

Resolution of Council

29 June 2020

Item 4.2

Review of the Emergency Delegations to the Lord Mayor and Chief Executive Officer

Memorandum by the Chief Executive Officer

To Council:

On 25 March 2020, the Office of Local Government advised that councils should review their delegations as a matter of urgency, due to the escalation of the Covid-19 pandemic, to ensure decisions could be made quickly in response to any developments outside of the normal council meeting cycle.

On 6 April 2020, Council resolved to temporarily amend the *Delegations to the Lord Mayor* dated 7 August 2017 and *Delegations to the Chief Executive Officer* dated 7 August 2017 to ensure the continuity of essential services to the community, the work health and safety of City employees and councillors, and for the purposes of ensuring public safety. The amendments were approved on the provision that they be reviewed no later than three months after being made.

Due to the gradual easing of Covid-19 restrictions and the development and ongoing implementation of Covid-19 recovery plans at the City, it is recommended that the current temporary Delegations 27 and 27A of the *Delegations to the Lord Mayor* be revoked and the previous delegations be reinstated and that Delegations 5 and 6 of the *Delegations to the Chief Executive Officer* be amended and the previous delegations be reinstated.

The Chief Executive Officer awarded two tenders using the emergency powers during their period of operation. These tenders related to the provision to the City of gas supply services and managed IT security services. Both were awarded to ensure continuity of essential service delivery and reported in accordance with existing processes.

The Chief Executive Officer has also exercised the delegation enabling the variation of existing grant agreements responding to grant recipients' requests to vary the deliverables under their grant agreements in response to the pandemic.

City staff have received 41 requests for variations to allow grant recipients to vary their deliverables under existing grant agreements to date. They agreed to 29 variations between 5 May and 22 June 2020 for a range of projects including 'Body Clock', a sculptural installation and live performance at Carriageworks showcasing collaborations between First Nations and non-Indigenous artists in NSW and 'Mercedes-Benz Fashion Week', a trade platform for Australian Designers to connect with a global audience of buyers, consumers and media.

City staff continue to receive requests for contract variations for projects affected by the Covid-19 pandemic. Given the ongoing uncertainty impacting on many grant recipients, it is recommended the Chief Executive Officer's temporary delegation 15A allowing the Chief Executive Officer to enter into any contracts or documentation to allow grant recipients to vary their deliverables under existing grant agreements, be extended for a further three months until 6 October 2020 to enable the continuing effective administration and management of requests and provision of relief to affected organisations and individuals in accordance with the Lord Mayoral Minute of 30 March 2020. This delegation will be automatically revoked on 6 October 2020 unless a further report seeking the extension is brought to Council prior to that time.

Recommendation

It is resolved that:

- (A) Council revoke Delegation 27 of the Delegations to the Lord Mayor as amended on 6 April 2020 and reinstate the previous Delegation 27 of the Delegations to the Lord Mayor dated 7 August 2017, as shown in Attachment A to the subject Memorandum;
- (B) Council revoke Delegation 27A of the Delegations to the Lord Mayor as inserted on 6 April 2020;
- (C) Council reinstate the previous Delegation 5 of the Delegations to the Chief Executive Officer dated 7 August 2017, by removing the reference to "\$10 million" and replacing it with "\$5 million", as shown in Attachment A to the subject Memorandum;
- (D) Council reinstate the previous Delegation 6 of the Delegations to the Chief Executive Officer dated 7 August 2017, by removing the reference to "20% (up to a limit of \$10 million)" and replacing it with "10%", as shown in Attachment A to the subject Memorandum; and
- (E) Council extend the term of Delegation 15A of the Delegations to the Chief Executive Officer in relation to entering into any contracts or documentation to allow grant recipients to vary their deliverables under existing grant agreements to 6 October 2020, as shown in Attachment A to the subject Memorandum, after which time it will be automatically revoked unless further extended by resolution of Council.

MONICA BARONE
Chief Executive Officer

Attachments

Attachment A Proposed Amendments to the Delegations to the Lord Mayor and Chief Executive Officer

Moved by the Chair (the Lord Mayor), seconded by Councillor Scully –

It is resolved that:

- (A) Council revoke Delegation 27 of the Delegations to the Lord Mayor as amended on 6 April 2020 and reinstate the previous Delegation 27 of the Delegations to the Lord Mayor dated 7 August 2017, as shown in Attachment A to the subject Memorandum;
- (B) Council revoke Delegation 27A of the Delegations to the Lord Mayor as inserted on 6 April 2020;
- (C) Council reinstate the previous Delegation 5 of the Delegations to the Chief Executive Officer dated 7 August 2017, by removing the reference to "\$10 million" and replacing it with "\$5 million", as shown in Attachment A to the subject Memorandum;
- (D) Council reinstate the previous Delegation 6 of the Delegations to the Chief Executive Officer dated 7 August 2017, by removing the reference to "20% (up to a limit of \$10 million)" and replacing it with "10%", as shown in Attachment A to the subject Memorandum; and
- (E) Council extend the term of Delegation 15A of the Delegations to the Chief Executive Officer in relation to entering into any contracts or documentation to allow grant recipients to vary their deliverables under existing grant agreements to 6 October 2020, as shown in Attachment A to the subject Memorandum, after which time it will be automatically revoked unless further extended by resolution of Council.

Carried unanimously.

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**Attachment A – Review of Delegations to the Lord Mayor and Chief Executive Officer
Proposed Amendments**

A. Delegations to the Lord Mayor - General authority of Council during recesses

27. to exercise the powers, authorities, duties and functions of Council during the period:

- a) commencing at midnight on the day of the Council meeting held immediately before a recess period as approved by Council; and
- b) ending at the time of commencement of the first Committee meeting held immediately after the end of a recess period as approved by Council,

provided:

- c) reports or other business papers in a form similar to those normally submitted to Council or a Council Committee are provided to the Lord Mayor and Councillors at least three business days prior to the Lord Mayor exercising any powers, authorities, duties and functions of Council under this delegation; and
- d) the Lord Mayor does not receive written objections by three or more Councillors on an item stating relevant reasons as to why the Lord Mayor should not exercise any powers, authorities, duties and functions of Council in relation to that item, under this delegation; and
- e) any powers, authorities, duties and functions of Council exercised by the Lord Mayor pursuant to this delegation are to be reported to Councillors on a weekly basis in the CEO's Update.

B. Delegations to the Chief Executive Officer – Budget and Resource Allocation

5. with the prior consultation of the Chief Financial Officer, following a tender process in accordance with the Local Government Act 1993 and relevant regulations, approve entering into a contract involving an estimated expenditure or receipt of an amount of \$5 million or less;

6. with the prior consultation of the Lord Mayor, variation of any:

- a. contract sum; or
- b. contract contingency,

exceeding the amount approved by Council provided any such variations are not cumulatively more than 10%;

C. Delegations to the Chief Executive Officer – Variations to Existing Grants

15A. between 6 April 2020 and 6 October 2020, entering into any contracts or documentation to allow grant recipients to vary their deliverables under existing grant agreements;
