Minute by the Lord Mayor to Council on 3 April 2000, authority be delegated to the Lord Mayor to determine the City's remaining membership on the Capitol Theatre Management Board from time to time.

DELEGATIONS OF AUTHORITY

Date of previous Council decision (if any)	Subject	Delegation to	Updated delegation
05.06.00	DA Observatory Park, The Rocks	Lord Mayor and Chair of the Planning Development and Transport Committee	That arising from consideration of a report by the Specialist Planner to the Planning Development and Transport Committee on 29 May 2000 in relation to Development Application D2000/00196 made by the Trustee, Museum of Applied Arts and Sciences, for the site at the Observatory Park, Sydney, for continued use of an existing marquee for museum related activities and special events, authority be delegated to the Lord Mayor and the Chair of the Planning Development and Transport Committee to determine the application in accordance with the outcome of the procedures instigated in accordance with Section 115J of the Environmental Planning and Assessment Act 1979 should this be necessitated.
26.06.00	Automatic Public Toilets	Priorities and Outcomes Committee	That arising from consideration of a memorandum by the General Manager to Council on 26 June 2000 regarding Automatic Public Toilets, authority be delegated to the Priorities and Outcomes Committee to, having considered an analysis of public benefit or otherwise of a trial application of fee for use of APTs, extend or discontinue the trial, or to approve continuing charges for APT use.

DELEGATIONS OF AUTHORITY

Date of previous Council decision (if any)	Subject	Delegation to	Updated delegation
24.07.00	Martin Place Amphitheatre	Lord Mayor	That arising from consideration of a Minute by the Lord Mayor to Council on 24 July 2000, authority be delegated to the Lord Mayor to review the policy for the operation of the Martin Place Performance Space and amend and clarify it from a practical standpoint. The review will have regard to the City's cultural events calendar, as well as private and community sector requests and have as a core objective minimising the obstruction of the west-east vista in Martin Place. This must not be violated by the use of the erected stage, the use of which must be minimised and limited to weather protection.
24.07.00	Ultimo Pedestrian Network	General Manager	That arising from consideration of a Memorandum by the General Manager to Council on 24 July 2000, on Ultimo Pedestrian Network, it be resolved that: (A) authority be delegated to the General Manager to negotiate the terms of an agreement to be entered into by Council, Sydney Harbour Foreshore Authority, University of Technology Sydney, and Department of Education and Technology; (B) authority be delegated to the General Manager to conclude negotiations with the Sydney Harbour Foreshore Authority on transfer matters as referred to in the subject Memorandum by the General Manager, provided that Council is not in a worse financial position by virtue of the creation of the SHFA, or by the agreement of these matters within the limitations of the Local Government Act.

DELEGATIONS OF AUTHORITY

Date of previous Council decision (if any)	Subject	Delegation to	Updated delegation
14.08.00	King Street Wharf Development	General Manager	That arising from consideration of a report by the Section Manager, City Asset Maintenance to the Finance Properties and Tenders Committee on 7 August 2000 on Wharves 9 and 10 Darling Harbour (King Street Wharf) Development: Dedication of Roads to the City of Sydney, authority be delegated to the General Manager to undertake negotiations on the basis of the resolution of Council of 14 August 2000.
04.09.00 and 05.10.00	ABC Pool and Prince Alfred Park Pool	General Manager	<p>That arising from consideration of a Minute by the Lord Mayor to Council on 4 September 2000 and a report by the Deputy General Manager to Council on 5 October 2000,</p> <p>(A) authority be delegated to the General Manager to negotiate and enter into a contract with a suitable operator for the management and operation of Prince Alfred Park Pool for the 2000/2001 summer season;</p> <p>(B) authority be delegated to the General Manager to negotiate an agreement for the management and operation of Andrew “Boy” Charlton (ABC) Pool to RANS Management Group on the following terms:</p>

DELEGATIONS OF AUTHORITY

Date of previous Council decision (if any)	Subject	Delegation to	Updated delegation
			<p>(C)</p> <ul style="list-style-type: none"> (i) RANS to manage ABC Pool for 3 years, being 2000/2001 season, 2002/2003 season and 2003/2004 season; assist with the development of the final design and documentation for the construction of the refurbished ABC Pool and the oversight of completion of the project; (ii) a 2 year option for the management and operation of the ABC Pool extending to the 2004/2005 and 2005/2006 seasons at the discretion of the City; (iii) a further 2 year option for the management of the ABC Pool extending to the 2006/2007 and 2007/2008 seasons at the discretion of the City; (iv) should the City not exercise its options for the 2004/2005 and 2005/2006 seasons in favour of RANS, the City will compensate RANS for any capital upgrade of its equipment and other improvements, excluding normal operational improvements and furniture and fittings, up to \$100,000.00 subject to the presentation of appropriate documentation by RANS; (v) the City will contribute \$20,000.00 for start up, establishment and promotion for the initial 2000/2001 season.

DELEGATIONS OF AUTHORITY

Date of previous Council decision (if any)	Subject	Delegation to	Updated delegation
11.09.00	Museum of Contemporary Art	General Manager	<p>That arising from consideration of a report by the Co-ordinator Special Projects, City Projects to the Extraordinary Meeting of Council on 11 September 2001, on the tender for the Stage 1 - Consultant and Stage 2 - Architect-in-Association for the Museum of Contemporary Art Redevelopment and Sydney Harbour Moving Image Centre Project,</p> <p>(A) Council delegate authority to the General Manager to negotiate with the tenderers referred to in paragraph 23 of the subject report for Stage 1 - Consultant for the Museum of Contemporary Art Redevelopment and Sydney Harbour Moving Image Centre Project;</p> <p>(B) Council delegate authority to the General Manager at the conclusion of negotiations to enter into a contract for Stage 1 - Consultant to undertake the services in accordance with the provisions of the Brief and the associated deed, subject to the concurrence of the Lord Mayor;</p> <p>(C) Council delegate authority to the General Manager to negotiate with the tenderers referred to in paragraph 24 of the report for Stage 2 - Architects-in-Association for the Museum of Contemporary Art Redevelopment and Sydney Harbour Moving Image Centre Project; and</p> <p>(D) Council delegate authority to the General Manager at the conclusion of negotiations to enter into a contract for Stage 2 - Architect-in-Association to undertake the services in accordance with the provisions of the Brief and the associated deed, subject to the concurrence of the Lord Mayor.</p>

DELEGATIONS OF AUTHORITY

Date of previous Council decision (if any)	Subject	Delegation to	Updated delegation
27.11.00	DA: Phillip Lane	Lord Mayor	<p>That arising from consideration of a report by the Specialist Planner to the Planning, Development and Transport Committee on 20 November 2000 and to Council on 27 November 2000 on DA by Lend Lease Development Pty Ltd for upgrading work to Phillip Lane, Sydney, it be resolved that authority be delegated to the Lord Mayor to determine the Development Application having regard to</p> <ul style="list-style-type: none"> (A) the finalisation and submission to Council of accurate costing of the various elements of the development; (B) the applicant ensuring the reservation of adequate funds (from the \$1 million amount required to be spent on the Phillip Lane area by Lend Lease Development Pty Ltd) to facilitate the future provision of lighting over Phillip Lane by Lend Lease Development Pty Ltd; and (C) draft conditions of consent in Attachment F to the subject report.
18.12.00	Prince Alfred Park - Compulsory Acquisition	General Manager	<p>That arising from consideration of a report by the Director Legal and Secretariat to Council on 18 December 2000 on Prince Alfred Park Matters Arising from Completion of New Southern Railway, authority be delegated to the General Manager to finalise and enter into an agreement between SRA, Council and the Prince Alfred Park Reserve Trust in relation to the compulsory acquisition.</p>

DELEGATIONS OF AUTHORITY

Date of previous Council decision (if any)	Subject	Delegation to	Updated delegation
29.01.01	New Year's Eve Celebrations	Lord Mayor	That arising from consideration of a Minute by the Lord Mayor to the Extraordinary Meeting of Council on 29 January 2001 and 30 January 2001, on Agreement to Conduct New Year's Eve Celebrations 2001-2005, authority be delegated to the Lord Mayor to negotiate agreements with all the relevant State agencies to secure the City's rights.
19.03.01	Sydney Police Centre, Goulburn Street, and Surry Hills - Carparking area	Lord Mayor	<p>That arising from consideration of a Memorandum by the General Manager to the Extraordinary Meeting of Council on 19 March 2001 on Sydney Police Centre, Goulburn Street and Surry Hills - Carparking area, authority be delegated to the Lord Mayor to finalise an agreement with the State Government and any relevant parties to ensure that:</p> <ul style="list-style-type: none"> (i) EnergyAustralia 'relocates' its proposed substation from 70-72 Commonwealth Street Surry Hills to the Sydney Police Centre carpark and purchases the land required for this purpose; (ii) payment for the land in question by the City of Sydney shall have regard for when the site becomes available for construction of parkland, is no longer required by EnergyAustralia for tunnelling or construction purposes, and is free of car parking associated with the Sydney Police Centre, estimated to be about 31 March 2003; (iii) EnergyAustralia is able to utilise Council's land for the purposes of tunnelling their service duct for about 2-3 years from the date of the agreement; and (iv) a park will be built on Council's land within two years of obtaining full possession of the site.

