

17 June 2019

At 2.00 pm

Volume 3 - Items 4 and 6

Corporate, Finance, Properties and Tenders Committee

Agenda

- 1. Disclosures of Interest**
- 2. Integrated Planning and Reporting Program and Budget 2019-20 - Adoption**
- 3. Investments Held as at 30 April 2019**
- 4. Investments Held as at 31 May 2019**
- 5. Naming Proposal - Equality Green**
- 6. External Memberships**
- 7. Land Classification - 31 Alfred Street, Sydney (Customs House)**
- 8. Proposed Land Classification - Future North Rosebery Park and Greenlink**
- 9. Proposed New Lease - International Grammar School, 4-8 Kelly Street, Ultimo**
- 10. Tender - Reject and Negotiate - Sydney Park Water Reuse Upgrade**
- 11. Tender - Civil and Sydney Street Infrastructure Works**
- 12. Exemption from Tender - Talent Management System - SuccessFactors**
- 13. Contract Extension - Customer Relationship Management Services for the National CitySwitch Green Office Program**

Economic Development and Business Sub-Committee

- 14. Grants and Sponsorship - Round One 2019/20 - Economic Grants**

Guidelines for Speakers at Council Committees



As part of our democratic process, the City invites members of the community to speak directly to Councillors during Committee meetings about items on the agenda.

To enable the Committee to hear a wide range of views and concerns within the limited time available, we encourage people interested in speaking at Committee to:

1. Register to speak by calling Council's Secretariat on 9265 9310 before 12.00 noon on the day of the meeting.
2. Check the recommendation in the Committee report before speaking, as it may address your concerns so that you just need to indicate your support for the recommendation.
3. Note that there is a three minute time limit for each speaker (with a warning bell at two minutes) and prepare your presentation to cover your major points within that time
4. Avoid repeating what previous speakers have said and focus on issues and information that the Committee may not already know.
5. If there is a large number of people interested in the same item as you, try to nominate three representatives to speak on your behalf and to indicate how many people they are representing.
6. Before speaking, turn on the microphone by pressing the button next to it and speak clearly so that everyone in the Council Chamber can hear.
7. Be prepared to quickly return to the microphone and respond briefly to any questions from Councillors, after all speakers on an item have made their presentations.

Committee meetings can continue until very late, particularly when there is a long agenda and a large number of speakers. This impacts on speakers who have to wait until very late, as well as Council staff and Councillors who are required to remain focused and alert until very late. At the start of each Committee meeting, the Committee Chair may reorder agenda items so that those items with speakers can be dealt with first.

Committee reports are on line at www.cityofsydney.nsw.gov.au, with printed copies available at Sydney Town Hall immediately prior to the meeting. Council staff are also available prior to the meeting to assist.

Item 4.

Investments Held as at 31 May 2019

File No: X020701

Summary

This report provides details of the City's investment portfolio and performance to 31 May 2019.

The City's total Investment and Cash position was \$625.9M at the end of May, with investments earning interest of \$1.4M for the month.

The majority of the City's cash and investments portfolio, as at the end of the third quarter, is held as internally restricted (\$237.0M) or externally restricted (\$121.9M) cash reserves, to satisfy the City's legislative responsibilities and to set aside specific funds for Council's funding commitments to the major initiatives within the Sustainable Sydney 2030 Community Strategic Plan.

Key commitments within the City's Long Term Financial Plan include public domain works in the CBD to support the implementation of the CBD and South East light rail project and stormwater, town centre infrastructure and community facilities in the Green Square urban renewal area. The balance of investment funds represent working capital and funding required for the City's operating and capital expenditure commitments.

The City achieved an annualised monthly return of 2.62 per cent for May, significantly above the 30 Day Bank Bill Rate (BBR) of 1.39 per cent, the AusBond Bank Bill Index (published by Bloomberg) of 1.81 per cent and the enhanced benchmark of 1.84 per cent (BBR + 0.45 per cent) as endorsed in October 2018 as part of the Investment Strategy.

The City's annual rolling return of 2.72 per cent also continues to exceed the 12 month average 30 Day BBR of 1.84 per cent, the AusBond Bank Bill Index of 1.99 per cent and the enhanced benchmark of 2.29 per cent (BBR + 0.45 per cent), as endorsed in October 2018 as part of the Investment Strategy.

The structure of the City's investment portfolio continues to reflect the conservative approach outlined in the Investment Policy and Strategy, which remains appropriate for the current global and domestic economic conditions. The policy and strategy also maintain Council's commitment to sustainable investments where returns and risks are equivalent by changing the word 'desirable' to 'preferred' under the environmentally and socially responsible investment criteria.

Recommendation

It is resolved that the Investment Report as at 31 May 2019 be received and noted.

Attachments

Attachment A. Register of Investments and Cash 31 May 2019.

Attachment B. Investment Performance as at 31 May 2019

Background

1. In accordance with the principles of financial management, cash that is surplus to the City's immediate requirements is invested within acceptable risk parameters to optimise interest income while ensuring the security of these funds.
2. Surplus cash is only invested in authorised investments that comply with governing legislation and the City's Investment Policy and Strategy.
3. The benchmark performance goal of the City's Investment Policy and Strategy is to surpass the 30 Day Bank Bill Rate by 45 basis points while performance also continues to be measured against the Bloomberg AusBond Bank Bill Index.
4. The City's total Investment and Cash position as at 31 May 2019 was \$625.9M, an increase of \$29.9M from the \$596.0M reported at 30 April 2019, reflecting operating income offset by capital works expenditure and other operational payments. A schedule detailing all of the City's investments as at the end of May is provided at Attachment A.
5. The majority of the City's cash and investments portfolio, as at the end of the third quarter, is held as internally restricted (\$237.0309.6M) or externally restricted (\$121.926.7M) cash reserves, to satisfy the City's legislative responsibilities and to set aside specific funds for Council's funding commitments to the major initiatives within the Sustainable Sydney 2030 Community Strategic Plan.
6. Key commitments within the City's Long Term Financial Plan include public domain works in the CBD to support the implementation of the CBD and South East light rail project and stormwater, town centre infrastructure and community facilities in the Green Square urban renewal area. The balance of investment funds represents working capital and funding required for the City's operating and other capital expenditure commitments.
7. The City achieved an annualised monthly return of 2.62 per cent for May, significantly above the 30 Day Bank Bill Rate (BBR) of 1.39 per cent, the AusBond Bank Bill Index (published by Bloomberg) of 1.81 per cent and the enhanced benchmark of 1.84 per cent (BBR + 0.45 per cent) as endorsed in October 2018 as part of the Investment Strategy.
8. The City's annual rolling return of 2.72 per cent also continues to exceed the 12 month average 30 Day BBR of 1.84 per cent, the AusBond Bank Bill Index of 1.99 per cent and the enhanced benchmark of 2.29 per cent (BBR + 0.45 per cent), as endorsed in October 2018 as part of the Investment Strategy.
9. The RBA last adjusted the official cash rate on 5th June 2019, when it was reduced to 1.25 per cent. The market responded accordingly, and lower yields on investments have had a sustained adverse impact on the City's portfolio return. This trend is anticipated to continue, though in recent periods some improvement in longer-term interest rates has been noted.
10. The structure of the City's investment portfolio continues to reflect the conservative approach outlined in the Investment Policy and Strategy, which remains appropriate for the current global and domestic economic conditions.

