30 March 2020

At 2.00 pm

Corporate, Finance, Properties and Tenders Committee

Agenda

1.   **Disclosures of Interest**

2.   **Investments Held as at 29 February 2020**

3.   **Post Exhibition - Smart City Strategic Framework**

4.   **Policy - Adoption - Fraud and Corruption Internal Reporting Policy**

5.   **Lease Approval - Part 540 George Street, Sydney and Stratum Stair Access Town Hall - Woolworths Group Limited**

6.   **Tender - Reject and Negotiate - Renewable Energy Concierge**

7.   **Exemption from Tender - Supply and Installation of Hoardings for Fig and Wattle Streets Depot and The Bulk Store at Bay Street Depot**

CITY OF SYDNEY

Disclaimer, Terms and 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.

Webcast

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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 Secretariat on 9265 9310 or emailing secretariat@cityofsydney.nsw.gov.au 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.

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 City 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 available at www.cityofsydney.nsw.gov.au with printed copies available at Sydney Town Hall immediately prior to the meeting. City staff are also available prior to the meeting to assist.

Item 1.

Disclosures of Interest

Pursuant to the provisions of the City of Sydney Code of Meeting Practice and the City of Sydney Code of Conduct, Councillors are required to disclose pecuniary interests in any matter on the agenda for this meeting.

Councillors are also required to disclose any non-pecuniary interests in any matter on the agenda for this meeting.

This will include receipt of reportable political donations over the previous four years.

In both cases, the nature of the interest must be disclosed.

Written disclosures of interest received by the Chief Executive Officer in relation to items for consideration at this meeting will be laid on the table.

Item 2.

Investments Held as at 29 February 2020

File No: X020701

Summary

This report provides details of the City's investment portfolio and performance, as projected to 29 February 2020.

The City's total Investment and Cash position was $706.9M at the end of February, with investments earning interest of $0.9M for the month.

The majority of the City's cash and investments portfolio is held as internally restricted ($311.4M) or externally restricted ($108.7M) 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.

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 1.77 per cent for February, above the 30 Day Bank Bill Rate (BBR) of 0.81 per cent, the latest AusBond Bank Bill Index (published by Bloomberg) of 0.96 per cent and the enhanced benchmark of 1.26 per cent (BBR + 0.45 per cent) as endorsed in October 2019 as part of the Investment Strategy.

The City's annual rolling return of 1.91 per cent also continues to exceed the 12 month average 30 Day Bank Bill Rate of 1.15 per cent, the latest AusBond Bank Bill Index of 1.30 per cent and the enhanced benchmark of 1.60 per cent (BBR + 0.45 per cent) as endorsed in the Investment Strategy in October 2019.

The Reserve Bank of Australia (RBA) adjusted the official cash rate in October 2019, when it was reduced to 0.75 per cent. That rate was further reduced on 3 March 2020 to 0.50 per cent. The market is responding by reducing the rates on offer, and the resultant lower investment yields will have a sustained adverse impact on the City's portfolio return.

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 the City's commitment to sustainable investments where returns and risks are equivalent, under the environmentally and socially responsible investment criteria.

Recommendation

It is resolved that the Investment Report as at 29 February 2020 be received and noted.

Attachments

Attachment A.   Register of Investments and Cash as at 29 February 2020

Attachment B.   Investment Performance as at 29 February 2020

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 (BBR) 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 29 February is $706.9M, an increase of $32.1M from the $674.8M reported as at 31 January 2020 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 February is provided at Attachment A.

5. The majority of the City's cash and investments portfolio is held as internally restricted ($311.4M) or externally restricted ($108.7M) 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 1.77 per cent for February, above the 30 Day Bank Bill Rate (BBR) of 0.81 per cent, the latest AusBond Bank Bill Index (published by Bloomberg) of 0.96 per cent and the enhanced benchmark of 1.26 per cent (BBR + 0.45 per cent) as endorsed in October 2019 as part of the Investment Strategy.

8. The City's annual rolling return of 1.91 per cent also continues to exceed the 12 month average 30 Day Bank Bill Rate of 1.15 per cent, the latest AusBond Bank Bill Index of 1.30 per cent and the enhanced benchmark of 1.60 per cent (BBR + 0.45 per cent) as endorsed in the Investment Strategy in October 2019.

9. The Reserve Bank of Australia (RBA) adjusted the official cash rate on 1 October 2019, when it was reduced to 0.75 per cent. The cash rate was further reduced to 0.50 per cent on 3 March 2020. The market has responded accordingly by reducing the rates on offer, and the resultant lower investment yields will continue to have a sustained adverse impact on the City's portfolio return. The low interest rates are anticipated to continue for the foreseeable future given the current challenging conditions.

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.

Key Implications

Strategic Alignment - Sustainable Sydney 2030 Vision

11.   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

12.   The City's investments earned interest of $0.9M for the month of February 2020 against budgeted earnings of $1.1M, noting we still achieved and exceeded the enhanced benchmark, and investment earnings for the full year remain forecast to be on budget at $13.8M.

Relevant Legislation

13.   Council is authorised to invest its surplus cash under Section 625 of the Local Government Act 1993.

14.   The Local Government (General) Regulation 2005 (Clause 212) requires the City to provide a written monthly report of all monies invested, under Section 625 of the Act.

15.   The Investment Policy and Strategy was revised in October 2019, maintaining Council's commitment to give preference to sustainable investments where returns and risks are equivalent to other investments. The revision also maintained the broadened definition of environmentally harmful activities which includes specific reference to coal, gas and oil.

16.   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 28 October 2019.

Critical Dates / Time Frames

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

Public Consultation

18.   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.

19.   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.

20.   To date, feedback from these meetings has been that there is a well-known appetite in the market for these products and they are investigating the development of suitable products, however it has been 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.

21.   As noted in previous Investment Reports, Westpac has been able to bring a Green Tailored Deposit product to market, which delivers a comparable return while achieving the City's preferred outcomes. Since November 2018, the City has invested $95M in fifteen tranches with this Green Tailored deposit.

22.   In January 2020, the City invested $5M in a Floating Rate Note (FRN) / Sustainability Bond issued by Bank Australia, based on an investment framework that meets the main guidelines for issuance of Green, Social and Sustainability Bonds in the global capital markets. This Socially Responsible investment opportunity met both the credit risk and maturity profile requirement of the Council.

23.   In February 2020, the City invested a further $5M in a Climate Bond certified Green Term Deposit with the Commonwealth Bank of Australia (CBA), which also meets the City's risk / return profile. This is the current maximum investor threshold set by CBA for this Green Deposit product. It is evident from these recent opportunities that the market is endeavouring to respond to demand and meet investors need to satisfy both their financial risk / return requirements, while at the same time promoting their preferred investment profile outcomes.