DELEGATIONS OF AUTHORITY

Date of previous Council decision (if any)	Subject	Delegation to	Updated delegation
02.04.01	Lease - Slip Street, Sydney near Bristol Arms Hotel	General Manager	That arising from consideration of a report by the Senior Property Manager to the Finance, Properties and Tenders Committee on 26 March 2001, on Slip Street, Sydney adjoining the rear of 81 Sussex Street, Bristol Arms Hotel Proposed Lease, authority be delegated to the General Manager to determine the use and if necessary grant a lease of the subject land having regard to the conditions recommended in the subject report.
02.04.01	DA 5-11 Bridge Street, Sydney	General Manager/Chair Planning Development and Transport Committee/Chair Access Committee	That arising from consideration of a report by the Specialist Planner to the Planning Development and Transport Committee on 26 March 2001, with regard to the provision of access for persons with disabilities at the Burns Philip Building, 5-11 Bridge Street, Sydney, authority be delegated to the General Manager, in consultation with the Chair of the Planning Development and Transport Committee and the Chair of the Access Committee, to determine the final design and the implementation schedule of the garaventa.

DELEGATIONS OF AUTHORITY

Date of previous Council decision (if any)	Subject	Delegation to	Updated delegation
09/04/01	Media Partners, New Year's Eve	General Manager	<p>That arising from consideration of a report by the Manager Cultural Affairs and Events to the Extraordinary meeting of Council on 9 April 2001, on Media Partners, Sydney New Year's Eve Celebrations, it be resolved that-</p> <p>(A) Council confirm its delegation of authority to negotiate and enter into agreements with the preferred Media partners in each of television, radio, print and internet media for Sydney New Year's Eve (2001-2005) to the General Manager subject to the Lord Mayor's concurrence.</p> <p>(B) In the event of the preferred Media Partner in any medium withdrawing from negotiations with the City or negotiations failing to proceed in a timetable satisfactory to the General Manager, authority be delegated to the General Manager, subject to the Lord Mayor's concurrence, to negotiate and enter into an agreement with another appropriate media organisation for its appointment as the City's Media Partner for Sydney's New Year's Eve (2001-2005).</p> <p>(C) Council's Attorney be authorised to execute all relevant documents with each of the Media Partners, State Government Agencies and other appropriate bodies in respect of Sydney's New Year's Eve event.</p> <p>(D) This resolution be kept confidential until the key agreement referred to in clauses (B) and (C) above have been executed.</p>

DELEGATIONS OF AUTHORITY

Date of previous Council decision (if any)	Subject	Delegation to	Updated delegation
07.05.01	DA 232-236A Elizabeth Street, Surry Hills	Lord Mayor	<p>That arising from consideration of a report by the Specialist Planner to the Planning Development and Transport Committee in relation to Development Application D/2001/140 made by Rucksack Pty Ltd on 30 April 2001 for the site at 232-236A Elizabeth Street for demolition of the existing building and construction of a new 9 level backpacker hostel building,</p> <p>(A) subject to (B), authority be delegated to the Lord Mayor to determine the application on receipt of the concurrence, or otherwise, of the Department of Urban Affairs and Planning, as required by SEPP 10;</p> <p>(B) subject to obtaining the concurrence of the Department of Urban Affairs and Planning, the Lord Mayor determine the development application having regard to the draft conditions contained in the subject report and as shown in the resolution of Council on 7 May 2001, and any other conditions which may be imposed by the Department of Urban Affairs and Planning.</p>
04.06.01	255 Pitt Street, Sydney Hilton Hotel/Capital Centre - owners consent, road closure and transfer of title	General Manager	<p>That arising from consideration of a report by the Senior Property Manager to the Finance Properties and Tenders Committee on 28 May 2001, on Land within DP 602102 adjoining 255 Pitt Street, Sydney Hilton Hotel/Capital Centre - Road Closure and Transfer of Title, it be resolved that authority be delegated to the General Manager to negotiate the consideration for the transfer of title of the land within DP 602102, subject to the concurrence of the Lord Mayor</p>

DELEGATIONS OF AUTHORITY

Date of previous Council decision (if any)	Subject	Delegation to	Updated delegation
04.06.01	Christmas Decorations and Graphic Designs for 2001-2003	General Manager	That arising from consideration of a report by the Project Manager, City Projects, to the Cultural and City Care Committee on 28 May 2001, on Christmas Decorations and Graphic Designs for 2001-2003, it be resolved that authority be delegated to the General manager to negotiate agreements and enter into contracts with contractors for the procurement, installation and dismantling of the 2001-2003 Christmas Graphic and Decorations Program, as outlined in the subject report
04.06.01	Proposed Development Plans: 98 and 110 Goulburn Street, Sydney	Lord Mayor	That arising from consideration of a report by the Area Planning Manager to Council on 4 June 2001 in relation to the redevelopment of 98 Goulburn Street and 110 Goulburn Street, Sydney it be resolved that authority be delegated to the Lord Mayor to authorise the notification and advertisement of the draft Development Plans as required by Clause 28C(3) of Central Sydney Local Environmental Plan 1996.

DELEGATIONS OF AUTHORITY

Section 2: Updated specific delegations relating to key City projects and jurisdictional reforms

There is a need to update specific delegations relating to the key City projects and jurisdictional reforms that are outlined in the Lord Mayor’s Minute, Strategic Directions 2001-2005. The following delegations give the Lord Mayor the necessary authority to pursue and advocate measures to implement those projects and reforms.

Date of previous Council decision (if any)	Subject	Delegation to	Updated delegation
29/01/01 09/04/01	New Years Eve	Lord Mayor	<p>That further to Council’s New Year’s Eve related approvals (meeting of the City of Sydney Council on 29/01/01 and 09/04/01) that authority be delegated to the Lord Mayor to:</p> <ul style="list-style-type: none"> • approve media partner and sponsor contracts, and agreements with the State and relevant agencies, for the organisation and staging of the City’s New Year’s Eve event for a term of up to and including five years and; and • do all other things necessary for the City to stage successful events during this term; or • withdraw the City’s involvement from the New Year’s Eve event if adequate arrangements are not achieved

DELEGATIONS OF AUTHORITY

Date of previous Council decision (if any)	Subject	Delegation to	Updated delegation
11/09/00	Museum of Contemporary Art	Lord Mayor	<p>That further to previous resolutions of Council, further authority be delegated to the Lord Mayor to:</p> <ul style="list-style-type: none"> • pursue design development of the project to achieve development approval, subject to consultation with State Government representatives; • negotiate final agreements with State Government, The University of Sydney and the MCA Board to be approved by Council; or • withdraw from the project if considered appropriate to do so, and conclude any exit arrangements. <p>This authority does not extend to final approval to proceed with the project, which decision shall be made by Council.</p>