11. As noted in previous investment reports, the downgrade of 23 financial institutions' global ratings by Standard and Poors in May 2017 incorporated a downgrade of both Bank of Queensland and Bendigo & Adelaide Bank long-term rating from an A- to a BBB+. As the City's Investment Policy limits the maximum amount that may be invested with sub 'A' rated institutions to \$10M each, the policy's "grandfathering" provisions have been applied to allow the existing investments to be maintained or divested in accordance with all regular investment considerations.
12. While no further investment in their long-term products will be permissible, unless the credit risk rating reverts back up, these bank's short-term credit risk profiles and rating remain unaffected, and their short-term products are still appropriate for consideration within the City's investment portfolio.

Key Implications

Strategic Alignment - Sustainable Sydney 2030 Vision

13. The City's investments accord with all legislative and policy requirements, as detailed below, and continue to achieve returns above minimum benchmark rates.

Financial Implications

14. The City's investments earned interest of \$1.4M for the month of May 2019, against budgeted earnings of \$1.1M. Investment earnings for the full year are forecast to be \$16.7M, against a budget of \$13.5M.

Relevant Legislation

15. Council is authorised to invest its surplus cash under Section 625 of the Local Government Act 1993.
16. The Local Government (General) Regulation 2005 (clause 212) requires Council to provide a written monthly report of all monies invested, under Section 625 of the Act.
17. The Investment Policy and Strategy was revised in October 2018, maintaining Council's commitment to give preference to sustainable investments where returns and risks are equivalent to other investments. The revision also maintained the broadening of the definition of environmentally harmful activities to include specific reference to coal, gas and oil.
18. The City's investments accord with the Minister's Investment Order, the Office of Local Government's Investment Policy Guidelines, and the City's own Investment Policy and Strategy as adopted by Council on 29 October 2018.

Critical Dates / Time Frames

19. A monthly investment report must be submitted for Council's information and review within the following month.

Public Consultation

20. Consultation is regularly undertaken with a number of financial institutions and investment advisers to consider options and ensure the City continues to maximise its investment return within appropriate risk parameters.
21. City staff meet regularly with representatives of each of the 'Big 4' banks and NSW TCorp. At these meetings City staff actively advocate for Socially Responsible Investment (SRI) opportunities.
22. Feedback from these meetings has been that there is a well-known appetite in the market for these products, particularly in the local government sector, and they continue to work to develop suitable products, however it remains challenging to match the level of funds to available Socially Responsible Investment opportunities that meet both the credit risk and maturity profile requirements of Council.
23. In a recent positive development, Westpac has been able to bring a Green Tailored Deposit product to market. Between November 2018 and April 2019, the City invested \$40 million in six tranches, for five years in this instrument. The City had funds available to invest and the product offered a rate of return commensurate with other investment offerings in the market.

BILL CARTER

Chief Financial Officer

James Legarse, Financial Accountant

Attachment A

<p>Register of Investments and Cash as at 31 May 2019</p>
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Register of Investments and Cash as at 31 May 2019