BILL CARTER

Chief Financial Officer

Attachment A

Register of Investments and Cash
as at 29 February 2020

Institution	Rating	Face Value $	Amortised Value at 31 Dec 2019 $	Monthly Net Returns	Monthly Net Return Annualised	Net Returns Rolling 12 Months	Maturity Date	Investment Date	Term (months)
Call Account									
Westpac Bank	AA	23,707,785.97	23,707,785.97	0.08%	1.00%	1.00%	1-Mar-20	22-May-12	0
Total		**23,707,786**	**23,707,786**	**0.08%**	**1.00%**	**1.00%**			
Term Deposits (TD)									
Westpac Banking Corporation	AA	5,000,000.00	5,000,000.00	0.13%	1.51%	1.51%	2-Mar-20	3-Dec-19	3
National Aust Bank	AA	10,000,000.00	10,000,000.00	0.13%	1.55%	1.55%	3-Mar-20	28-Nov-19	3
National Aust Bank	AA	5,000,000.00	5,000,000.00	0.12%	1.43%	1.43%	4-Mar-20	29-Nov-19	3
National Aust Bank	AA	5,000,000.00	5,000,000.00	0.12%	1.43%	1.43%	5-Mar-20	29-Nov-19	3
Suncorp Bank	A	5,000,000.00	5,000,000.00	0.14%	1.65%	1.65%	6-Mar-20	4-Sep-19	6
Bank of Queensland	A	5,000,000.00	5,000,000.00	0.23%	2.70%	2.70%	6-Mar-20	8-Mar-19	12
ME Bank	A	5,000,000.00	5,000,000.00	0.12%	1.47%	1.47%	10-Mar-20	10-Jan-20	2
Suncorp Bank	A	5,000,000.00	5,000,000.00	0.14%	1.70%	1.70%	10-Mar-20	9-Sep-19	6
Suncorp Bank	A	5,000,000.00	5,000,000.00	0.14%	1.70%	1.70%	12-Mar-20	10-Sep-19	6
Bank of Queensland	A	5,000,000.00	5,000,000.00	0.13%	1.50%	1.50%	13-Mar-20	2-Dec-19	3
ME Bank	A	5,000,000.00	5,000,000.00	0.22%	2.65%	2.65%	16-Mar-20	18-Mar-19	12
Commonwealth Bank	AA	5,000,000.00	5,000,000.00	0.14%	1.67%	1.67%	20-Mar-20	23-Aug-19	7
Commonwealth Bank	AA	5,000,000.00	5,000,000.00	0.14%	1.64%	1.64%	31-Mar-20	3-Sep-19	7
National Aust Bank	AA	5,000,000.00	5,000,000.00	0.21%	2.55%	2.55%	31-Mar-20	1-Apr-19	12
Suncorp Bank	A	5,000,000.00	5,000,000.00	0.14%	1.70%	1.70%	9-Apr-20	9-Sep-19	7
Bendigo & Adelaide Bank	A	5,000,000.00	5,000,000.00	0.13%	1.55%	1.55%	14-Apr-20	9-Dec-19	4
Bank of Queensland	A	5,000,000.00	5,000,000.00	0.13%	1.60%	1.60%	27-Apr-20	30-Oct-19	6
IMB	A	5,000,000.00	5,000,000.00	0.13%	1.55%	1.55%	28-Apr-20	28-Jan-20	3
Bank of Queensland	A	5,000,000.00	5,000,000.00	0.13%	1.60%	1.60%	28-Apr-20	31-Oct-19	6
Commonwealth Bank	AA	5,000,000.00	5,000,000.00	0.11%	1.37%	1.37%	30-Apr-20	28-Feb-20	2
National Aust Bank	AA	5,000,000.00	5,000,000.00	0.13%	1.50%	1.50%	5-May-20	3-Feb-20	3
ME Bank	A	5,000,000.00	5,000,000.00	0.13%	1.58%	1.58%	5-May-20	27-Nov-19	5
National Aust Bank	AA	5,000,000.00	5,000,000.00	0.13%	1.50%	1.50%	8-May-20	3-Feb-20	3
Westpac Banking Corporation	AA	5,000,000.00	5,000,000.00	0.13%	1.54%	1.54%	8-May-20	10-Feb-20	3
ME Bank	A	5,000,000.00	5,000,000.00	0.13%	1.61%	1.61%	8-May-20	21-Nov-19	6
National Aust Bank	AA	5,000,000.00	5,000,000.00	0.13%	1.50%	1.50%	12-May-20	11-Feb-20	3
Bendigo & Adelaide Bank	A	5,000,000.00	5,000,000.00	0.13%	1.58%	1.58%	12-May-20	29-Nov-19	5
Westpac Banking Corporation	AA	5,000,000.00	5,000,000.00	0.13%	1.51%	1.51%	13-May-20	13-Feb-20	3
ME Bank	A	5,000,000.00	5,000,000.00	0.13%	1.61%	1.61%	15-May-20	19-Nov-19	6
Westpac Banking Corporation	AA	5,000,000.00	5,000,000.00	0.13%	1.50%	1.50%	18-May-20	17-Feb-20	3
Bendigo & Adelaide Bank	A	5,000,000.00	5,000,000.00	0.13%	1.58%	1.58%	19-May-20	29-Nov-19	6
Bendigo & Adelaide Bank	A	5,000,000.00	5,000,000.00	0.13%	1.58%	1.58%	22-May-20	29-Nov-19	6
National Aust Bank	AA	5,000,000.00	5,000,000.00	0.12%	1.45%	1.45%	26-May-20	24-Feb-20	3
Suncorp Bank	A	5,000,000.00	5,000,000.00	0.13%	1.58%	1.58%	26-May-20	28-Nov-19	6
Bank of Queensland	A	5,000,000.00	5,000,000.00	0.13%	1.60%	1.60%	29-May-20	28-Nov-19	6
Credit Union Australia	A	5,000,000.00	5,000,000.00	0.13%	1.61%	1.61%	9-Jun-20	8-Oct-19	8
IMB	A	5,000,000.00	5,000,000.00	0.13%	1.55%	1.55%	12-Jun-20	3-Dec-19	6
Westpac Banking Corporation	AA	5,000,000.00	5,000,000.00	0.13%	1.55%	1.55%	16-Jun-20	10-Feb-20	4
ME Bank	A	5,000,000.00	5,000,000.00	0.13%	1.58%	1.58%	19-Jun-20	26-Nov-19	7
ME Bank	A	5,000,000.00	5,000,000.00	0.13%	1.61%	1.61%	23-Jun-20	10-Dec-19	6
IMB	A	5,000,000.00	5,000,000.00	0.13%	1.55%	1.55%	26-Jun-20	3-Dec-19	7
Credit Union Australia	A	5,000,000.00	5,000,000.00	0.13%	1.57%	1.57%	3-Jul-20	28-Nov-19	7
Bank of Queensland	A	5,000,000.00	5,000,000.00	0.14%	1.65%	1.65%	7-Jul-20	10-Jan-20	6
Credit Union Australia Ltd	A	5,000,000.00	5,000,000.00	0.13%	1.60%	1.60%	10-Jul-20	11-Dec-19	7
Bendigo & Adelaide Bank	A	5,000,000.00	5,000,000.00	0.13%	1.58%	1.58%	14-Jul-20	16-Jan-20	6
Credit Union Australia	A	10,000,000.00	10,000,000.00	0.13%	1.57%	1.57%	24-Jul-20	28-Nov-19	8
National Aust Bank	AA	5,000,000.00	5,000,000.00	0.13%	1.55%	1.55%	7-Aug-20	10-Feb-20	6
Bendigo & Adelaide Bank	A	5,000,000.00	5,000,000.00	0.13%	1.55%	1.55%	14-Aug-20	17-Feb-20	6
ANZ Bank (90 days BBSW + 98 points)	AA	10,000,000.00	10,000,000.00	0.16%	1.93%	2.28%	28-Aug-20	28-Aug-15	60
ANZ Bank (90 days BBSW + 95 points)	AA	10,000,000.00	10,000,000.00	0.16%	1.95%	2.27%	31-Aug-20	1-Sep-15	60
Credit Union Australia Ltd	A	5,000,000.00	5,000,000.00	0.13%	1.60%	1.60%	4-Sep-20	2-Dec-19	9
Bank of Queensland	A	5,000,000.00	5,000,000.00	0.13%	1.60%	1.60%	8-Sep-20	12-Feb-20	7
Macquarie Bank	A	5,000,000.00	5,000,000.00	0.13%	1.60%	1.60%	11-Sep-20	27-Feb-20	6
Macquarie Bank	A	5,000,000.00	5,000,000.00	0.13%	1.60%	1.60%	15-Sep-20	28-Feb-20	7
Credit Union Australia	A	5,000,000.00	5,000,000.00	0.13%	1.55%	1.55%	22-Sep-20	24-Feb-20	7
Credit Union Australia Ltd	A	5,000,000.00	5,000,000.00	0.13%	1.60%	1.60%	25-Sep-20	2-Dec-19	10
ME Bank	A	5,000,000.00	5,000,000.00	0.13%	1.60%	1.60%	16-Oct-20	22-Jan-20	9
Credit Union Australia Ltd	A	5,000,000.00	5,000,000.00	0.13%	1.58%	1.58%	23-Oct-20	29-Jan-20	9
Bendigo & Adelaide Bank	A	5,000,000.00	5,000,000.00	0.13%	1.55%	1.55%	3-Nov-20	4-Feb-20	9
Macquarie Bank	A	5,000,000.00	5,000,000.00	0.13%	1.55%	1.55%	13-Nov-20	28-Feb-20	8
National Aust Bank	AA	5,000,000.00	5,000,000.00	0.12%	1.40%	1.40%	22-Jan-21	29-Jan-20	12
Westpac Bank (3 months BBSW + 88 points)	AA	5,000,000.00	5,000,000.00	0.15%	1.78%	2.04%	14-May-21	16-May-19	24
Westpac Banking Corporation (2.80% Fixed 1 year & 90 days BBSW + 82 points)	AA	5,000,000.00	5,000,000.00	0.15%	1.75%	2.28%	21-Sep-21	21-Sep-18	36
Westpac Banking Corporation (2.90% Fixed 2 years & 90 days BBSW + 90 points)	AA	5,000,000.00	5,000,000.00	0.15%	1.80%	2.41%	11-Oct-21	12-Oct-17	48
Westpac Banking Corporation (2.94% Fixed 2 years & 3 months BBSW + 82 points 3 years)	AA	5,000,000.00	5,000,000.00	0.25%	2.94%	2.94%	8-Nov-21	6-Nov-18	36
Westpac Banking Corporation (3% Fixed 2 years & 90 days BBSW + 133 points 3 years)	AA	5,000,000.00	5,000,000.00	0.19%	2.24%	2.60%	15-Dec-21	15-Dec-16	60
Westpac Banking Corporation (3% Fixed 2 years & RBA cash rate + 126 points 3 years)	AA	5,000,000.00	5,000,000.00	0.18%	2.15%	2.62%	31-Aug-22	31-Aug-17	60
Westpac Banking Corporation (2.80% Fixed 1 year & 90 days BBSW + 85 points)	AA	5,000,000.00	5,000,000.00	0.15%	1.77%	2.38%	27-Sep-22	28-Sep-18	48
Westpac Banking Corporation (2.98% Fixed 2 years & 3 months BBSW + 82 points 2 years)	AA	5,000,000.00	5,000,000.00	0.25%	2.98%	2.98%	21-Nov-22	21-Nov-18	48
Term Deposits (TD) 'Green Tailored Deposits'									
Westpac Bank - Green Tailored Deposit	AA	5,000,000	5,000,000	0.14%	1.67%	1.67%	17-Apr-20	1-Oct-19	7
Westpac Bank - Green Tailored Deposit	AA	10,000,000	10,000,000	0.14%	1.67%	1.67%	24-Apr-20	1-Oct-19	7
Westpac Bank - Green Tailored Deposit	AA	5,000,000	5,000,000	0.12%	1.48%	1.48%	22-May-20	29-Nov-19	6
Westpac Bank - Green Tailored Deposit	AA	10,000,000	10,000,000	0.12%	1.48%	1.48%	27-May-20	29-Nov-19	6
Westpac Bank - Green Tailored Deposit	AA	5,000,000	5,000,000	0.12%	1.47%	1.47%	4-Aug-20	5-Feb-20	6
Westpac Bank - Green Tailored Deposit (90 days BBSW + 75 points)	AA	5,000,000	5,000,000	0.13%	1.59%	1.69%	26-Aug-20	27-Aug-19	12
Westpac Bank - Green Tailored Deposit (90 days BBSW + 75 points)	AA	5,000,000	5,000,000	0.13%	1.58%	1.67%	27-Aug-20	28-Aug-19	12
Westpac Bank - Green Tailored Deposit (90 days BBSW + 75 points)	AA	5,000,000	5,000,000	0.14%	1.72%	1.72%	2-Sep-20	2-Sep-19	12
Commonwealth Bank- Green Tailored Deposit	AA	5,000,000	5,000,000	0.12%	1.41%	1.41%	22-Sep-20	25-Feb-20	7
Westpac Bank - Green Tailored Deposit	AA	5,000,000	5,000,000	0.12%	1.42%	1.42%	4-Feb-21	5-Feb-20	12
Westpac Banking Corporation - Green Tailored Deposit (3 Months BBSW + 93 points)	AA	10,000,000.00	10,000,000.00	0.15%	1.77%	2.14%	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	5,000,000.00	5,000,000.00	0.25%	2.97%	2.97%	29-Nov-23	30-Nov-18	60
Westpac Banking Corporation - Green Tailored Deposit (3.00% Fixed 1 years & 3 months BBSW + 105 points 4 years)	AA	10,000,000.00	10,000,000.00	0.16%	1.93%	2.82%	24-Jan-24	25-Jan-19	60