DELEGATIONS OF AUTHORITY

Date of previous Council decision (if any)	Subject	Delegation to	Updated delegation
21/05/01	Boundary changes	Lord Mayor	<p>That further to Council's in principle support of Commissioner Sproats' report (Meeting of City of Sydney Council 21/05/01) authority be delegated to the Lord Mayor to:</p> <ul style="list-style-type: none"> • further advocate and campaign for boundary changes in line with Council resolution arising from the Sproats Report; • negotiate and finalise any necessary transfer or other arrangements relating to boundary changes determined by the State Government
27/06/00	Development Appeals campaign (Land & Environment Court)	Lord Mayor	<p>That authority be delegated to the Lord Mayor to:</p> <ul style="list-style-type: none"> • continue the City's campaign for legal and administrative reforms to the system of development appeals, including advocacy, research, and negotiations for change, and make further submissions consistent with Council's previous submissions to the Working Party headed by Jerold Cripps, QC.
	Transfer of the Parking Police	Lord Mayor	<p>That authority be delegated to the Lord Mayor to:</p> <ul style="list-style-type: none"> • negotiate and finalise any agreements with the Police and Treasury relating to the transfer of parking enforcement to the City including agreements relating to revenue sharing and transfer of Parking Patrol Officers to the employ of the City

DELEGATIONS OF AUTHORITY

Date of previous Council decision (if any)	Subject	Delegation to	Updated delegation
	Graffiti Removal	Lord Mayor	<p>That authority be delegated to the Lord Mayor to:</p> <ul style="list-style-type: none"> • negotiate with the State Government to pursue changes to either the Local Government Act or the City of Sydney Act to allow the City to remove graffiti from publicly accessible exterior walls of private property and other related and necessary legislative changes
15/12/97	Upgrade of Wentworth Park	Lord Mayor	<p>That authority be delegated to the Lord Mayor:</p> <ul style="list-style-type: none"> • to negotiate with the State Government and other involved organisations to upgrade Wentworth Park, including negotiations for the relocation of the greyhound racing track.

ITEM 4. STAFF ORGANISATIONAL STRUCTURE

FILE NO:

DATE: 15/6/01

MEMORANDUM BY THE GENERAL MANAGER

To Council:

PURPOSE:

To confirm the Organisational Structure in the context of the final 2001/02 budget considerations.

BACKGROUND:

A previous General Manager's Memorandum of 11 April 2001 outlined the requirements on Council to determine the organisation's structure and other staff matters (Attachment A)

Council resolved various matters (see Attachment B) with a proviso that:

“matters of delegation of authority and organisational structure be further reviewed in the context of the final budget in June.”

PROPOSAL

1. The updated organisational chart is now attached and includes staff numbers.
2. The issues of delegation in the previous Council Resolution (Attachment B) have been incorporated into the review of Lord Mayor and General Manager delegations and reparked separately into this budget consideration
3. It is intended that Council now confirm the attached Organisational Chart consistent with the previous Resolution.

STAFF ESTABLISHMENT:

The table in the attached Organisational Chart (Attachment C) indicates the movement in staff numbers over the last 4 years. It is proposed that Council note the establishment number and the direction to the General Manager, unless by separate Resolution of Council, to remain within this establishment ceiling. Separate reference is made in the Budget Statement to reviews which may decrease the need for permanent establishment.

OPTIONS:

1. Organisational Establishment

Council to approve this ceiling on a lower number. The implications of the latter is to determine where changes will be made.

2. Organisational Structure

To reconfirm the structure as outlined in Attachment C.

CRITICAL DATES

Simultaneous with the Budget.

POLICY IMPLICATIONS

Relevant to the Budget considerations.

FINANCIAL IMPLICATIONS

Current and future budgets.

ECONOMIC, SOCIAL AND ENVIRONMENTAL IMPLICATIONS

None.

CONSULTATION

Not applicable.

RELEVANT LEGISLATION

Local Government Act 1993.

CONCLUSION

It is proposed that Council consider and adopt the recommendation hereunder.

RECOMMENDATION:

That arising from consideration of a Memorandum by the General Manager to Council on 21 June 2001 on Staff Organisational Structure:

- (A) Council confirm the Organisational Structure as shown on the Attachment dated 12 June 2001 in accordance with Sections 332(1) and 333 of the Local Government Act 1993.
- (B) Council approve a maximum ceiling of 699 permanent EFT and annual average of x casual for the structure with the expectations that reduction may prudently occur over the year arising from various efficiencies expected.

- (C) The Council be informed on a quarterly basis (starting 30 June 2001) on establishment and current staffing levels within.

(SGD) MURRAY DOUGLAS
General Manager

Moved by the Chairman (the Lord Mayor), seconded by Councillor Turnbull -

That arising from consideration of a Memorandum by the General Manager to the Extraordinary meeting of Council on 21 June 2001 on Staff Organisational Structure, it be resolved that -

- (A) Council approve the Organisational Structure shown at Attachment C to the subject Memorandum by the General Manager in accordance with Sections 332(1) and 333 of the Local Government Act, subject to:
- (i) the merger of Contract and Assets Management and City Projects being trialed for one year, to assess whether the disparate functions under this Director achieve satisfactory performance levels;
 - (ii) the Organisational Structure being submitted annually (in June) to Council for confirmation;
 - (iii) the General Manager updating all Councillors quarterly, with the organisational structure including staff numbers against every unit and Division;
- (B) the General Manager be directed to reduce permanent and casual staff numbers in accordance with the Budget Statement 2001-2002 as adopted by Council, and to report quarterly to the Lord Mayor and Councillors on staff numbers;
- (C) a general staff employment freeze be imposed, with the exception of Director and M3 positions currently vacant, and necessary parking officer recruitment arising from the transfer of the parking enforcement functions to the City of Sydney (with the size of this unit to be agreed between the Lord Mayor and the General Manager), provided that exceptions to this rule may be made with the concurrence of the Lord Mayor, and that the employment freeze shall be in force until 1 January 2002 unless resolved otherwise.

Carried unanimously.

ITEM 5. SUSSEX LANE, SYDNEY - OWNERS CONSENT TO LODGE DEVELOPMENT APPLICATION IN RELATION TO 'KENS' SITE (S06-03169)

Moved by the Chairman (the Lord Mayor) seconded by Councillor Greiner -

That arising from consideration of a report by the Director, City Development to the Extraordinary meeting of Council on 21 June 2001 on Sussex Lane, Sydney - Owners Consent to Lodge Development Application in respect to 'KENS' site, and having particular regard to:

- (i) the unsatisfactory outcomes of the Land and Environment Court approval of a 3 tower residential development, in terms of urban design and residential amenity, and
- (ii) the social and environmental benefits of the current commercial development designed by Mr Richard Johnson of Johnson Pilton Walker (Architects), (formerly of Denton Corker Marshall), in terms of the open public space at the northern end of the site, the well mannered urban form, and the design excellence exhibited by the winning competition scheme,

it be resolved that:-

- (A) Council grant its consent, as landowner of Sussex Lane, to the lodgement of Stage 1 and Stage 2 development applications for the KENS site based on the winning competition design by Richard Johnson;
- (B) Council authorise the General Manager to commence the necessary legal and administrative procedures to close and transfer the location of Sussex Lane; and
- (C) Council direct the General Manager not to finalise the closure of Sussex Lane or the transfer of the lane to the owners of the KENS site unless and until : -
 - (i) the Stage 1 and Stage 2 development applications for the subject development have been approved and the period for challenge of the legality of the consents has lapsed;
 - (ii) Council is satisfied that there is a legally binding contract to construct the development;
 - (iii) A deed of agreement is executed between Leighton, the land owner of the KENS site, and the City in which :-
 - (a) the City will undertake to transfer title of Sussex Lane to the owner of the site subsequent to the resolution of the issue of consideration for the incorporation of Sussex Lane within the development, and upon receipt of the transfer to the City of title of the new relocated Sussex Lane; being no less in width or length than that of the existing Lane;
 - (b) the developer undertakes to construct the new Sussex Lane including landscaping and lighting, at cost to the developer and to a design approved by Council; and

- (c) the landowner undertakes to dedicate to Council a 9m width of land, or some other width as approved by the Lord Mayor, unlimited in height and depth, to the east of the relocated Sussex Lane for the purpose of a pedestrian thoroughfare to Kent Street. The dedication is to become operative prior to the issue of certificate of occupation for the development.
- (D) In the event that a new relocated Sussex Lane is created, Council requests the General Manager to classify it as operational land;
- (E) authority be delegated to the General Manager directly to negotiate the consideration for the transfer of title of the land, provided that such delegation is only to be exercised subsequent to consultation with the Lord Mayor.