Institution	Rating	Amount \$	Monthly Net Returns	Monthly Net Return Annualised	Net Returns Rolling 12 Months	Maturity Date	Investment Date	Term (months)
Call Account								
Westpac Bank	AA	31,435,960	0.15%	1.75%	1.75%	1-Jun-19	22-May-12	0
Total		31,435,960	0.15%	1.75%	1.75%			
Term Deposits (TD)								
ME Bank	A	5,000,000	0.20%	2.40%	2.40%	30-Jul-19	2-May-19	3
National Aust Bank	AA	5,000,000	0.20%	2.40%	2.40%	31-Jul-19	2-May-19	3
Commonwealth Bank	AA	10,000,000	0.17%	2.05%	2.05%	5-Jun-19	6-May-19	1
Commonwealth Bank	AA	10,000,000	0.17%	2.05%	2.05%	7-Jun-19	7-May-19	1
Commonwealth Bank	AA	5,000,000	0.17%	2.05%	2.05%	7-Jun-19	8-May-19	1
National Aust Bank	AA	5,000,000	0.20%	2.35%	2.35%	6-Aug-19	8-May-19	3
Commonwealth Bank	AA	5,000,000	0.17%	2.05%	2.05%	12-Jun-19	9-May-19	1
Bankwest	AA	5,000,000	0.17%	2.05%	2.05%	11-Jun-19	10-May-19	1
National Aust Bank	AA	5,000,000	0.20%	2.35%	2.35%	12-Aug-19	14-May-19	3
ME Bank	A	5,000,000	0.20%	2.35%	2.35%	14-Aug-19	16-May-19	3
National Aust Bank	AA	5,000,000	0.20%	2.35%	2.35%	15-Aug-19	17-May-19	3
Bendigo & Adelaide Bank	A	5,000,000	0.19%	2.30%	2.30%	19-Aug-19	21-May-19	3
Suncorp Bank	A	5,000,000	0.20%	2.35%	2.35%	20-Aug-19	22-May-19	3
Suncorp Bank	A	5,000,000	0.19%	2.27%	2.27%	23-Aug-19	22-May-19	3
Suncorp Bank	A	5,000,000	0.19%	2.27%	2.27%	26-Aug-19	28-May-19	3
Bankwest	AA	5,000,000	0.17%	2.05%	2.05%	30-Jul-19	31-May-19	2
Bendigo & Adelaide Bank	A	5,000,000	0.23%	2.80%	2.80%	4-Jun-19	5-Jul-18	11
Credit Union Australia	A	5,000,000	0.24%	2.90%	2.90%	6-Jun-19	6-Jul-18	11
Bankwest	AA	5,000,000	0.23%	2.75%	2.75%	7-Jun-19	3-Sep-18	9
Bank of Queensland	A	5,000,000	0.24%	2.85%	2.85%	11-Jun-19	11-Dec-18	6
Suncorp Bank	A	5,000,000	0.23%	2.81%	2.81%	14-Jun-19	7-Dec-18	6
ME Bank	A	5,000,000	0.23%	2.80%	2.80%	21-Jun-19	9-Jul-18	11
Bankwest	AA	5,000,000	0.23%	2.70%	2.70%	28-Jun-19	31-Oct-18	8
Bendigo & Adelaide Bank	A	5,000,000	0.24%	2.83%	2.83%	3-Jul-19	4-Jul-18	12
Credit Union Australia	A	5,000,000	0.24%	2.90%	2.90%	5-Jul-19	6-Jul-18	12
Suncorp Bank	A	4,000,000	0.23%	2.75%	2.75%	12-Jul-19	14-Nov-18	8
ME Bank	A	5,000,000	0.23%	2.75%	2.75%	26-Jul-19	18-Feb-19	5
Bank of Queensland	A	5,000,000	0.23%	2.75%	2.75%	5-Aug-19	5-Feb-19	6
AMP Bank	A	5,000,000	0.24%	2.85%	2.85%	20-Aug-19	20-Aug-18	12
Bendigo & Adelaide Bank	A	5,000,000	0.23%	2.75%	2.75%	30-Aug-19	3-Dec-18	9
Bendigo & Adelaide Bank	A	5,000,000	0.23%	2.75%	2.75%	6-Sep-19	4-Dec-18	9
National Aust Bank	AA	5,000,000	0.23%	2.75%	2.75%	10-Sep-19	10-Sep-18	12
ME Bank	A	5,000,000	0.23%	2.75%	2.75%	17-Sep-19	19-Feb-19	7
Bank of Queensland	A	5,000,000	0.23%	2.75%	2.75%	27-Sep-19	28-Nov-18	10
National Aust Bank	AA	5,000,000	0.23%	2.74%	2.74%	9-Oct-19	9-Oct-18	12
National Aust Bank	AA	5,000,000	0.23%	2.75%	2.75%	14-Oct-19	12-Oct-18	12
National Aust Bank	AA	5,000,000	0.23%	2.75%	2.75%	18-Oct-19	15-Oct-18	12
National Aust Bank	AA	5,000,000	0.23%	2.75%	2.75%	25-Oct-19	17-Oct-18	12
National Aust Bank	AA	5,000,000	0.23%	2.72%	2.72%	31-Oct-19	31-Oct-18	12
National Aust Bank	AA	5,000,000	0.23%	2.73%	2.73%	5-Nov-19	5-Nov-18	12
National Aust Bank	AA	5,000,000	0.23%	2.73%	2.73%	6-Nov-19	6-Nov-18	12
Bank of Queensland	A	5,000,000	0.23%	2.75%	2.75%	12-Nov-19	15-Feb-19	9
Credit Union Australia	A	5,000,000	0.23%	2.77%	2.77%	28-Nov-19	29-Nov-18	12
Credit Union Australia	A	5,000,000	0.24%	2.85%	2.85%	6-Dec-19	7-Dec-18	12
ME Bank	A	5,000,000	0.21%	2.55%	2.55%	10-Dec-19	29-Mar-19	8
Bank of Queensland	A	5,000,000	0.23%	2.70%	2.70%	13-Dec-19	25-Feb-19	10
Bendigo & Adelaide Bank	A	5,000,000	0.21%	2.55%	2.55%	20-Dec-19	25-Mar-19	9
ME Bank	A	5,000,000	0.23%	2.75%	2.75%	20-Jan-20	21-Feb-19	11
Credit Union Australia	A	5,000,000	0.23%	2.78%	2.78%	10-Feb-20	11-Feb-19	12
Bank of Queensland	A	5,000,000	0.23%	2.70%	2.70%	6-Mar-20	8-Mar-19	12
ME Bank	A	5,000,000	0.22%	2.65%	2.65%	16-Mar-20	18-Mar-19	12
National Aust Bank	AA	5,000,000	0.21%	2.55%	2.55%	31-Mar-20	1-Apr-19	12
Westpac Banking Corporation (3 months BBSW + 80 points)	AA	5,000,000	0.23%	2.80%	2.77%	13-Feb-20	12-Feb-19	12
ANZ Bank (90 days BBSW + 98 points) quarterly reset and payment of coupon	AA	10,000,000	0.24%	2.85%	2.91%	28-Aug-20	28-Aug-15	60
ANZ Bank (90 days BBSW + 95 points) quarterly reset and payment of coupon	AA	10,000,000	0.24%	2.82%	2.89%	31-Aug-20	1-Sep-15	60
Westpac Bank (3 months BBSW + 88 points)	AA	5,000,000	0.21%	2.52%	2.52%	14-May-21	16-May-19	24
Westpac Banking Corporation(2.80% fixed 1 year & 90 days BBSW +82 points)	AA	5,000,000	0.23%	2.80%	2.80%	20-Sep-21	21-Sep-18	36
Westpac Banking Corporation (2.90% Fixed 2 years & 90 days BBSW + 90 points)	AA	5,000,000	0.24%	2.90%	2.90%	11-Oct-21	12-Oct-17	48
Westpac Banking Corporation (2.94% Fixed 2 years & 3 months BBSW + 82 points 3years)	AA	5,000,000	0.25%	2.94%	2.94%	8-Nov-21	6-Nov-18	36
Westpac Banking Corporation (3% Fixed 2 years & 90 months BBSW + 133 points 3 years)	AA	5,000,000	0.26%	3.17%	3.15%	15-Dec-21	15-Dec-16	60
Westpac Banking Corporation (3% Fixed 2 years & RBA cash rate + 126 points 3years)	AA	5,000,000	0.25%	3.00%	3.00%	31-Aug-22	31-Aug-17	60
Westpac Banking Corporation(2.80% fixed 1 year & 90 days BBSW +85 points)	AA	5,000,000	0.23%	2.80%	2.80%	27-Sep-22	28-Sep-18	48
Westpac Banking Corporation (2.98% Fixed 2 years & 3 months BBSW + 82 points 2 years)	AA	5,000,000	0.25%	2.98%	2.98%	21-Nov-22	21-Nov-18	48
Term Deposits (TD) 'Green Tailored Deposits'								
Westpac Banking Corporation - Green Tailored Deposit (3 Months BBSW+ 93 points)	AA	10,000,000	0.23%	2.36%	2.77%	27-Nov-23	26-Nov-18	60
Westpac Banking Corporation - Green Tailored Deposit (2.97% Fixed 2 years & 3 months BBSW + 93 points 3 years)	AA	5,000,000	0.23%	2.97%	2.97%	29-Nov-23	30-Nov-18	60
Westpac Banking Corporation - Green Tailored Deposit (3% Fixed 1 years & 3 months BBSW + 105 points 4 years)	AA	10,000,000	0.23%	3.00%	3.00%	24-Jan-24	25-Jan-19	60
Westpac Banking Corporation - Green Tailored Deposit (2.85% Fixed 1 years & 3 months BBSW + 100 points 4 years)	AA	5,000,000	0.23%	2.85%	2.85%	28-Feb-24	1-Mar-19	60
Westpac Banking Corporation - Green Tailored Deposit (2.75% Fixed 1 year & 3 months BBSW + 100 points 4 years)	AA	5,000,000	0.23%	2.75%	2.75%	11-Mar-24	13-Mar-19	60
Westpac Banking Corporation - Green Tailored Deposit (2.65% Fixed 1 year & 3 months BBSW + 100 points 4 years)	AA	5,000,000	0.23%	2.65%	2.65%	22-Mar-24	25-Mar-19	60
Total		374,000,000	0.22%	2.64%	2.65%			