Register of Investments and Cash for February 2020 period									
Institution	Rating	Face Value $	Amortised Value at 31 Dec 2019 $	Monthly Net Returns	Monthly Net Return Annualised	Net Returns Rolling 12 Months	Maturity Date	Investment Date	Term (months)
Westpac Banking Corporation - Green Tailored Deposit (2.85% Fixed 1 years & 3 months BBSW + 100 points 4 years)	AA	5,000,000.00	5,000,000.00	0.24%	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	5,000,000.00	5,000,000.00	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	5,000,000.00	5,000,000.00	0.22%	2.65%	2.65%	22-Mar-24	25-Mar-19	60
Total		**465,000,000**	**465,000,000**	**0.14%**	**1.73%**	**1.81%**			
Floating Rate Notes (FRN)									
Newcastle Permanent Building Society (90 days BBSW + 135 points)	A	5,000,000.00	5,000,000.00	0.19%	2.26%	2.59%	7-Apr-20	7-Apr-15	60
Newcastle Permanent Building Society (90 days BBSW + 135 points)	BBB	7,500,000.00	7,440,825.00	0.19%	2.26%	2.59%	7-Apr-20	18-Jul-16	45
National Australia Bank (90 days BBSW + 80 points)	AA	5,000,000.00	5,000,000.00	0.14%	1.71%	2.09%	3-Jun-20	3-Jun-15	60
Commonwealth Bank (90 days BBSW + 90 points)	AA	10,000,000.00	10,000,000.00	0.15%	1.77%	2.15%	17-Jul-20	17-Jul-15	60
Westpac Banking Corporation (90 days BBSW + 90 points)	AA	5,000,000.00	5,000,000.00	0.15%	1.76%	2.10%	28-Jul-20	28-Jul-15	60
Bendigo & Adelaide Bank (90 days BBSW + 110 points)	BBB	5,000,000.00	5,000,000.00	0.16%	1.98%	2.36%	18-Aug-20	18-Aug-15	60
AMP Bank (90 days BBSW + 75 points)	A	5,000,000.00	5,000,000.00	0.14%	1.68%	2.00%	6-Oct-20	6-Oct-17	36
Suncorp Bank (90 days BBSW + 125 points)	A	5,000,000.00	5,000,000.00	0.18%	2.10%	2.44%	20-Oct-20	20-Oct-15	60
Westpac Banking Corporation (90 days BBSW + 108 points)	AA	15,000,000.00	15,000,000.00	0.16%	1.94%	2.27%	28-Oct-20	28-Oct-15	60
National Australia Bank (90 days BBSW + 108 points)	AA	10,000,000.00	10,000,000.00	0.17%	2.00%	2.36%	5-Nov-20	5-Nov-15	60
ME Bank (90 days BBSW + 125 points)	BBB	2,250,000.00	2,250,000.00	0.18%	2.17%	2.54%	9-Nov-20	9-Nov-17	36
Commonwealth Bank (90 days BBSW + 115 points)	AA	5,000,000.00	5,000,000.00	0.17%	2.00%	2.39%	18-Jan-21	20-Jan-16	60
Heritage Bank (90 days BBSW + 123 points)	BBB	3,500,000.00	3,500,000.00	0.18%	2.15%	2.44%	29-Mar-21	29-Mar-18	36
ANZ Bank (90 days BBSW + 118 points)	AA	5,000,000.00	5,000,000.00	0.17%	2.09%	2.42%	7-Apr-21	7-Apr-16	60
Suncorp Bank (90 days BBSW + 138 points)	A	5,000,000.00	5,000,000.00	0.19%	2.28%	2.62%	12-Apr-21	12-Apr-16	60
ME Bank (90 days BBSW + 127 points)	BBB	2,500,000.00	2,500,000.00	0.18%	2.15%	2.50%	16-Apr-21	17-Apr-18	36
Bendigo & Adelaide Bank (90 days BBSW + 146 points)	BBB	5,000,000.00	5,000,000.00	0.19%	2.31%	2.70%	20-Apr-21	20-Apr-16	60
Bank of China - Sydney Branch (90 days BBSW + 103 points)	A	4,500,000.00	4,500,000.00	0.16%	1.93%	2.32%	15-Nov-21	15-Nov-18	36
Commonwealth Bank (90 days BBSW + 85 points)	AAA	4,600,000.00	4,600,000.00	0.15%	1.75%	2.11%	17-Nov-21	17-Nov-16	60
ANZ Bank (90 days BBSW + 88 points)	AA	4,000,000.00	4,000,000.00	0.15%	1.80%	2.18%	8-Feb-22	8-Feb-19	36
Credit Union Australia (90 days BBSW + 123 points)	A	1,500,000.00	1,500,000.00	0.18%	2.12%	2.52%	4-Mar-22	4-Mar-19	36
ME Bank (90 days BBSW + 98 points)	BBB	3,000,000.00	3,000,000.00	0.16%	1.87%	1.97%	18-Jul-22	18-Jul-19	36
Suncorp Bank (90 days BBSW + 97 points)	A	2,500,000.00	2,500,000.00	0.16%	1.87%	2.23%	16-Aug-22	16-Aug-17	60
Suncorp Bank (90 days BBSW + 97 points)	A	4,000,000.00	4,013,240.00	0.16%	1.87%	2.23%	16-Aug-22	31-Oct-18	45
Bank of Queensland (90 days BBSW + 105 points)	BBB	4,000,000.00	4,000,000.00	0.16%	1.91%	2.33%	3-Feb-23	5-Feb-18	60
Credit Union Australia (3 monts BBSW + 90 bps)	BBB	2,800,000.00	2,800,000.00	0.15%	1.79%	1.79%	21-Feb-23	21-Feb-20	36
Westpac Bank (90 days BBSW + 83 points)	AA	5,000,000.00	5,000,000.00	0.14%	1.73%	2.10%	6-Mar-23	6-Mar-18	60
ANZ Bank (90 days BBSW + 90 points)	AA	5,000,000.00	5,000,000.00	0.15%	1.82%	2.16%	9-May-23	9-May-18	60
National Australia Bank (90 days BBSW + 90 points)	AA	5,000,000.00	5,000,000.00	0.15%	1.80%	2.16%	16-May-23	16-May-18	60
Commonwealth Bank (90 days BBSW + 93 points)	AA	3,500,000.00	3,500,000.00	0.15%	1.83%	2.19%	16-Aug-23	16-Aug-18	60
Suncorp Bank (90 days BBSW + 77 points)	A	4,500,000.00	4,500,000.00	0.14%	1.68%	2.05%	13-Sep-23	13-Sep-18	60
National Australia Bank (90 days BBSW + 93 points)	AA	3,500,000.00	3,500,000.00	0.16%	1.86%	2.15%	26-Sep-23	26-Sep-18	60
ANZ Bank (90 days BBSW + 103 points)	AA	5,000,000.00	5,000,000.00	0.16%	1.93%	2.30%	6-Dec-23	6-Dec-18	60
National Australia Bank (90 days BBSW + 104 points)	AA	4,000,000.00	4,000,000.00	0.16%	1.88%	2.24%	26-Feb-24	26-Feb-19	60
National Australia Bank (90 days BBSW + 92 points)	AA	3,200,000.00	3,200,000.00	0.16%	1.86%	1.95%	19-Jun-24	20-Jun-19	60
Westpac Banking Corporation (90 days BBSW + 88 points)	AA	4,000,000.00	4,000,000.00	0.15%	1.78%	2.01%	16-Aug-24	16-May-19	63
ANZ Bank (90 days BBSW + 77 points)	AA	4,000,000.00	4,000,000.00	0.14%	1.66%	1.69%	29-Aug-24	29-Aug-19	60
National Australia Bank (90 days BBSW + 77 points)	AA	5,000,000.00	5,000,000.00	0.14%	1.62%	1.62%	21-Jan-25	21-Jan-20	60
Macquarie Bank (3 months BBSW + 84 points)	A	5,000,000.00	5,000,000.00	0.15%	1.77%	1.77%	12-Feb-25	12-Feb-20	60
Floating Rate Notes (FRN) 'Green/Climate Bonds/Sustainability Bond'									
ANZ Bank Green Bond (Fixed rate @ 3.25% semi annual)	AA	5,000,000.00	4,994,281.93	0.27%	3.25%	3.25%	3-Jun-20	3-Jun-15	60
Commonwealth Bank Climate Bond (90 days BBSW + 92 points)	AA	5,000,000.00	5,000,000.00	0.15%	1.85%	2.14%	31-Mar-22	31-Mar-17	60
Bank Australia - Sustainability Bond (3months BBSW + 90 points)	BBB	5,000,000.00	5,000,000.00	0.15%	1.79%	1.79%	2-Dec-22	2-Dec-19	36
Total		**203,350,000**	**203,298,347**	**0.16%**	**1.94%**	**2.24%**			
Total Investments		**692,057,786**	**692,006,133**	**0.15%**	**1.77%**	**1.91%**			
Benchmark: 30 Day Bank Bill Index				0.07%	0.81%	1.15%			
Benchmark: Bloomberg AusBond Bank Bill Index				0.08%	0.96%	1.30%			
City of Sydney's available bank balance as at 29 February 2020		**14,903,035**	**14,903,035**						
TOTAL INVESTMENTS & CASH		**706,960,821**	**706,909,168**						