Carried unanimously.

ITEM 6. PLANFIRST - SUBMISSION TO DEPARTMENT OF URBAN AFFAIRS AND PLANNING (S019021)

Note - no report had been submitted to the Extraordinary meeting of Council on this matter.

Moved by the Chairman (the Lord Mayor), seconded by Councillor Greiner-

That in relation to the proposal to make a submission to the Department of Urban Affairs and Planning on 'Planfirst', and bearing in mind the timetable for receipt of submissions at the Department of Urban Affairs and Planning, it be resolved that

- (A) The Director City Development be requested to circulate a re-drafted submission to all Councillors;
- (B) authority be delegated to the Lord Mayor to approve the submission to the Department of Urban Affairs and Planning, provided Councillors have been given 48 hours to comment.

Carried unanimously.

Closed meeting

At 5.40 pm the Council resolved -

That, due notice of the intention to close the meeting having been given, the meeting be closed in accordance with the provisions of -

Section 10A(2)(a) of the Local Government Act 1993 to discuss Item 7 on the agenda as this matter comprised discussion of personnel matters concerning particular individuals; and

Section 10A (2)(c) of the Local Government Act 1993 to discuss Item 8 on the agenda as this matter comprised discussion of information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business;

and it was further resolved that the meeting be closed for these items on the basis that discussion of these matters in open session would, on balance, be contrary to the public interest, specifically, there was a need to preserve confidentiality having regard to the subject matters and the circumstances of communications.

Items 7 and 8 were then dealt with by the Extraordinary meeting of Council while the meeting was closed to the public.

ITEM 7. EMPLOYEE POLICY – REMUNERATION AND BENEFITS

Moved by the Chairman, the Lord Mayor, seconded by Councillor Turnbull -

That arising from consideration of a Memorandum by the General Manager to the Extraordinary Meeting of Council on 21 June 2001 on Employee Policy - Remuneration and Benefits, it be resolved that proposals A, B, & C contained in the subject Memorandum by the General Manager, as amended at the Extraordinary meeting Council, be adopted and that the contents of the Memorandum not be reproduced in the Minutes of Council except for this recommendation.

Carried

Note - the Employee Policy - Remuneration and Benefits as adopted at the Extraordinary meeting of Council is as follows:

EMPLOYEE POLICY - REMUNERATION AND BENEFITS

EMPLOYEE POLICY - REMUNERATION & BENEFITS

The staffing of Councils is undertaken under Chapter 11 of the Local Government Act 1993.

As previously noted in a discussion about the organisational structure, it is Council that determines this structure and those positions within that structure that are declared senior staff positions. In addition, Council is required under s332(1) to determine the resources to be allocated towards the employment of staff. S332(1) states:

‘A council must determine:

- An organisation structure
- Those position within the organisation structure that are senior staff positions
- The resources to be allocated towards the employment of staff.’

In this regard, the budget document tends to be the appropriation methodology.

Under Part 2 of the same chapter, the General Manager has as a particular function to:

“Appoint staff in accordance with the organisational structure and the resources approved by Council (and)

- to direct and dismiss staff; and
- to implement the Council’s Equal Employment Opportunity Management Plan.”

In the case of senior staff, both the appointment and the dismissal is a matter of consultation with Council.

In regard to senior staff s338 indicates that a maximum of a 5 year term and no less than a 12 month arrangement including the possibility of renewal is required.

Council in its delegations to the General Manager of September 1999, provides various powers but excludes entering into any Enterprise Agreement or altering personnel policies that would effect the class of employees and would have ongoing implications for Council in terms of cost or service delivery.

EMPLOYEE POLICY - REMUNERATION AND BENEFITS

1. Statement of Purpose

The aim of this Policy is:

- 1.1 To ensure that remuneration practices attract, reward and retain competent, motivated and qualified employees.
- 1.2 To link pay and performance by rewarding contributions and efforts through a fair and consistent remuneration programme.
- 1.3 To provide guidelines for salary packaging for senior officers (as defined in the Local Government Act) and the establishment of remuneration for senior officers as well as general remuneration for all other staff.
- 1.4 To give clear direction to the General Manager to manage staff matters in accordance with the Act and for appropriate times to report, consult and take specific advice where matters may affect the allocation of Council resources in the employment of staff.
- 1.5 To ensure operating units of Council remain competitive to similar external service providers.

2. Background

The Council of the City of Sydney employs staff under various arrangements:

- 2.1 Management levels 1, 2 (M1-General Manager, M2-Director) are employed on fixed term performance based contracts in accordance with the senior officers' provisions of the Local Government Act. These officers are employed outside the City's Award provisions with terms and conditions specified within the individual contracts.
- 2.2 Management level 3 (M3-Manager) are employed on fixed term performance based contracts within the terms and conditions of the City of Sydney Wages/Salary Award 1998 at Salary Band 9 or 10. Performance Management is applied through the provisions of employment contracts.
- 2.3 Management level 4 (M4-Cordinator/Team Leader) are employed on fixed term performance based contracts as per the Award depending on the term of employment and/or the level of authority and responsibility associated with the position. Usually between Salary Band 7 and Salary Band 8. Performance management is applied through policy and Award provisions ranging from 0-3%-5% outcomes depending on assessed outcomes.
- 2.4 Other Salaried Division staff (white collar) are employed under Award Salary Band groups where positions are evaluated to determine remuneration rates between Salary Bands 1 to 6. Performance management is applied through policy

EMPLOYEE POLICY - REMUNERATION AND BENEFITS

and Award provisions ranging from 0-3%-5% outcomes depending on assessment outcomes.

- 2.5 Wages Division staff (blue collar) are employed under Award fixed rates of pay consistent with their employment classification. No performance pay progression exists for these staff, however they receive profit share where applicable and Enterprise Agreement KPI bonuses.
- 2.6 The Award provides the terms and conditions of employment for staff with specific differences for Wages and Salary staff based on previous Awards and arrangements with Unions. Annual wage increases are provided through Enterprise Agreement 2001.

3. Strategy Targets and Expectations

- 3.1 The Council of the City of Sydney's remuneration strategy will be integrated between the reward system, human resource strategies and the organisational strategic goals set out in the Corporate Plan and the Annual Budget, and as manifested through the General Manager's annual Performance Plan. These will reflect the Council of the City of Sydney's commitment to organisational development and continued improvement.
- 3.2 Within the remuneration strategy, the objectives of the program are to:
- Identify and encourage superior performance and effort;
 - Maintain competitive practices and market clarity;
 - Address anomalies, complexities;
 - Ensure fairness, consistency and remuneration equity; and
 - Ensure cost effective and accountable employment practices.
- 3.3 Remuneration paid to staff will be based on competitive practice and market rates and reflect the relative size, accountability and contribution of the individual's position and Council, through regular job evaluations.
- 3.4 Generally, Council will pay competitive remuneration which may be in the upper quartile of any remuneration survey (both public and private) for some sections of Council where this is necessary for strategic reasons. This reflects the high expectation of the capacity and skills of staff.
- 3.5 Job evaluation techniques will be used to ensure pay equity principles are maintained and to clarify and measure the relative worth of the positions within the organisation. This measurement is expressed in terms of "job points" and will be used to determine the remuneration grade. This determination can then be used to compare market rates (both public and private) and external relativities.