Register of Investments and Cash as at 31 May 2019

Institution	Rating	Amount \$	Monthly Net Returns	Monthly Net Return Annualised	Net Returns Rolling 12 Months	Maturity Date	Investment Date	Term (months)
Floating Rate Notes (FRN)								
Commonwealth Bank (90 days BBSW + 98 points)	AA	5,000,000	0.22%	2.68%	2.94%	18-Jul-19	18-Apr-16	39
ME Bank (90 days BBSW + 145 points)	BBB	5,000,000	0.26%	3.15%	3.41%	18-Jul-19	18-Jul-16	36
Westpac Banking Corporation (90 days BBSW + 90 points)	AA	10,000,000	0.21%	2.58%	2.85%	22-Jan-20	22-Jan-15	60
Royal Bank of Canada (90 days BBSW + 95 points)	AA	5,000,000	0.22%	2.60%	2.89%	10-Feb-20	10-Feb-15	60
Bank of Queensland (90 days BBSW + 105 points)	A	5,000,000	0.22%	2.69%	2.98%	12-Feb-20	12-Feb-15	60
Greater Bank (90 days BBSW + 145 points)	BBB	5,000,000	0.24%	2.88%	3.34%	24-Feb-20	24-Feb-17	36
Newcastle Permanent Building Society (90 days BBSW + 135 points)	BBB	5,000,000	0.26%	3.06%	3.33%	7-Apr-20	7-Apr-15	60
Newcastle Permanent Building Society (90 days BBSW + 135 points)	BBB	7,500,000	0.26%	3.06%	3.33%	7-Apr-20	18-Jul-16	45
National Australia Bank (90 days BBSW + 80 points)	AA	5,000,000	0.22%	2.68%	2.75%	3-Jun-20	3-Jun-15	60
Commonwealth Bank (90 days BBSW + 90 points)	AA	10,000,000	0.22%	2.58%	2.86%	17-Jul-20	17-Jul-15	60
Westpac Banking Corporation (90 days BBSW + 90 points)	AA	5,000,000	0.21%	2.47%	2.82%	28-Jul-20	28-Jul-15	60
Bendigo & Adelaide Bank (90 days BBSW + 110 points)	A	5,000,000	0.22%	2.67%	3.02%	18-Aug-20	18-Aug-15	60
AMP Bank (90 days BBSW + 75 points)	A	5,000,000	0.21%	2.46%	2.72%	6-Oct-20	6-Oct-17	36
Suncorp Bank (90 days BBSW + 125 points)	A	5,000,000	0.24%	2.93%	3.20%	20-Oct-20	20-Oct-15	60
Westpac Banking Corporation (90 days BBSW + 108 points)	AA	15,000,000	0.22%	2.65%	3.00%	28-Oct-20	28-Oct-15	60
National Australia Bank (90 days BBSW + 108 points)	AA	10,000,000	0.22%	2.62%	3.02%	5-Nov-20	5-Nov-15	60
ME Bank (90 days BBSW + 125 points)	BBB	2,250,000	0.24%	2.90%	3.19%	9-Nov-20	9-Nov-17	36
Commonwealth Bank (90 days BBSW + 115 points)	AA	5,000,000	0.24%	2.85%	3.11%	18-Jan-21	20-Jan-16	60
Heritage Bank (90 days BBSW + 123 points)	BBB	3,500,000	0.25%	3.01%	3.21%	29-Mar-21	29-Mar-18	36
ANZ Bank (90 days BBSW + 118 points)	AA	5,000,000	0.24%	2.89%	3.16%	7-Apr-21	7-Apr-16	60
Suncorp Bank (90 days BBSW + 138 points)	A	5,000,000	0.26%	3.07%	3.34%	12-Apr-21	12-Apr-16	60
ME Bank (90 days BBSW + 127 points)	BBB	2,500,000	0.25%	2.95%	3.23%	16-Apr-21	17-Apr-18	36
Bendigo & Adelaide Bank (90 days BBSW + 146 points)	A	5,000,000	0.26%	3.14%	3.41%	20-Apr-21	20-Apr-16	60
Bank of China - Sydney Branch (90 days BBSW + 103 points)	A	4,500,000	0.22%	2.67%	2.94%	15-Nov-21	15-Nov-18	36
Commonwealth Bank (90 days BBSW + 85 points)	AAA	4,600,000	0.20%	2.41%	2.76%	17-Nov-21	17-Nov-16	60
ANZ Bank (90 days BBSW + 88 points)	AA	4,000,000	0.21%	2.53%	2.79%	8-Feb-22	8-Feb-19	36
Credit Union Australia (90 days BBSW + 123 points)	BBB	1,500,000	0.26%	3.11%	3.11%	4-Mar-22	4-Mar-19	36
Suncorp Bank (90 days BBSW + 97 points)	A	2,500,000	0.21%	2.55%	2.88%	16-Aug-22	16-Aug-17	60
Suncorp Bank (90 days BBSW + 97 points)	A	4,000,000	0.21%	2.55%	2.86%	16-Aug-22	31-Oct-18	45
Bank of Queensland (90 days BBSW + 105 points)	A	4,000,000	0.22%	2.60%	3.01%	3-Feb-23	5-Feb-18	60
Westpac Bank (90 days BBSW + 83 points)	AA	5,000,000	0.22%	2.67%	2.78%	6-Mar-23	6-Mar-18	60
ANZ Bank (90 days BBSW + 90 points)	AA	5,000,000	0.20%	2.44%	2.83%	9-May-23	9-May-18	60
National Australia Bank (90 days BBSW + 90 points)	AA	5,000,000	0.21%	2.48%	2.81%	16-May-23	16-May-18	60
Commonwealth Bank (90 days BBSW + 93 points)	AA	3,500,000	0.21%	2.51%	2.84%	16-Aug-23	16-Aug-18	60
Suncorp Bank (90 days BBSW + 77 points)	AAA	4,500,000	0.22%	2.62%	2.69%	13-Sep-23	13-Sep-18	60
National Australia Bank (90 days BBSW + 93 points)	AA	3,500,000	0.23%	2.76%	2.88%	26-Sep-23	26-Sep-18	60
ANZ Bank (90 days BBSW + 103 points)	AA	5,000,000	0.24%	2.87%	2.94%	6-Dec-23	6-Dec-18	60
National Australia Bank (90 days BBSW + 104 points)	AA	4,000,000	0.21%	2.47%	2.81%	26-Feb-24	26-Feb-19	60
Westpac Banking Corporation (90 days BBSW + 88 points)	AA	4,000,000	0.20%	2.46%	2.46%	16-Aug-24	16-May-19	63
Floating Rate Notes (FRN) 'Green/Climate Bonds'								
ANZ Bank Green Bond (Fixed rate @ 3.25% semi annual)	AA	5,000,000	0.27%	3.25%	3.25%	3-Jun-20	3-Jun-15	60
Commonwealth Bank Climate Bond (90 days BBSW + 92 points)	AA	5,000,000	0.23%	2.70%	2.90%	31-Mar-22	31-Mar-17	60
Total		210,350,000	0.23%	2.72%	2.99%			
Total Investments		615,785,960	0.22%	2.62%	2.72%			
Benchmark: 30 Day Bank Bill Index			0.08%	1.00%	1.84%			
Benchmark: Bloomberg AusBond Bank Bill Index			0.15%	1.81%	1.99%			
City of Sydney's available bank balance as at 31 May 2019		10,139,190						
TOTAL INVESTMENTS & CASH		625,925,150						