Summary of Net Investment Movements - February 2020			
Financial Institution	**Fund Rating**	**Net Invest/(Recall) Amount $**	**Commentary**
General Fund			
Westpac Banking Corporation	AA	5,500,000	February closing balance was higher due to high volume of rates receipts at the end of the month
Call Account			
Westpac Banking Corporation	AA	9,000,000	Rates receipts received in February, placed in Call account for operational use.
Term Deposits (TDs)			
Commonwealth Bank	AA	10,000,000	Redeemed matured investments and placed in higher yielding Term Deposits.
Macquarie Bank Ltd	A	15,000,000	
Westpac Banking Corporation	AA	25,000,000	
Bankwest	AA	(5,000,000)	Redemption of matured Term Deposits, placed in call account for operational use or reinvested with higher yielding products.
Bendigo & Adelaide Bank	A	(5,000,000)	
National Aust Bank	AA	(20,000,000)	
Floating Rate Notes (FRNs)			
Credit Union Australia Ltd	BBB	2,800,000	Utilised additional income for the settlement of this high yeilding FRN
Macquarie Bank Ltd	A	5,000,000	
Bank of Queensland	BBB	(5,000,000)	Redeemed matured investments and placed in higher yielding Term Deposits.
Greater Buidling Society	A	(5,000,000)	

Attachment B

Monthly Results

Actual Portfolio vs Strategic Enhanced Benchmark vs AusBond Benchmark vs 30 Day BBR Benchmark
February 2020

- Portfolio Monthly Return
- Strategic 45 point enhanced monthly return
- AusBond Monthly Return
- 30 Day BBR Monthly Return

12 Month Rolling Averages

Actual Portfolio vs Strategic Enhanced Benchmark vs AusBond Benchmark vs 30 Day BBR Benchmark
February 2020

- Portfolio 12 Month Rolling Return
- Strategic 45 point enhanced rolling return
- AusBond 12 Month Rolling Avg
- 30 Day BBR 12 Month Rolling Return

Item 3.