EMPLOYEE POLICY - REMUNERATION AND BENEFITS

- 3.6 Market rates information and salary survey data will be attained through independent sources (eg. Australian Institute of Management National Salary Survey). This information can then be used as a means of determining whether the Council remuneration levels are competitive and to maintain the desired level of competitiveness or desired market stance for the particular service required by Council.
- 3.7 Positions currently falling outside of the established remuneration ranges for job valuations, will be addressed annually and remuneration reviews in order to realign positions to the market over three years.
- 3.8 This policy will apply to all staff either directly in their contract arrangements or through enterprise bargaining arrangements.
- 3.9 Positioning
- Salaries will be established within the following criteria –
- (a) The intention to be competitive with public sector comparisons and, if appropriate, with private sector comparisons;
 - (b) The intention is to be a leader in terms of staff excellence; and
 - (c) Relativity will be maintained within the hierarchy of positions.
- 3.10 In setting salaries the General Manager must be mindful of the average and aggregate costs of employees to Council, and adhere to the policy outlined in Section 13 of this policy.

4. Procedures

- 4.1 Remuneration reviews may be undertaken when:
- A job changes significantly through work / organisational reviews; or
 - At time of recruiting; or
 - At least every three years.
- 4.2 Performance Management
- Managing performance will be done through common measurements against the Corporate Management Plan associated with individual work plans which realign back to the Corporate Management Plan and the General Manager's Performance Plan.
- 4.3 Performance management pay increases currently work at three levels in the Council:
- 4.3.1 Executive – as per Contract provisions

EMPLOYEE POLICY - REMUNERATION AND BENEFITS

4.3.2 M3 – as per contract provisions or Award provisions

4.3.3 M4 & Other Salaried Award staff – as per Award provisions

4.4 A performance management approach is undertaken through a separate performance management policy which is attached.

5. Bonuses

5.1 Arising from the performance management program (excluding M2 and M3 positions), a bonus of up to 5% may be recommended by the manager where performance has been exceptional to a prior agreed work plan. Unless separately agreed by contract or in an EBA, this payment is to be made as a one-off sum and cannot be committed in advance. All recommendations will be considered for approval directly by the General Manager.

5.2 Special bonuses may be paid for situations approved by the General Manager eg. to encourage one-off improvement in workplace practices eg. reduction in sick leave. Such bonus' should generally reinforce sustainable outcomes, but should be temporarily tied to performance. (ie. they cease when performance lapses.)

5.3 A bonus system may be introduced as part of the EBA negotiations with Council approval and in accordance with the Act. If this occurs at other times, and the effect would increase the total sum allocated to salaries, the General Manager may introduce appropriate changes with the approval of the Lord Mayor or Council.

5.4 All bonuses proposed to be paid to M2 and M3 staff under their individual employment contracts may be up to 15% (0 or 7.5% or 15%) related to a one off annual review, require the explicit approval of the General Manager (not to be delegated), and, in relation to M2, are subject to prior consultation with the Lord Mayor.

5.5 The General Manager must obtain and examine regular reports of all bonuses paid to all employees.

6. Remuneration Packaging

6.1 Staff employed under fixed term contracts will have total remuneration based on a Total Employment Cost (TEC) which is defined to include:

- Base or cash salary;
- Pre-tax employer's superannuation contributions;
- Pre-tax employee superannuation contributions;
- Pre-tax Council vehicle in accordance with the Council of Sydney's Motor Vehicle Policy;
- Any other salary sacrifice agreed between the employee and the General Manager.

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- 6.2 The employee shall meet any tax or additional charges resulting from salary sacrifice arrangements. Eg. a contribution tax for defined members.
- 6.3 A maximum of 50 per cent of the total employment costs may be taken as benefits.
- 6.4 Staff on fixed term contracts wishing to change their remuneration package arrangements may do so in writing at any time. Council shall not unreasonably refuse such a request.
- 6.5 Packaging of remuneration for staff not on fixed term contracts will be limited to sacrificing 30 per cent of their salary to superannuation. As this benefit effectively reduces Award rates of pay when applied. The benefit is necessarily applied to the City's Award through the provisions of Enterprise Agreement 2001.

7. Retention Bonus

- 7.1 From time to time a retention bonus may be deemed appropriate subject to the following conditions:
- (a) Any such arrangement requires the direct approval of the General Manager (this is not delegable), and the concurrence of the Lord Mayor;
 - (b) The extent of the bonus will generally be in the range of 15-25% of the total remuneration for the last year of service before the applicable date, but must not exceed 50%;
 - (c) Any employee on such a scheme will only become eligible for the payment provided the employee works up until the designated final date without taking more than one week of leave (of any kind) during the last month, and no more than two weeks of leave (of any kind) during the last three months;
 - (d) the retention bonus cannot be offered:
 - i. as per of the recruitment process; and
 - ii. until the employee has been employed by Council for at least six months.

8. Delegations/Authority

- 8.1 Managers will conduct the annual performance reviews against the prior agreed written performance plan/goals and job requirements which will be used for remuneration reviews. (Council by delegation to the Lord Mayor reviews the General Manager's Performance and Performance Plan and any remuneration arrangements.) All staff Performance Plans must be consistent with, and assist the achievement of, the General Manager's Performance Plan.
- 8.2 Directors in consultation with the Employee Services Unit will review all management performance review (M3/M4) to ensure consistency when determining increases.

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9. Employees Classified within “Bands”

- 9.1 M3 positions will be initially evaluated by the banding classification committee convened by Employee Services. The evaluated outcome shall then be compared against market rates as previously detailed in this Policy.
- 9.3 All Salaried Division positions below M4 will be classified in accordance with award Salary Band ranges by a banding classification committee convened by the Employee Services Unit.
- 9.4 Positions currently falling outside of established classification band ranges will be addressed annually and remuneration reviews in order to realign positions to the industry/market.
- 9.5 Market trends may require a position to be paid at a rate higher than the recommended classification. When this occurs, the position will return to the correct classification when the position next becomes vacant; unless the trend requires otherwise. The General Manager shall directly approve such variations.
- 9.6 Employees will move through the bands based upon:
- Performance progression outcomes that meet established objectives; and
 - Utilisation of development/training; and
 - Satisfactory service; and
 - Meeting core competencies; and
 - Any employment agreement.
- 9.7 Reclassification to a higher band can only occur following the identification of increased responsibilities and accountabilities. Reclassification will be in accordance with Award provisions, and will be determined by the job evaluation process convened as required by the Employee Services Unit.

10. General Manager’s Remuneration

- 10.1 The General Manager’s remuneration package is determined at Level 6 in the Senior Executive Service. Adjustments from time to time will be made by the Statutory and Other Officers Remuneration Tribunal.
- 10.2 Under standing delegations of authority, the Lord Mayor has discretion to approve performance related increases above the band as well as Bonus against an Annual Performance Plan .

11. Directors’ Remuneration

- 11.1 Divisional Directors are critical to the organisation. As senior staff, their appointment is subject to consultation with Council.

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- 11.2 Whilst an appropriate reward system is essential, Council is mindful of the potential flow-on effects of Director's pay, to the M3 level and beyond.

Accordingly, the following policy is to apply to the remuneration of Directors:

- (a) The General Manager must consult the Lord Mayor on remuneration or bonuses proposed to be paid to Directors;
- (b) No Director shall be paid remuneration (excluding at risk performance bonuses) that is greater than 70% of the remuneration paid to the General Manager, without the concurrence of the Lord Mayor.

12. Other Benefits & Vehicles

- 12.1 There are other benefits, or perceived benefits, that are a real cost to Council, and not normally part of any employee's remuneration package such as travel, and corporate card expenses.

- 12.2 The following policy will apply:

- (a) Overseas travel, or any expense associated with overseas activities including paid employment whilst overseas, for staff requires the approval of Council or the Lord Mayor on a case by case basis, and cannot be made an entitlement within the contract of an employee;
- (b) Corporate card allocation and limits should be strictly limited according to a policy to be determined by the General Manager, after consultation with the Lord Mayor;
- (c) The policy for costing the value of vehicles provided to employees; the quantum of vehicles with private use and allocations; must be reviewed at least annually and submitted to Council for approval;
- (d) The FBT policy in relation to staff attendance at City events or events for which the City has entitlements must be clarified and staff attendance at events which incur FBT costs for Council strictly limited as determined by the Lord Mayor;
- (e) Interstate travel must be approved by the General Manager explicitly and must be reported to the Lord Mayor on a quarterly basis.