Summary of Net Investment Movements - May 2019

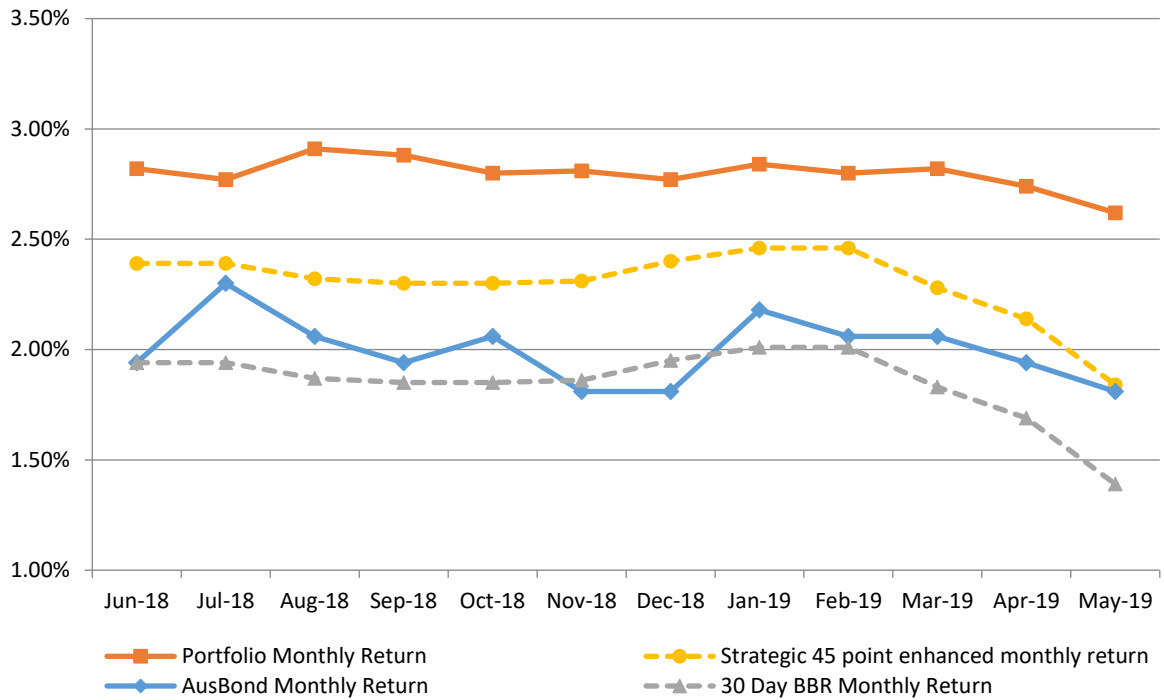
Financial Institution	Fund Rating	Net Invest/(Recall) Amount \$	Commentary
<u>Call Account</u>			
Westpac Banking Corporation	AA	1,000,000	Utilised the fourth instalment of rates income to increase the Call Account level for future operational activities.
<u>Term Deposits (TDs)</u>			
National Australia Bank	AA	20,000,000	Redemption of matured investments and utilised the fourth instalment of rates income to place in higher term deposit rates.
Westpac Banking Corporation	AA	5,000,000	
Suncorp Bank	A	15,000,000	
ME Bank	A/BBB	5,000,000	
Bankwest	AA	(20,000,000)	Redeemed matured Term Deposits to place in higher yielding Term Deposits.
<u>Floating Rate Notes (FRNs)</u>			
Westpac Banking Corporation	AA	(5,000,000)	Redeemed matured Floating Rate Note to fund for the Council's operational and investment activities.
Westpac Banking Corporation	AA	4,000,000	Utilised the fourth instalment of rates income for the settlement of this high yeild