Post Exhibition - Smart City Strategic Framework

File No: X017671

Summary

The City of Sydney is experiencing rapid change. Our population is growing, the needs of our community and environment are intensifying and technological advancements are disrupting our urban realm. Against this backdrop, we have developed a smart city strategic framework to harness the opportunities brought about by digital disruption, plan for uncertainty and sustain our global reputation as a leading place to live, work, learn and visit. The framework serves to both inform the development of Sustainable Sydney 2050 and stand alone as the City's adopted framework to guide the ongoing implementation of smart city initiatives.

This framework was developed in consultation with the community, the smart city ecosystem and City staff. A draft of the framework was exhibited to the public from 21 January to17 February 2020. The framework was downloaded 231 time and 30 submissions were received predominantly from key stakeholders in the smart city ecosystem which were overwhelmingly supportive of the framework's outcomes and approach.

In summary, feedback and commentary was received across the following issues: innovation, data (particularly in relation to privacy, ethics and security), digital rights and trust, collaboration and co-creation, economic development, evaluation and review, and standards. Specific items of feedback have been incorporated into the final framework, with the following additions and references now included in the document:

- The City's commitment to the declaration of Cities Coalition for Digital Rights;

- The NSW Government Privacy Framework which includes conducting privacy impact assessments and statements in relation to smart city projects;

- Public interest as a key factor in the development of new technologies with respect to ethical innovation;

- Specific mention of the framework's guiding principle of secure and ethical by design into the City's planning process for new projects and when partnering with others;

- The inclusion of "data" alongside "technology" throughout the document to clarify the equally important role both components play in building a smart city;

- Data is collected purposefully rather than randomly;

- A carbon positive outcome and smart water management as illustrations of how technology and data can help future-proof the environment; and

- The importance of managing the impact of smart infrastructure such as 5G on the public domain

A small number of minor editorial changes have also been made to the framework document.

Full details of the feedback received and the City's responses to each are included in the Consultation Report at Attachment A.

This framework will help galvanise collaboration across all actors in the City's smart city ecosystem and articulate the City's role in driving the smart transformation of Greater Sydney.

The framework puts people at the centre. Rather than prescribing technological solutions, it promotes an outcomes-focussed approach in which technology is woven into the fabric of everyday life to respond to real needs and flexibly adapt as technology and community expectations change. For this reason, it has not been prepared as a project specific action plan.

This smart city strategic framework provides us with clarity on our vision for a smart Sydney, the outcomes we seek in harnessing technology and data, and what infrastructure and enabling environment is needed to make them a reality.

The City has identified the following five strategic outcomes:

1.   supporting connected, empowered communities;

2.   fuelling global economic competitiveness and attracting and retaining global talent;

3.   future proofing our environment and bolstering resilience;

4.   cultivating vibrant, liveable places; and

5.   providing customer-centre, efficient service delivery.

The framework aligns with ISO 37106:2018, the internationally recognised standard for creating a smart city framework. Consequently, the City has embedded interoperability as an integral part of our smart city transformation, positioning us to be able to share data, platforms and solutions with other cities, the private sector, academia and our communities.

In order for the framework to not become out of date very quickly, it has not been developed as an action plan in and of itself. The framework points to opportunities to illustrate the kind of projects that could be considered for each of the strategic outcomes. City staff have developed an accompanying Implementation Roadmap which is an internal document to guide the rollout of smart city initiatives. This roadmap has also been developed to align with the standard.

Recommendation

It is resolved that:

(A)   Council adopt the Smart City Strategic Framework, as amended following public consultation and shown at Attachment B to the subject report; and

(B)   authority be delegated to the Chief Executive Officer to undertake minor editorial amendments to prepare the Smart City Strategic Framework document for publication.

Attachments

Attachment A.   Engagement Report - Smart City Strategic Framework.

Attachment B.   Smart City Strategic Framework

Background

1.   The City has a vision for Sydney to be a dynamic, responsive city, harnessing technology and data to enable collaborative innovation and create a thriving, inclusive and resilient future for all.

2.   The draft smart city strategic framework is structured around five strategic outcomes. While each outcome focuses on a specific domain, the success of the city's smart transformation is dependent on a holistic approach, whereby the five outcomes seamlessly integrate and support each other.

   (a)   Strategic Outcome 1: A city supporting connected, empowered communities.

      The primary objective of this outcome is to equip communities with the skills and tools required to participate and flourish in the digital future, ensuring that no one is left behind. There are three priority areas that will guide the City's approach:

      (i)   a digital-ready community for a digitally-inclusive future;

      (ii)   community co-creation in the design and delivery of the city; and

      (iii)   open data informing better community decision-making to improve quality of life.

   (b)   Strategic Outcome 2: A city fuelling global economic competitiveness and attraction and retaining global talent.

      The primary objective of this outcome is to embrace digital disruption to foster an innovation ecosystem and sustain Sydney's position as a global magnet for talent. There are three priority areas that will guide the City's approach:

      (i)   a thriving innovation ecosystem cultivating a culture of experimentation;

      (ii)   a knowledge economy and workforce equipped with the skills and supporting structures to leverage new technologies, accelerating productivity and scalability; and

      (iii)   a world-class destination with a superior visitor experience and vibrant night-time economy.

   (c)   Strategic Outcome 3: A city future-proofing its environment and bolstering resilience.

      The primary objective of this outcome is to accelerate the journey towards a sustainable city, able to adapt and thrive in the face of expected and unexpected challenges. There are three priority areas that will guide the City's approach:

      (i)   data-driven monitoring, prediction and management of city conditions and impacts of shocks and stresses;

      (ii)   new technologies propelling a greener city and a carbon-neutral future, powered by the circular economy and affordable renewable energy; and

      (iii)   informed and prepared communities actively participating to strengthen the local area's sustainability and resilience.

(d)   Strategic Outcome 4: A city cultivating vibrant, liveable places.

The primary objective of this outcome is to integrate the digital and physical landscapes to create diverse, safe, inclusive and creative places for people. There are three priority areas that will guide the City's approach:

(i)   an integrated mobility network supporting active transport;

(ii)   visibility across the urban realm to optimise planning, building and maintenance of infrastructure, assets and systems; and

(iii)   seamless integration of the physical and digital to strengthen the community's connection to place and to each other, celebrating the unique identity, culture and history of the local area.

(e)   Strategic Outcome 5: A city providing customer centric, efficient services.

The primary objective of this outcome is to operate as a connected organisation to optimise the customer experience and maximise efficiencies. There are three priority areas that will guide the City's approach:

(i)   integrated understanding of community needs and preferences across the City of Sydney to inform joined-up design and delivery of services;

(ii)   multi-channel interactions between the City of Sydney and its communities to deliver responsive, inclusive, personalised services and experiences; and

(iii)   a smart city operating model to capture maximal efficiencies

3.   Achieving these outcomes will rely on a complete and integrated suite of smart infrastructure components, not all of which will be delivered, owned or operated by the City. This suite comprises:

(a)   user interfaces and delivery channels;

(b)   data integration and analytics platforms;

(c)   communications and connectivity networks;

(d)   sensors and devices; and

(e)   the physical landscape and infrastructure.