13. Profit Share Arrangements

- 13.1 Council may from time to time agree to profit share arrangements either as part of an EBA or LWA negotiation, or within a specific in house contract. The process for calculating such profit shares will be undertaken strictly in accordance with the costs transparently outlined in the contract bid price documentation. As a result of any properly agreed variations there are effects on the formula,

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consequent alterations may only be made with prior approval of the General Manager and concurrence of the Lord Mayor.

13.2 Any profit share payouts will be made in accordance with the employment agreements and the contract agreement.

13.3 Prior to payouts an independent auditor will confirm that the unit has made a profit and the calculation has been properly undertaken .

13.4 Related Information

- Staff Delegations Manual - Approved by Council on 29 September 1999
- City of Sydney Wages/Salary Award 1998 - Approved by General Manager on 18 November 1998
- Enterprise Agreement 2001 – Endorsed by Council on 17 August 1998
- Performance Management Policy - Approved by Council on 13 November 1995
- Equal Opportunity Policy – Approved by General Manager on 31 January 1999
- Motor Vehicle Policy - to be considered by Council in July 2001.

14. Financial and Resource Impacts on Council

14.1 Salaries and wages form the largest component of Council's operating costs. Accordingly, growth in Council's remuneration costs is of vital interest because it can have a very direct and substantial impact on Council's operating result. While Council is mindful of the need to provide remuneration levels competitive with relevant external organisations, it is concerned to ensure that the underlying growth of wages and salaries does not generally exceed other relevant sectors of the economy.

14.2 The General Manager is directed by Council to ensure that:

- (a) Growth in remuneration costs is tightly controlled in all operating units of Council. The General Manager has an obligation to ensure that no operating unit of the organisation becomes uncompetitive in remuneration costs vis-a-vis comparable external service providers. In considering remuneration costs annually, Council will have regard to such factors as pay movements in the economy in general and in comparable organisations in particular, as well as CPI movements and productivity gains within the City organisation;
- (b) Aggregate staff remuneration costs (including employee related costs), and average staff remuneration, do not exceed the limits imposed by Council in April of each year, taking into account any remuneration increases arising from formalised enterprise agreements. The General Manager will provide

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a report to Council by 1 May each year detailing the estimated increases in remuneration costs for the following 12 months, this report to include a breakdown of the types of increase (eg wages, bonuses) and estimated mean average increases for all employees and estimated average increases for all occupational categories within the organisation. For the purposes of annual comparisons, genuine measures should be used comparing like with like (ie excluding factors that may distort the result, such as a changing mix of staff due to out sourcing or new functions being added). Any variation to this requires Council's prior approval;

- (c) There are no disparities in remuneration growth, or levels, between Divisions or Operating Units due to local factors such as the management style of individual Directors or Managers.

15. Monitoring, Review and Accountability

- (a) The operation of this Policy is to be monitored by the Employee Services Unit, and any variation reported immediately to the General Manager and the Lord Mayor.
- (b) The General Manager is to report annually to Council on the operation of the Strategy including the provision of detailed information in respect of remuneration growth as described in Clause 14, as well as on external trends and issues of relevance to this Policy.
- (c) The General Manager is to report quarterly to the Lord Mayor on all notable staff remuneration issues including but not limited to the following information:
- all bonuses paid to salaried staff;
 - the outcome of all profit sharing arrangements;
 - a schedule of remuneration paid to all salaried staff;
 - details of any other benefits given to staff under Clause 14 of this Policy;
 - Details of any unusual termination payments paid to Directors and M3 managers;
 - the general operation of this Policy and any notable issues or decisions;
 - interstate travel and attendance at conferences by staff;
 - any exceptions to the policy.

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16. General Manager's Discretion

16.1 Notwithstanding the above policy, the General Manager may, subject to the relevant concurrence if applicable, make specific employee decisions at variance with the Policy provided:

- they are of strategic benefit to Council;
- they have no flow on effects;
- are of a minor nature.

All such variations must be reported to the Lord Mayor as they occur and annually to Council.

**EMPLOYEE POLICY - REMUNERATION AND BENEFITS
PERFORMANCE MANAGEMENT**

PERFORMANCE MANAGEMENT POLICY**PURPOSE**

The performance of Council's staff is critical to successful achievement of Council objectives as set out in the Corporate Management Plan, and the Lord Mayor's Strategic Directions Statement 2001-2005 'Unlocking Opportunities for the Future'.

The key annual performance plan is the General Manager's Performance Plan. All other performance plans and work plans must be consistent with, and give priority to, the achievement of the performance criteria specified in the General Manager's Performance Plan. Accordingly, they should be reviewed and modified, if necessary, in June/July each year.

Managers and supervisors need to identify, evaluate and develop employee work performance so that the organisation's goals and objectives are achieved.

The Performance Management Policy provides an ongoing formal process in which a staff member's job performance and development needs are discussed and reviewed with respect to defined job objectives. At the same time, the policy will ensure that staff members receive periodic formal performance feedback, recognition and, if required, guidance and training to promote effective job performance.

This policy will identify:

- the benefits of performance management;
- the formal performance management process;
- appropriate performance management feedback;
- the performance indicators & standards;
- conditions for salary progression (in accordance with The City of Sydney (Salaried Division) Award);
- stakeholder's roles and responsibilities;
- training in performance management; and
- confidentiality and access to records.

The policy is initially being introduced for:

- contract employees (salaried award and non-award);
- salaried award employees.

This policy is a component of the overall performance management of staff. Other related management functions include motivation, job satisfaction, training and development, workforce planning, recruitment and selection, probation, job analysis and cultural change.

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POLICY STATEMENTS

1.0 Introduction

- 1.1 The success of Council ultimately depends upon the sum of individual job performances.
- 1.2 Managing performance is central to effectively managing human resources. All staff should have a clear understanding of what they are expected to do, the level of performance required and how they are meeting these expectations.
- 1.3 All managers and supervisors have a responsibility, irrespective of this policy, to provide regular and constructive feedback to staff, together with the necessary training or resources required to carry out their duties.
- 1.4 Performance reviews and salary progression will be conducted in an objective manner which avoids personal bias and discrimination on the basis of race, colour, religion, sex, sexual preference, nationality, age, disability or against any other group of people as defined by statutory legislation.
- 1.5 To promote consistency and objectivity, initial work plans and performance review outcomes will be assessed by a Reviewing Officer prior to implementation or recommendation. The Reviewing Officer will be the direct line manager of the person who carried out the performance review (usually the unit manager or divisional manager).
- 1.6 In the event that a staff member or supervisor disagrees about workplan requirements, performance assessments or salary progression recommendations, the Reviewing Officer will re-examine the matter and if no mutual agreement can be reached between the parties, the Employee Services Manager shall convene a peer review committee to resolve the issue. The peer review committee shall be by mutual agreement and comprise:
 - a union delegate
 - an Employee Services representative
 - an employee representative working at a similar level in a Division external to that of the staff member
 - a management representative working at a similar level and in a Division external to that of the supervisor

The role of the peer review committee is to resolve the disputed issue/s after considering policy requirements, procedural fairness and relevant information. The peer review committee will make a final recommendation on the matter to the General Manager.

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2.0 Benefits of Performance Management

The formal performance management system enables managers and supervisors to identify, evaluate and develop employee work performance so that the organisation's goals and objectives are achieved. Employees benefit through receiving recognition and performance feedback, direct involvement in the planning process, being provided with career guidance and training opportunities.

The performance management system also provides the opportunity for managers and supervisors to:

- improve Council's overall efficiency and effectiveness;
- enhance the understanding of key tasks and performance expectations by all the parties;
- provide constructive, two way feedback;
- manage the identification of, and action necessary for the further training and guidance of staff; and competent, above average and outstanding performance;
- directly link above average and outstanding performance with salary progression;
- make judgements and decisions regarding probation;
- assess training and development needs and actions;
- provide multi-skilling initiatives through job rotation to higher grade acting opportunities; and
- assist with career guidance and planning.