Attachment B

<p>Investment Performance as at 31 May 2019</p>
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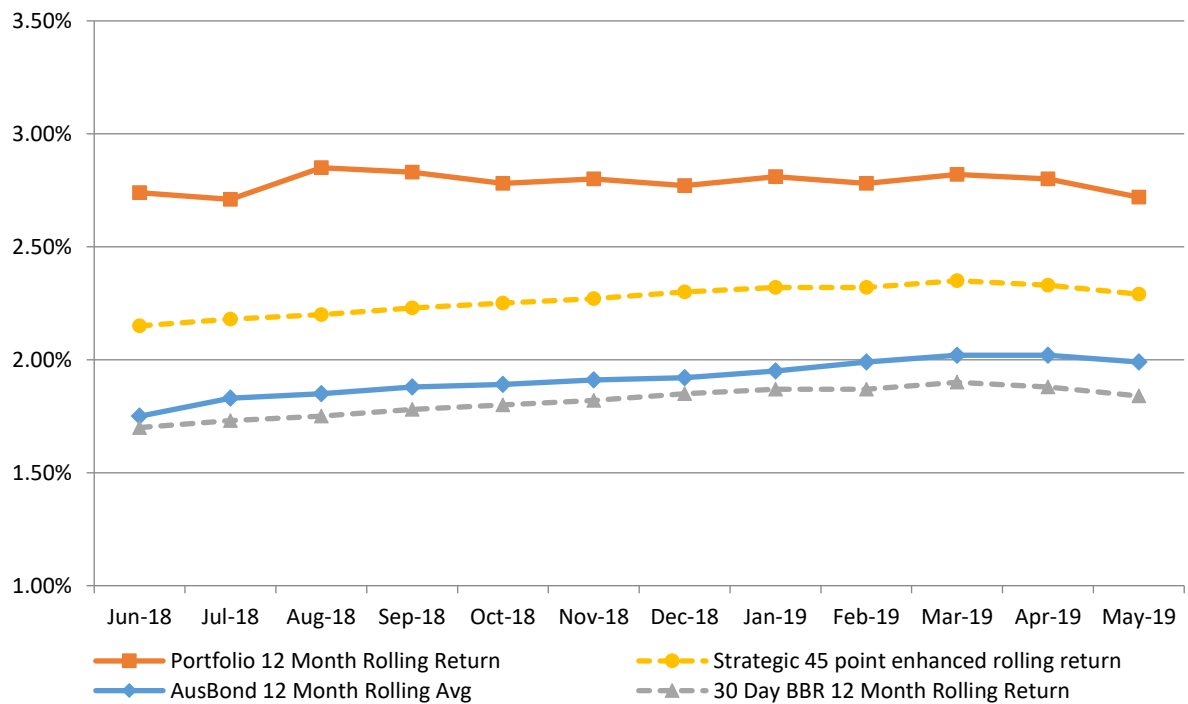
Monthly Results

Actual Portfolio vs Strategic Enhanced Benchmark vs AusBond Benchmark vs 30 Day BBR Benchmark
May 2019



12 Month Rolling Averages

Actual Portfolio vs Strategic Enhanced Benchmark vs AusBond Benchmark vs 30 Day BBR Benchmark
May 2019



Item 6.

External Memberships

File No: S076031

Summary

The City of Sydney is a member of a wide range of associations and organisations which provide staff and Councillors with access to up-to-date information and information-sharing opportunities, forums and conferences for professional and policy development.

The memberships held by the City of Sydney are reviewed regularly to ensure they remain relevant to the work of the City and are provided to Council for their information. The City's current 67 memberships are outlined in Attachment A.

The total cost of these memberships is \$549,621.73 per annum which was provided for in the 2018/19 budget and has been provided for within the draft budgets for 2019/20.

The top three memberships account for \$257,994.88 and include the Council of Capital City Lord Mayors (CCCLM), Local Government NSW (LGNSW) and Southern Sydney Regional Organisation of Councils (SSROC).

The other smaller memberships make up the remaining \$291,626.85.

In 2007, Council resolved that new, minor memberships up to the value of \$10,000 be approved by the relevant Director or Chief Executive Officer. New memberships worth over \$10,000 are brought to Council for consideration.

This report seeks Council's endorsement of the existing memberships as outlined in Attachment A. The City's memberships will continue to be reviewed and any significant changes reported to Council.

Recommendation

It is resolved that Council receive and note the City's membership of the associations outlined in Attachment A to the subject report.

Attachments

Attachment A. List of Existing Memberships

Background

1. The City of Sydney is a member of a range of associations which provide access to professional support, updated industry information and information sharing, forums and conferences for professional and policy development and accreditation.
2. Memberships cover a wide range of associations to reflect the breadth of City activities.
3. The City contributes to and works with these groups to achieve our goals.
4. The total cost of these memberships is \$549,621.73 per annum.
5. These memberships were included in the budget for 2018/19 and have been included in the draft budget for 2019/20.
6. The top three memberships account for \$257,994.88 and include the Council of Capital City Lord Mayors (CCCLM), Local Government NSW (LGNSW) and Southern Sydney Regional Organisation of Councils (SSROC).
7. The other smaller memberships make up the remaining \$2291,626.85. The City's memberships will continue to be reviewed and any significant changes reported to Council.

Budget Implications

8. The existing cost of these memberships is \$549,621.73 per annum which was provided for in the 2018/19 operating budget and has again been provided for in 2019/20.