4.   As the smart infrastructure is complex and involves many actors, there is a particular enabling environment that is critical to successful delivery. The components of this environment are:

(a)   leadership and governance;

(b)   funding and financing;

(c)   organisational culture;

(d)   monitoring and measurement;

(e)   partnerships;

(f)   standards and interoperability; and

(g)   ethical innovation.

Key Implications

Strategic Alignment - Sustainable Sydney 2030 Vision

5.   Sustainable Sydney 2030 is a vision for the sustainable development of the City to 2030 and beyond. It includes 10 strategic directions to guide the future of the City, as well as 10 targets against which to measure progress. This framework is aligned with all strategic directions of Sustainable Sydney 2030 as it provides guidance to the organisation in the utilisation of technology and data in the delivery of the Sustainable Sydney 2030 strategic directions and objectives.

6.   In addition to Sustainable Sydney, the draft smart city strategic framework has particular strategic alignment with the City's adopted digital strategy, Tech Startups Action Plan and the Resilient Sydney strategy.

Organisational Impact

7.   It is important to note that we are not starting from scratch - the City has already implemented or is in the process of implementing many smart city initiatives such as the open data portal, green concrete trial with University of NSW, smart fleet telematics, smart building management, the resilience data portal, smart pedestrian counting sensors, smart lighting, digital citizenship classes, commencement of the development of a digital twin of the city, public wi-fi and smart stormwater management. This framework provides a strategic context for those initiatives. The framework is cross-cutting in nature and will be embedded in the work and projects of the City of Sydney. It is not a new strategic pillar, nor an action plan in and of itself. Smart city activity arising from this strategy will be incorporated into project plans.

8.   Smart city leadership within the organisation is key to effecting successful project implementation. The commitment to the smart city agenda and the commitment to flexibility in allocation of resources needs to be embedded at an executive and Council level.

9.   The framework proposes a distributed governance model that ensures the broad sharing of accountabilities both across the whole of the City of Sydney, as well as the local area. Clear roles and responsibilities of all ecosystem actors need to be established at two levels:

(a)   the strategic governance level which focuses on agenda-setting and outcomes definition; and

(b)   the delivery governance level which focuses on implementation that involves the intended beneficiaries via user testing to ensure outcomes are actually realised.

Risks

10.   Projects involving new technologies or new ways of working using technology can be expensive to implement and not always work as expected. In addition, skill shortages and/or not engaging the right skills in the delivery of projects presents a risk to the successful delivery of the outcomes of this framework. These risks can be mitigated by adopting a "test, learn, fail fast and iterate" approach to developing new concepts and methods. This allows the City to experiment and innovate with minimal financial and organisational risk.

Social / Cultural / Community

11.   This framework has a strong theme of inclusion. The future success of the city depends on our residential and business communities being digitally active. We need to develop programs that encourage skilled, digitally literate, resilient communities capable of accessing and enjoying the benefits of digital technology.

12.   Supporting communities to successfully transition to a smart future requires orienting educational programs to equip citizens with the skills to leverage digital infrastructure and unlock opportunities. The traditional model of education, in which learning is front-loaded in early life, is not fit to help citizens keep pace with technological advancement. By providing opportunities for lifelong learning and upskilling, the City has a significant opportunity to bridge the digital divide and design a future urban realm that enables the participation and flourishing of all.

13.   By leveraging digital technologies and platforms alongside other innovative engagement approaches, the City can enlist citizens as partners in building the city of the future. With an embedded practice of genuine community engagement, the City is championing a co-creation approach to smart transformation. The City recognises the significant value that can be realised by using digital civic engagement tools to tap into the knowledge, experience and innovation of its communities to co-create meaningful solutions that address real needs.

14.   By opening up the data streams the City collects, the human experience of the city can be greatly enhanced. Open data empowers communities to make more effective decisions, improve their own quality of life and chart a better future. In this way, cities are creating a 'digital urban commons', whereby communities have the tools and space to innovate and thrive. This requires a strong commitment to and focus on privacy, ethical use of data and cyber-security.

15.   New technologies hold the potential for the city to preserve, strengthen and celebrate its rich cultural diversity. This is fundamental to the concept of 'digital place-making' whereby digital platforms provide opportunities for supporting the community to develop meaningful connections to place and to each other.

16.   By leveraging new technologies, we can provide greater opportunities for local artistic and cultural expression, and activate a network of vibrant public places. While technology is often perceived to be a homogenising force, we have the opportunity to use it for the opposite effect and tell our city's unique story.

17.   Seamlessly embedding smart technology into the physical landscape is important to prevent it from adding further clutter to the public domain, which would undermine its amenity and appeal as a place for communities to meet and explore.

Environmental

18.   New technologies have the capability to provide real-time data on a diversity of urban health indicators, including carbon emissions, water and air quality, infrastructure functionality, crime incident locations and social cohesion. While risk maps are not new, the vast increase in the availability and quality of data presents the opportunity for us to understand environmental conditions with a far greater degree of granularity.

19.   Technological advancements can support us to accelerate the transition to affordable, renewable energy and a carbon-neutral future. Data and digital technology can help to manage flows of materials and assets across the city, fostering an urban system that is regenerative and restorative.

20.   Smart approaches to precinct and building construction, mobility/transport options (hydrogen and electric vehicles) and community involvement in clean energy initiatives (microgrids), are just some of the potential directions that need to be considered for a carbon-neutral future.

Economic

21.   Rapid globalisation, coupled with the speed of technological change, is forcing cities to shift away from traditional economic models and embrace the 'innovation economy'. This shift has spurred the agglomeration of knowledge-intensive industries, organisations and talent in cities across the globe, giving rise to 'innovation districts'. Against this backdrop, smart city transformation has the potential to increase GDP per capita by 21 per cent, but this value can only be reaped if cities foster a strong innovation ecosystem.

22.   The City of Sydney local government area is an engine of economic growth and competitiveness, representing over 30 per cent of the Greater Sydney economy and over 22 per cent of the GDP for NSW. The city is home to some of Australia's leading academic institutions, global technology and knowledge-based companies, over 27 per cent of the country's tech startups and a highly diverse community. This ecosystem represents a fertile landscape for the establishment of innovation districts. The concentration of diverse knowledge, skills and experience within an innovation district such as the Camperdown-Ultimo Innovation Precinct is a powerful force for the co-creation of new solutions and the commercialisation of ideas. This creates a virtuous cycle of economic growth as our city strengthens its global reputation and competitiveness, supports the global expansion of local companies and intensifies its magnetic pull on global talent

Budget Implications

23.   Any projects arising from the implementation of this strategy will be incorporated into existing and upcoming project plans, grant applications and budgets.

Relevant Legislation

24.   The Local Government Act 1993 and Privacy and Personal Information Protection Act 1998 are relevant to this draft smart city strategic framework in relation to governance, procurement and data management.

Public Consultation

25. Consultation with the community in the development of the draft framework was conducted via the Sydney 2050 online survey which incorporated the use of technology and data into the questions relating to the future of Sydney. Members of the smart city ecosystem were invited to participate in a stakeholder workshop designed to capture their priorities for this smart city framework, as well as the role they see for themselves in collaborating on its implementation.

26. Once endorsed for pubic exhibition, the draft framework was exhibited on the City's Sydney Your Say webpages on the City's website and promoted via social media and enewsletter.