3.0 The Formal Performance Management Process

- 3.1 The formal performance management system applies to all contract staff (award and non-award) and all other salaried division award staff. While there may be differences in the conduct of review sessions between the staff groups, the aim in all cases is the same - to enhance individual performance and to link performance with organisational outcomes.
- 3.2 The performance management review period will be eleven (11) months from the staff member's anniversary date of their current substantive position. The following month will be allocated to review salary progression and establish a new workplan for the next review period.
- 3.3 The performance Management Plan may be varied during the course of its term where a major Council policy initiative or the annual General Manager's Performance Plan changes any part of the staff member's Plan outcome

Note: To ensure that staff members' workplans coincide with their substantive position anniversary dates, transitional provisions will apply on implementation of the performance management system.

- 3.4 Progress reviews will be carried out at a minimum of six (6) monthly intervals. For employees on probation and those employees who require guidance and assistance

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in meeting their agreed targets, progress reviews should be carried out every three (3) months.

3.5 As the performance review is a different process from the salary progression review, the performance review will be completed one (1) month before the staff member's anniversary date to allow adequate time for the salary review.

3.6 There are four (4) stages to the performance management process:

- i) **Work Plan Development** - the manager and staff member agree on job related objectives, tasks, training & development needs, performance indicators and standards for the next 12 month period. A work plan shall identify:
 - agreed outcomes to be achieved;
 - key result areas and supporting strategies (in terms of timeliness, quality and quantity standards);
 - agreed methods of determining if results are achieved;
 - resources required to achieve required results;
 - external factors that may affect the achievement of agreed outcomes (eg. variations to resource allocation, program deferral).
 - that only above average and outstanding performance qualifies the staff member for salary progression at the rates listed in paragraph 7.3 of this policy.Each Work Plan must be checked mid-year each year to ensure it conforms with the requirements of the General Manager's Performance Plan
- ii) **Progress Review** - feedback given on a regular basis by the manager or supervisor to reinforce effective performance, recognise achievements, solve problems and provide guidance and training.
The feedback process ensures:
 - there are no surprises at the annual performance review meeting;
 - work plans can be modified to meet changing circumstances.
- iii) **Annual Performance Review** - conducted at the end of the review cycle, the performance review and resetting of goals should be based on the work plan. The manager's or supervisor's task is to determine whether or not each responsibility has been met.
- iv) **Making Assessments and Decisions** - The annual review will provide a range of information on which to base assessments about performance and decisions about further action. The emphasis of those assessments and decisions should:
 - be based on objective results;
 - encourage continued good performance;
 - resolve problems that contribute to poor performance; and
 - identify development needs to be addressed for the achievement of future performance objectives;

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- reward above average or outstanding performance;
- determine action plans to overcome poor performance;
- determine action plans to provide for staff development needs;
- investigate requirements for job redesign.

These decisions would need to be considered when developing the workplan for the next 12 months.

3.7 Contract Staff

The policy on contract employment includes a performance agreement between the staff member and the General Manager. This policy should be read in conjunction with the Policy on Contract Employment when reviewing the performance of staff and for the determination of performance pay.

3.8 Salaried Award Staff

The formal performance management system will involve evaluation and assessment against measurable targets. The evaluation will be completed by the immediate supervisor and referred to the direct line manager (ie. the Reviewing Officer) prior to recommendation.

- 3.9 To ensure staff work plans are consistent with organisational objectives, supervisors must have their own work plan approved by their direct line manager prior to developing work plans for their subordinate staff.

4.0 *Performance Management Feedback*

- 4.1 Feedback on performance from your manager or supervisor is a major element of creating a performance based culture. Performance management feedback should be positive and constructive, and may be informally or formally initiated by either the manager, supervisor or staff member.
- 4.2 Formal performance management feedback should occur in the context of Council's formal performance management system, which assesses individual performance against agreed objectives. This also provides an ideal opportunity to discuss career path options and plans for achieving career goals.
- 4.3 Informal performance feedback can occur at any time and be conducted in a way that suits the manager and staff member. Common to both forms of feedback is the manager providing the staff member with guidance and clear information about agreed performance with regard to objectives, standards, time-frames etc.

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5.0 *The Performance Management Rating System*

- 5.1 The Council of the City of Sydney (Salaried Division - Salaries and Conditions) Award requires salary progression based on merit and superior performance.
- 5.2 The performance management system provides staff members with the opportunity to progress through the salary range of their substantive classification.
- 5.3 The rating of a staff member's overall performance will be considered against the following descriptors:

4. Outstanding

Where performance has achieved the level of excellence; in that:

- i) performance has consistently and substantially exceeded the standard required in the work plan; and
- ii) performance is widely acknowledged in the workplace as a consistently high level of performance.

Indicators include:

- all objectives / results achieved within the deadline (taking relevant external factors into account).
- required standards exceeded in all areas.
- the staff member has initiated and successfully completed projects / activities additional to their responsibilities which are consistent with Council's objectives and have contributed to the efficiency of the division / unit / section / work group.

3. Above Average

Where performance has met all the requirements of the work plan and exceeded work plan requirements on major projects / tasks. Indicators include:

- all objectives / results achieved within the deadline (taking relevant external factors into account).
- standards required are fully met and exceeded on major projects and tasks.

2. Competent

Where performance has met all the requirements of the work plan. Indicators include:

- all objectives / results achieved within the deadline (taking relevant external factors into account).
- standards required met.

1. Further Training and Guidance Required

Fundamental job requirements have not been met; this includes not being able to meet standards set in the work plan. Indicators include:

- objectives / results not achieved within the deadline (taking relevant external factors into account).
- standards required in the work plan have not been met.

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A performance assessment rated at this level shall be reviewed by the Reviewing Officer, in consultation with the Manager Employee Services, to validate the assessment. If validated, the staff member and their manager will develop an agreed action plan, that includes a program of structured training, to ensure the issues associated with this rating are addressed. Ongoing discussions, guidance and feedback will be a feature of the program.

Where a staff member is consistently unable to meet the standards required in the agreed action plans to overcome poor performance then the matter will be dealt with in accordance with the Discipline Policy and Procedures.

6.0 Workplan Performance Indicators & Standards

6.1 Performance assessment involves comparison of a staff member's observed on-the-job performance to some benchmark of effective job performance. These benchmarks are usually referred to as performance standards and generally require some job analysis and the use of position descriptions.

6.2 The aim of performance management should not be to quantify every action, but to avoid arbitrary, biased or changing measurements.

Performance standards should:

- have an impact on the success of the job;
- differentiate between successful and unsuccessful job performers;
- be at least partially within the control of the person being assessed;
- be based on observations which are documented and job related;
- communicate performance expectations and provide feedback (this may include work related behaviour);
- recognise the realities of the work to be performed (particularly important for managerial and customer service positions).

6.3 Performance indicators provide a useful tool for assessing the accomplishments of key accountabilities. The performance indicators can be measured by the expected standard of performance or target. (*eg. objectives met on time and within budget; number of tasks completed; accuracy; error, accident, wastage rates; level of client satisfaction / feedback; competency requirements; quality standards*).

6.4 The inclusion of generic human resource management indicators in performance work plans for managers and supervisors will highlight responsibilities for performance management, Equal Employment Opportunity, a healthy and safe working environment and the implementation of particular Council wide programs.

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7.0 Salary Progression

- 7.1 In accordance with The Council of the City of Sydney (Salaried Division - Salaries and Conditions) Award, this policy provides the framework for salary progression to be based on merit and superior performance.
- 7.2 Once a staff member's performance has been assessed and rated by the staff member's manager or supervisor, the Reviewing Officer (see section 11), in consultation with the manager or supervisor, may recommend further progression through the salary range of the staff member's classification. Approval of all salary progression recommendations will be the responsibility of the relevant Executive member.
- 7.3 An assessed performance rating of *above average* or *outstanding* shall be considered as superior performance and facilitate salary progression of **3%** or **5%** respectively, within the staff member's salary range within the twelve (12) month performance review period.