Relevant Legislation

9. Nil.

MONICA BARONE

Chief Executive Officer

Leander Klohs, Executive Manager

Attachment A

List of Existing Memberships

EXTERNAL MEMBERSHIPS HELD BY THE CITY OF SYDNEY		
ASSOCIATION	BENEFIT TO CITY	AMOUNT (\$)
Chief Executive Office		
Sustainable Business Australia	Participation in the SBA Sustainability Professionals Group and ability for the City to directly engage with industries focussed on developing the green economy and sustainable business practices	7,500.00
Australian Sustainable Built Environment Council	Provides a forum for groups to gather and discuss the planning, design, delivery, operation of our built environment and its social and environmental impacts.	6,200.00
Local Government NSW	The City's involvement is necessary to lead the policy and strategic direction of local government in NSW.	89,394.88
The Committee For Sydney	Provides access to forums with peak industry, governmental and community leaders promoting sustainability.	15,000.00
Keep Australia Beautiful NSW	Works closely with communities to ensure a sustainable future. Membership provides access to programs and opportunities to work closely together to achieve that sustainable future.	1,050.00
Council of Capital City Lord Mayors	Collaborative national level advocacy forum. Involves policy development, sharing information and practices across capital cities.	98,600.00

EXTERNAL MEMBERSHIPS HELD BY THE CITY OF SYDNEY		
ASSOCIATION	BENEFIT TO CITY	AMOUNT (\$)
Southern Sydney Region of Councils (SSROC)	Collaboration with neighbouring councils on issues such as procurement, industry best practice and advocacy.	70,000.00
ICLEI - Local Governments For Sustainability	Brings the latest global solutions and knowledge to the local context, with members and teams of experts working together to create systemic change for urban sustainability. Peak global organisation on climate change issues.	3,565.00
Sydney First - NSW Business Chamber Limited	An important resource as a support group and solutions provider for business.	20,000.00
Tourism Transport Forum	Peak national tourism body. Advocates the public policy interests of corporations and institutions on tourism, transport, aviation and investment.	28,875.00
Total		340,184.88
People Performance and Technology		
APNIC - Regional Internet Registry	Manages the allocation of internet number resources (IP addresses and AS numbers), supports internet infrastructure development, produces research, and participates in internet cooperation and governance.	1,050.00
Australian Network On Disability Ltd	Assists organisations in welcoming people with a disability generally and as employees, customers, stakeholders, residents.	1,470.00

EXTERNAL MEMBERSHIPS HELD BY THE CITY OF SYDNEY		
ASSOCIATION	BENEFIT TO CITY	AMOUNT (\$)
Australian Society Of Archivists Inc	Professional body for archivists in Australia, provides information about best practice.	818.18
Australasian Association of Lean Six Sigma	Provide access to and supports research of best business practice and encourages continuous improvement within organisations.	400.00
CEB IT Leadership Council of Midsized Companies - Gartner UK Limited	Provides best practice research, tools, webinars and networking opportunities for HR professionals to support organisations committed to improving their people practices.	23,200.00
Diversity Council Australia Limited	Provides expert advice, research, events and programs, resources for diversity and inclusion in the workplace.	5,880.91
National Library of Australia	The National Library of Australia provides the City with access to Libraries Australia and LADD systems. The Library uses these databases to provide Inter-Library Loan services.	435.16
Public Sector User Forum Inc	“Pathway user group”, gives staff access to latest information on Pathway, developments, issues and exchanges of information with other people using Pathway.	1,300.00
The NSW Workers Comp Self Insurers Assoc	Provides members with support to comply with legislation, prevent and manage workplace injuries.	825.00

EXTERNAL MEMBERSHIPS HELD BY THE CITY OF SYDNEY		
ASSOCIATION	BENEFIT TO CITY	AMOUNT (\$)
Workplace Safety Australia Pty Ltd	Provides a professional knowledge base including annual publications and weekly email alerts, and individual support from HSE legal specialists and consultants.	1,350.00
Total		36,729.25
City Projects and Property		
Property Council of Australia	Enables City representation as a member, recognition within the industry, access to research papers, discounts on courses and member training.	11,263.64
Total		11,263.64
City Planning Development and Transport		
Australian Institute of Urban Studies NSW	City staff have access to forums and seminars on urban policy issues and are recognised and accredited as professional development.	500.00
Australia ICOMOS Secretariat	Informs the approaches to heritage conservation policy and practice for culturally significant places.	763.64
Total		1,263.64

EXTERNAL MEMBERSHIPS HELD BY THE CITY OF SYDNEY		
ASSOCIATION	BENEFIT TO CITY	AMOUNT (\$)
City Life		
ALIA - Australian Library & Information Association	ALIA advocate for all public libraries in Australia. It provides annual conference and members receive discounted price to attend conference. It also organise library specific trainings and member receive discount to attend. Membership also provide us quarterly newsletter and access professional articles and research papers published by ALIA.	1,466.36
Apra-Aust Performing Right Assoc Ltd	Provides membership and licensing for songwriters and music publishers.	595.86
Community Early Learning Australia Ltd	Supports evidence-based research, consultation, and action, uniting childcare services.	309.09
Early Childhood Australia Inc	Provides resources and up to date information on the early childhood education and care industry. Provides reduced rates for conferences and training opportunities.	522.73
History Council Of NSW Inc	Enables representation on the peak body for history; participation in History Week; networking, and resources.	590.91

EXTERNAL MEMBERSHIPS HELD BY THE CITY OF SYDNEY		
ASSOCIATION	BENEFIT TO CITY	AMOUNT (\$)
IFACCA - International Arts Federation Services	IFACCA is the global network of national cultural policy funding bodies. Its aim is to create an international resource and meeting ground for all public bodies responsible for supporting excellence and diversity in artistic endeavour.	1,570.00
National Disability Services	Peak body for non-government disability service organisations. Provides information to the City about disability services and needs.	566.36
Network of Community Activities	Provides support and resources to outside school hours care services in NSW. Provides reduced rates for conferences and training opportunities.	690.91
New South Wales Public Libraries Assoc and consortium database access	Membership provides access to professional training workshops and seminars; services such as library reviews, facilitation of strategic planning, assistance with regional library agreements, children's services, multicultural services, reference services and promotion, access to professional publications, NSW public libraries statistics, NSW.net which is a discounted database subscription service, and a forum for all library professionals to discuss and communicate library related issues.	9,702.20
NSW Meals on Wheels Association Inc	This is the peak professional body, gives access to information, training, and conferences.	1,342.73

EXTERNAL MEMBERSHIPS HELD BY THE CITY OF SYDNEY		
ASSOCIATION	BENEFIT TO CITY	AMOUNT (\$)
NSW Resource Description & Discovery Net	Package of data elements, guidelines, and instructions for creating library and cultural heritage resource metadata.	45.00
Oral History NSW Inc.	Provides regular newsletter & journal; networking, professional development & learning opportunities; member rates for conferences.	65.00
Youth Action Policy Association	Provides access to the peak youth organisation representing young people and youth services in NSW.	380.00
Total		17,847.15
City Services		
Aquatic & Recreation Institute	This is the NSW peak body for the aquatics and recreation industry, providing professional training opportunities, conferences, and access to information.	600.00
Arboriculture Australia Ltd	National body for tree management, providing professional development tools and research and best practice advice.	1,533.55