27. Building on the engagement conducted during the development of the framework, the draft framework was distributed directly to the following groups inviting comment:

    (a) University of Sydney, University of Technology Sydney and University of New South Wales

    (b) Smart city industry peak bodies and alliances

    (c) Smart city technology and telecommunications companies

    (d) Smart city expert consultancies

    (e) Smart city representatives from other local government agencies and the NSW government

28. Respondents were invited to provide their input via an online survey and/or a written submission. 30 submissions were received including from eight residents, 14 city workers, six business owners (some respondents are both resident, worker and/or business owner) and the following 15 organisations:

    (a) Information and privacy Commission NW

    (b) Matirar Pty Ltd

    (c) Future Cities

    (d) Office of the Australian Information Commissioner

    (e) Mooroolbark International

    (f) CGI Technology and Solutions Australia Pty Ltd

    (g) Smart Cities Council

    (h) Onewifi

    (i) Potts Point and Kings Cross Heritage and Residents' Society

    (j) Reekoh

    (k) NSW Department of Customer Service

    (l) Meshed Pty Lte

(m) Astrolabe Group

(n) Contino

(o) Sydney Business Chamber

29. Feedback and commentary was received across the following issues: innovation, data (particularly in relation to privacy, ethics and security), digital rights and trust, collaboration and co-creation, economic development, evaluation and review, and standards. Specific items of feedback have been incorporated into the final framework, with the following additions and references now included in the document:

- The City's commitment to the declaration of Cities Coalition for Digital Rights;

- The NSW Government Privacy Framework which includes conducting privacy impact assessments and statements in relation to smart city projects;

- Public interest as a key factor in the development of new technologies with respect to ethical innovation;

- Specific mention of the framework's guiding principle of secure and ethical by design into the City's planning process for new projects and when partnering with others;

- The inclusion of "data" alongside "technology" throughout the document to clarify the equally important role both components play in building a smart city;

- Data is collected purposefully rather than randomly;

- A carbon positive outcome and smart water management as illustrations of how technology and data can help future-proof the environment; and

- The importance of managing the impact of smart infrastructure such as 5G on the public domain

30. A small number of minor editorial changes have also been made to the framework document.

31. Results of the survey and a summary of the subjects raised in the submissions and details of the City's response are available in the Consultation Report at Attachment A.

KIM WOODBURY

Chief Operating Officer

Kate Deacon, Executive Manager - Strategy and Communications

Attachment A

Engagement Report – Smart City Strategic Framework

Engagement summary

From 20 January to 17 February 2020, we asked the community for feedback on our draft Smart City Strategic Framework.

The consultation was an opportunity for stakeholders and the community to provide feedback on the draft framework. Consultation activities included online engagement via a Sydney Your Say webpage, online feedback form and monthly Sydney Your Say e-newsletter.

This report outlines the community engagement activities that took place to support the consultation and summarises the key findings from the consultation.

Purpose of the engagement

The purpose of the engagement was to:

– gather feedback from stakeholders and the community about the draft framework

– inform any amendments to the draft framework

– determine the level of satisfaction with the draft framework.

Outcomes from the engagement

Submissions

We received a total of 30 submissions during the consultation period. This included submissions via an online feedback form and email. The Sydney Your Say webpage was visited 817 times and the framework document was downloaded 231 times.

Submissions were received from 15 organisations:

1. Information and Privacy Commission NSW
2. Natirar Pty Ltd
3. Future Cities: Data & Technology Strategy; Transport & Logistics; Clusters & Living Labs.
4. Office of the Australian Information Commissioner
5. Mooroolbark International
6. CGI Technologies and Solutions Australia Pty Ltd
7. Smart Cities Council
8. onewifi
9. Potts Point and Kings Cross Heritage and Residents' Society
10. Reekoh
11. NSW Department of Customer Service
12. Meshed Pty Ltd
13. Astrolable Group
14. Contino
15. Sydney Business Chamber

Key findings

Overview

The majority of respondents showed support for the draft framework, with suggestions for changes and additions to the document. These suggestions can be summarised across the following issues:

- Innovation
- Data: privacy, security and ethics; innovation, decision making and efficiencies; purposeful collection and integration
- Digital rights and trust
- Collaboration and co-creation
- Economic development
- Standards
- Evaluation and review

Survey responses

Respondents who completed the online feedback form were asked 'how effective do you think the strategic framework will be in guiding us as we adapt to and harness the opportunities of advances in technology in the future?'

The survey response results are below.

Answer Choices	Responses	
Very effective	47.83%	11
Somewhat effective	34.78%	8
Not effective	4.35%	1
Not sure	13.04%	3
	Answered	**23**
	Skipped	**0**

Survey responses

Survey respondents were asked 'how effective do you think the strategic framework will be in supporting us to develop Sydney's reputation as a city for innovation?"

The survey response results are below.

Answer Choices	Responses	
Very effective	34.78%	8
Somewhat effective	47.83%	11
Not effective	8.70%	2
Not sure	8.70%	2
	Answered	**23**
	Skipped	**0**

Survey responses

Survey respondents were asked "do you feel that the strategic framework clearly explains why and how we can use technology to:

- Support connected, empowered communities
- Fuel global economic competitiveness and attract and retain global talent
- Future-proof our environment and bolster resilience
- Cultivate vibrant liveable places
- Provide customer-centric, efficient service"

The survey response results are below.

	Yes		No		Not sure		Total
Support connected, empowered communities	73.91%	17	8.70%	2	17.39%	4	23
Fuel global economic competitiveness and attract and retain global talent	60.87%	14	21.74%	5	17.39%	4	23
Future-proof our environment and bolster resilience	60.87%	14	17.39%	4	21.74%	5	23
Cultivate vibrant liveable places	69.57%	16	13.04%	3	17.39%	4	23
Provide customer-centric, efficient services	69.57%	16	8.70%	2	21.74%	5	23
						Answered	23
						Skipped	0

Survey responses

Survey respondents were asked 'do you feel that the strategic framework appropriately addresses issues relating to:

- Data and privacy
- Digital rights
- The ethical use of technology and data

The survey response results are below.

	Yes		No		Not sure		Total
Data and privacy	34.78%	8	17.39%	4	47.83%	11	23
Digital rights	47.83%	11	13.04%	3	39.13%	9	23
The ethical use of technology & data	47.83%	11	13.04%	3	39.13%	9	23
						Answered	23
						Skipped	0

17

Subjects raised in submissions

Support of approach	Total raising this subject	City of Sydney Response
The written submissions expressed positive support for the City's approach and the framework itself. For example: "The draft City of Sydney smart city strategic framework has many very, very good messages and intent. It really is a very good document." And: "…we congratulate the City of Sydney on this important achievement that clearly recognises and supports the growing value and relationship between technology, the community and the environment – for the betterment of the City and the people who work, live and visit the iconic place that is Sydney."	8	Noted
The majority of respondents to the online survey felt that the framework will be effective in guiding us as we adapt to technological change in the future.	19 of 23	Noted
The majority of respondents to the online survey felt that the framework clearly explains how and why we can use technology to achieve each of the five strategic aims.	Average 15.4 of 23	Noted
Innovation	**Total raising this subject**	**City of Sydney Response**
The majority of respondents to the online survey felt that the framework will be effective in supporting us to develop Sydney's reputation as a city for innovation	19 of 23	Noted
Data: privacy, security and ethics	**Total raising this subject**	**City of Sydney Response**
A significant proportion of respondents to the online survey were not sure whether the framework would appropriately address issues relating to data and privacy and the ethical use of technology and data. This number of responses could indicate that the framework does not cover these issues clearly enough, or it could indicate that people are unsure about how such a	Privacy: 11 of 23 Ethics: 9 of 23	To build greater awareness of this issue, the City's commitment to Declaration of Cities Coalition for Digital Rights has been added to "Ethical innovation" in the "Creating the enabling environment" section of the framework. This declaration covers a number of relevant principles including privacy, data protection and security.