8.0 Role of the Employee Services Unit

- 8.1 Employee Services Unit has an overseeing and coordinating role with respect to the performance management process. This will involve the following activities:
- briefing staff members of the process;
 - providing additional training for staff in skills to assist in performance management;
 - providing training for managers or supervisors in the knowledge and skill areas related to performance management;
 - administering the schemes, ensuring that the performance management system is effectively implemented;
 - providing status reports of forthcoming performance reviews to Unit Managers;
 - managing the performance management records of all staff;
 - providing advice, on request, on performance improvement;
 - actioning recommendations and performance pay requests;
 - reviewing workplans, assessments and outcomes on request;
 - convene a peer review committee as required.
- 8.2 The Manager Employee Services is also responsible for reviewing and evaluating the performance management system on an annual basis. The Manager Employee Services will establish a joint union-management team to review, investigate and make recommendations on the performance management system (in particular clause 5.3.). This evaluation and review may require random interviews, focus groups or questionnaires to staff to provide an overall assessment of the performance management system.

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- 8.3 The Manager Employee Services will be responsible for the preparation of a regular report to the General Manager, with a copy to the Lord Mayor, on the performance management system that will include the:
- overall assessment by a joint union-management review team;
 - percentage of staff reviewed in each unit and division,
 - timeliness of reviews,
 - number of grievances lodged and
 - percentage of staff identified through the review process as being rated *above average* or *outstanding*.
- 8.4 For further assistance and guidance, managers and supervisors are encouraged to contact the Employee Services Unit at any stage of the formal or informal performance management process.

9.0 The role of Staff Members

- 9.1 The performance review process provides staff members with an opportunity to:
- participate in nominating tasks and responsibilities for review;
 - clearly define job objectives;
 - negotiate performance expectations with their supervisor;
 - participate in training and development programs;
 - establish a career plan; and
 - progress through the salary range of their classification.
- 9.2 The staff member will be required to:
- prepare a workplan in consultation with their manager or supervisor;
 - prepare information for progress reviews and the annual review;
 - consider short term training and development needs relative to their job requirements;
 - advise their manager or supervisor of amendments to the workplan to ensure that assessments can be made with full knowledge of events and circumstances (ie. constraints and limitations) which may have occurred over the period of the review;
 - review their own performance over the review period relative to the negotiated performance standards.
- 9.3 The staff member should discuss the following information with the manager or supervisor during the course of the:
- i) Workplan Development:
- the reason for the job or task;
 - the purpose of the task;
 - clear instructions or guidelines;
 - the time available to do the job;
 - the resources available;
 - performance standards;

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- ii) Evaluation Session:
- performance outcomes;
 - time constraints;
 - relevant external factors affecting planned outcomes;
 - resource limitations;
 - encouragement and recognition when the job is well done;
 - guidance, training and assistance to overcome problems or improve performance.

10.0 The Role of Managers / Supervisors

- 10.1 Performance management provides an opportunity for immediate supervisors to discuss performance of staff members; to help identify and overcome problems; recognise strengths and weaknesses; and to suggest ways of maintaining and improving job performance.
- 10.2 The manager or supervisor will need to assume a coaching role, reinforcing effective performance and providing assistance and guidance when there are performance problems. Coaching for success helps assure performance that builds skills and confidence and maintains or enhances self-esteem.

The role will require the manager or supervisor to:

- provide support without removing responsibility for action;
 - reinforce results and skills used to achieve the results;
 - provide timely feedback, guidance and training to help staff achieve their objectives and potential;
 - ensure that the staff member has a clear understanding of the key tasks, objectives and performance standards;
 - clearly communicate and discuss performance expectations;
 - encourage two way feedback;
 - develop and agree with the staff member on methods of determining the achievement of results;
 - identify resources required to achieve results including technology, training, funds and management assistance.
 - acknowledge performance that exceeds, meets or fails to meet expectations;
 - identify and help staff to overcome any obstacles to performance.
- 10.3 In developing work plans with staff members, managers or supervisors should consider corporate and divisional goals consistent with policy guidelines, the current version of Council's Management Plan, performance rating definitions, employee objectives and relevant productivity standards.
- 10.4 The manager or supervisor should also give examples of observed behaviour, facts and figures, be prepared to support statements with specifics, not make references

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to personality traits, address the staff member's feelings, and focus on the future not the past.

11.0 The Reviewing Officers' Role

- 11.1 The Reviewing Officers' role is to assess whether workplan objectives and evaluations are fair, realistic and consistent with corporate objectives. The Reviewing Officer will be the direct line manager of the person who carried out the performance review (usually the unit or divisional manager).
- 11.2 On completion of a staff member's work plan, the Reviewing Officer, in consultation with the manager or supervisor carrying out the annual performance review, will assess work plans for corporate consistency and performance standards.
- 11.3 After a staff member's performance has been assessed against a staff member's work plan for the period under review, the Reviewing Officer, in consultation with the manager or supervisor, will be required to make decisions and assessments about performance to determine and recommend further action. This may include:
- a recommendation to the relevant Executive member for further progression through the designated salary range of a particular classification for individual staff members; and / or
 - the development of a career plan;
 - the development of action plans to improve performance.

12.0 Training in Performance Management

- 12.1 The success of any performance management system will depend on the degree of commitment and skill of those participating in it. Training is one way of ensuring that performance management is accepted, understood and used to advantage. All staff need to understand the aims of the system, where they fit into it, what will be expected of them and how the organisation will use the system.
- 12.2 The Employee Services Unit will prepare training courses and materials for all staff involved in performance management prior to policy implementation. Managers and supervisors have a responsibility for ensuring that they have the skills required for effective performance management including giving and receiving feedback, training and guidance, managing unsatisfactory performance, conflict management and problem solving. Details of training courses are available from Staff Training.

13.0 Confidentiality and Access to Records

- 13.1 For the duration of the performance management cycle, the original performance management records for salaried award staff will be retained by the manager or

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supervisor carrying out the performance review. Contract staff will have a copy of the performance agreement attached to their employment contract file.

- 13.2 The staff member whose performance is being reviewed will be given a copy of his or her completed work plan and the opportunity for access to the original performance management records at all times.
- 13.3 On completion of the performance management cycle, the Employee Services Unit will retain the original performance management review reports on staff personal files. Managers or supervisors should keep a copy of the performance review and ensure that it is stored in a secure location that maintains confidentiality requirements.
- 13.4 When a staff member is transferred or appointed to a new position, the staff member's current work plan will be evaluated and forwarded to the Employee Services Unit. A new work plan will be developed between the staff member and their new manager or supervisor that is relevant to their new position.
- 13.5 Access to performance management records by the parties, people other than the staff member under review and their immediate manager or supervisor will be restricted to:
- the **Reviewing Officer** (usually the unit manager or direct line manager of the staff member carrying out the performance review);
 - the **Employee Services Unit** as appropriate (eg. records management for all contract staff, the formulation of training and development plans, the aggregation of performance management data, etc.);
 - the **Peer Review Committee** (in the case of disputes relevant to Performance Management).

Other third parties, with the consent of the staff member, and where consistent with the provisions of the Privacy Act, 1988 and the Freedom of Information Act, 1982, may only have access to performance management records.

ITEM 8. PROPERTY ISSUES ARISING FROM CITY STRATEGIC DIRECTIONS

Moved by the Chairman, the Lord Mayor, seconded by Councillor Turnbull -

That arising from consideration of a Minute by the Lord Mayor to the Extraordinary meeting of Council on 21 June 2001 on Property Issues arising from City Strategic Directions, it be resolved that proposals 1, 2, 3, 4 & 5 contained in the subject Minute by the Lord Mayor be adopted, and the contents of the subject Minute not be reproduced in the minutes of council except for this resolution.

Carried unanimously.

Note - The Chairman (the Lord Mayor) thanked the General Manager and Council staff, also staff of the Office of the Lord Mayor, in particular his Chief of Staff, for all their hard work in compiling the reports which had been presented to this Council meeting.

Councillor Turnbull thanked the Lord Mayor for all his work in preparing the documents for this Council meeting. Councillor Turnbull's comments were endorsed by all other Councillors.

At 6.00 pm the meeting concluded.

Chairman of a meeting of the Council of the City
of Sydney held on 6 August 2001 at which
meeting the signature herein was subscribed.