EXTERNAL MEMBERSHIPS HELD BY THE CITY OF SYDNEY		
ASSOCIATION	BENEFIT TO CITY	AMOUNT (\$)
Institute of Public Works Engineering Australia (IPWEA) (NSW Division) Ltd	A professional network which includes technical panels and discussion forums, which also provides access to training workshops and conferences. Please note that this membership forms part of the Roads and Transport Directorate which provides technical support and assistance to member councils as well as delivering advocacy on their behalf. The subscription has been paid by the City over a number of years.	6,212.89
Local Government Tree Resources Association	Local government focused group that provides collaboration and support to improve industry standards, educational and networking opportunities for colleagues across NSW	600.00
Parking Facility Member - Public (not for profit) Parking Australia	Provides information on the developments in parking meter and car park technology, and provides networking opportunities with peers.	430.00
Streets Opening Coordination Council - iWORCS	A collaboration tool so that councils, utilities, government agencies, and private companies can work together to schedule capital infrastructure works.	5,000.00
Treenet Inc	National level organisation that promotes Australian research, and a platform for advocacy for the urban forest. Memberships includes one free attendance at the yearly symposium.	1,454.55

EXTERNAL MEMBERSHIPS HELD BY THE CITY OF SYDNEY		
ASSOCIATION	BENEFIT TO CITY	AMOUNT (\$)
Waste Management & Resource Recovery Assoc	Provides industry sector information on new developments in waste and environment issues, waste calculators and research data.	1,452.44
Waste Contractors and Recyclers Association (WCRA)	WCRA is the peak industry association for businesses involved in collecting and transporting waste in NSW. Membership enables the City to have better leverage with the industry on commercial waste issues (i.e collection times, noise complaints, bin storage issues).	1,590.00
Parks & Leisure Australia	Association membership for City Greening & Leisure Units	605.00
Australasian Fleet Managers Association	A national network group enabling the City to showcase its leadership and keep up to date in the fleet management and emission reduction sectors.	699.09
Floodplain Management Association	Represents the interests of floodplain communities in NSW, and the authorities responsible for managing floodplains.	1,590.91
Stormwater Industry Association of NSW	This is the main industry association in stormwater management across NSW. Provides information on the latest industry practices and trends in stormwater management.	727.73
Total		22,496.16

EXTERNAL MEMBERSHIPS HELD BY THE CITY OF SYDNEY		
ASSOCIATION	BENEFIT TO CITY	AMOUNT (\$)
Chief Operating Office		
C40	Provides City staff with opportunities for knowledge exchange and enables them to take collaborative action to cut greenhouse gas emissions, stimulate business, community and government action on climate change, and act as champions in the international arena. While there is no membership costs for C40, there can be costs involved in holding and attending events.	0
Green Building Council of Australia	Provides a useful information, networking and research resource. GBCA are powerful influencers of government policy that the City benefits from. Note this is a three year membership.*	7,218.18*
Australasian Membership - International Assoc for Public Participation	National industry body for community engagement practitioners which provides staff with access to current information, resources and reduced rates for events and training.	1,800.00
Australian Solar Energy Society	Renewable energy is vital in climate change action in Australia. Provides information and research to transition Australia's energy system to a lower carbon system.	900.00
Carbon Neutral Cities Alliance - Global Philanthropy Partnership	A collaboration of global cities working to cut greenhouse gas emissions by 80-100% by 2050 or sooner.	14,126.29

EXTERNAL MEMBERSHIPS HELD BY THE CITY OF SYDNEY		
ASSOCIATION	BENEFIT TO CITY	AMOUNT (\$)
CRC - Water Sensitive Cities Ltd	Researches interdisciplinary responses to problems, finds practical solutions, influences policy, regulation, and practice to promote adoption of water sensitive practices.	13,500.00
Culture Counts Australia Pty Ltd	Promotes the use of new mobile technologies and web-served databases with real-time data analytics to gain inside into cultural experiences.	4,500.00
Energy Efficiency Council Inc	Provides high quality advice in energy efficiency, services, and management.	6,400.00
Institute of Public Works Engineering Australasia Limited NAMS Plus	Provides staff in asset-owning organisations access to tools and online resources to develop and update their Asset Management Plans.	1,830.00
Local Gov't membership - Green Roofs Australasia Limited	The incorporation of green infrastructure into the urban fabric, mitigating climate change, improving the urban environment, advancing social awareness, and improving health and wellbeing.	440.00
Open Cities Alliance Limited	Represents infrastructure and service providers, cities, urban design advocates, working on a sustainable, resilient and affordable energy, water, digital and mobility future.	2,000.00
Surveying & Mapping Industry Council of NSW	Represents professional, business, government and educational interests from a diverse range of NSW spatial information industry organisations, helping the City stay up to date.	100.00

EXTERNAL MEMBERSHIPS HELD BY THE CITY OF SYDNEY		
ASSOCIATION	BENEFIT TO CITY	AMOUNT (\$)
World Cities Culture Forum	Collaboration between members via symposia, regional summits, and workshops to share ideas and knowledge about the role of culture.	13,442.99
Australia China Business Council	Membership enables closer liaison with the Chinese business community and its members and enables network building for business partnerships and initiatives.	3,175.00
Total		69,432.46
Chief Financial Office		
Supply Nation	Is dedicated to connecting corporate and government Australia with Indigenous enterprise, which helps the City deliver on our commitment to our Aboriginal and Torres Strait Islander communities, the development of staff and our policies and procedures.	8,000.00
Finance Leadership Council for Midsized Companies Classic Gartner Australasia Pty Ltd	The leading member-based advisory company. Combines the best practices of thousands of member companies with advanced research methodologies and human capital analytics, it equips senior leaders and their teams with insight and actionable solutions to transform operations.	31,200.00
Financial Tax and Super Advisers membership Information Exchange	Information Exchange is a high level expert panel of Professional Advisers on Financial Tax and Super.	2,954.55

EXTERNAL MEMBERSHIPS HELD BY THE CITY OF SYDNEY		
ASSOCIATION	BENEFIT TO CITY	AMOUNT (\$)
PASA Connect	PASA Connect is a networking, learning and development initiative that brings procurement professionals together for both peer-to-peer and expert-led learning	8,250.00
Total		50,404.55
GRAND TOTAL		549,621.73