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policy framework could adequately address these issues.		In addition, a statement has been added to this section regarding building the principles of "ethics by design", "privacy by design" and "security by design" into the City's planning process for new projects and when partnering with others.
Suggestions to make further commitments to privacy and security including: - in addition to the Privacy and Personal Information Protection Act 1998 (PPIP Act), acknowledging the jurisdiction Privacy Act 1998 - adopting relevant standards for privacy and security such as via privacy impact statements or adopting the NSW Government Privacy Governance Framework	3	Noted. The PPIP Act is the most appropriate foundation for ethical use of data. A reference to the NSW Government Privacy Governance Framework has been added to "Ethical innovation" in the "Creating the enabling environment" section of the framework which covers privacy impact assessments and statements.
In order to stay across developments in the rapid evolution of artificial intelligence and security, suggestion to continue to engage with those working on ethics of technology. Suggestion to factor a "public interest" test into the development of new technologies with respect to ethical innovation.	2	The City has committed to being an ethical innovator in the information marketplace and "Secure and ethical by design" is a guiding principle of the framework. Ongoing engagement and specific reference to the public interest as per this suggestion has been added to "Ethical innovation" in the "Creating the enabling environment" section of the framework.
An exploration of the Open Government Partnership was included in a submission which has been initiated to "secure concrete commitments from national and sub-national governments to promote open government, empower citizens, fight corruption and harness new technologies to strengthen governance."	1	Noted. The principles that underpin open government are consistent with those embedded throughout the framework. The City will continue to engage with key stakeholders including the Information and Privacy Commission to explore the future of open government.
Data: innovation, decision making and efficiencies	**Total raising this subject**	**City of Sydney Response**
Suggestion to evaluate current digital twin products, initiatives and practices to understand which approach best supports outcomes for Sydney	1	Noted. Proactive market scanning is a standard practice for the City in the development of new projects and ongoing programs of work.
Detailed suggestions offered for how smart infrastructure and data can be used in the area of transportation, specifically traffic management, driver safety, crash investigations etc	2	Noted. The NSW government has primary responsibility for these areas. Strategic Outcome 4, Priority 1 aims to achieve an integrated mobility network that supports active transport. As such, the focus of this framework is to achieve those outcomes, which includes working with NSW government and others.

Suggestion to include "data" alongside "technology" in the "Creating the enabling environment" section of the framework.	1	"Data" has been added alongside "technology" throughout this section.
Data: purposeful collection and integration	**Total raising this subject**	**City of Sydney Response**
Suggestion to de-emphasise "real-time" data collection in context of optimising planning and building infrastructure which is likely to utilise historical datasets.	1	It is the visibility that data provides that is important for this outcome, not so much whether it is real-time or historical. Delete "real-time" from Outcome 4 Priority 2.
Endorsement of importance of data integration to achieve interoperability of smart infrastructure.	1	Noted. The framework identifies the critical components of smart infrastructure, including data integration and analytics platforms in the "Smart infrastructure" section of the framework. As the framework is an outcomes-based document, it does not explore the detail of various product solutions and offerings. This work is done at the project implementation stage.
The point is made that Australian smart cities use data by design not chance. Data collection needs to be purposeful, not random and while a decision may be data driven, it's the decision not the data that is important. In addition, the collection of any data needs buy-in from citizens so that they understand and are comfortable with what data is being collected.	1	The intention for data to be put to work for better decisions and outcomes and the inclusion of citizens in the co-creation of the city is clearly articulated in the framework. To further emphasise this point, the following editorial changes have been made: - Data has been added to the point regarding not installing technology for technology's sake to "The smart city opportunity" in the "Strategic Context" section of the framework. - A reiteration of the guiding principle of "secure and ethical by design" has been added to the "Unlocking the power of data" section of the framework. - A statement about collecting data for a clear purpose has been addded to the "Unlocking the power of data" section of the framework.
Digital rights and trust	**Total raising this subject**	**City of Sydney Response**
A significant proportion of respondents to the online survey were not sure whether the framework would appropriately address issues relating to digital rights. This number of responses could indicate that the framework does not cover this issue clearly enough, or it could indicate	9 of 23	To build greater awareness of the issue of digital rights, the City's commitment to Declaration of Cities Coalition for Digital Rights has been added to "Ethical innovation" in the "Creating the enabling environment" section of the framework.

that people are unsure about how such a policy framework could adequately address this issue.		
Suggestion that the framework needs to better identify and address the emerging challenges and negative reactions we are seeing to smart cities initiatives around the work, particularly in relation to building trust and confidence from citizens and being firmly focussed on outcomes, neither driven by technology or data.	1	Noted. The City's Digital Strategy and this framework both emphasise the commitment to put technology and data to work to make better decisions and enhance quality of life for our diverse communities. Technology is called out as an enabler rather than a driver. This intention is also explicitly articulated through the proposed set of guiding principles in the framework that will help to deliver the desired community outcomes, shared benefits and build trust. The importance of purposeful data collection has been addressed elsewhere in this consultation report.
Collaboration and co-creation	**Total raising this subject**	**City of Sydney Response**
Digital inclusion is key, particularly in relation to adoption and deployment of community-led IoT infrastructure and communication networks and platforms.	3	Noted. Digital inclusion is a priority principle of both the City's Digital Strategy and this framework under Strategic Outcome 1, Priorities 1 and 2 and is factored into project specific decision making.
Suggestion to provide residents with localised information they can use to inform and monitor their actions to help the environment and resilience.	1	Noted. This suggestion underpins the intent of Strategic Outcome 1 and is included in Strategic Outcome 3, Priority 3.
Suggestion for ongoing collaboration with business and strategic solution providers via partnering models that espouse shared equitable outcomes and coordinate infrastructure delivery between councils.	1	Noted. Collaboration underpins the entire framework and is a guiding principle. The framework itself was developed collaboratively and the implementation of projects within the framework will require extensive collaboration with multiple networks. Ensuring there are shared outcomes for the whole community is key to successful collaboration. This intent is outlined in "the City of Sydney's role" section of the framework.
Economic development	**Total raising this subject**	**City of Sydney Response**
The majority of respondents to the online survey felt that the framework clearly explains why and how we can use technology to achieve the strategic outcome of global economic	14 of 23	Noted

competitiveness and attracting and retaining global talent.		
Suggestion to undertake an initiative to measure and monitor foreign trade from each of Sydney's services and tech sub-sectors and use those measures to guide business enablement programs	1	Noted. The City has adopted a series of sector based economic action plans. Research and measurement of a range of relevant indicators is undertaken to evaluate the plans and these are factored into the development of the City's business support programs.
Noting the recent removal of trade restrictions to the night-time economy in Sydney CBD, a digitally connected city will be key to enhancing the safety and experience of the city at night.	1	Noted. Strategic Outcome 2, Priority 3 identifies the importance of a 24 hour city to Sydney's global competitiveness and the importance of digital connectivity to delivering a vibrant night-time economy.
Standards	**Total raising this subject**	**City of Sydney Response**
It is noted that for many low-cost sensors, industry standardisation that enhances interoperability is not yet present. Suggestion to create definitions of domain based Common Data Formats.	1	Noted. In the "Creating the enabling environment" section of the framework, the City acknowledges the importance of standards in supporting and fostering the open innovation ecosystem required for smart transformation. As a participant in this ecosystem, the City encourages the continued development of standardisation.
Evaluation and review	**Total raising this subject**	**City of Sydney Response**
In order to flexibly adapt the framework to meet new challenges, suggestion to re-open the framework every 2 years or on a regular basis to provide the opportunity for ongoing engagement and commentary from the public and strategic solution partners, as well as to provide the community with the ability to challenge whether the principles are being followed in project deployment.	3	Noted. Framework has been designed to be outcomes based, rather than prescriptive about projects or specific technology, which would render it out of date in a short period of time. Reporting back to the community on the framework and reviewing it via public exhibition will be done on an as-needs basis depending on the rate of change and project deployment in this dynamic space. This is likely to be within a 3-5 year timeframe. Testing the application of the guiding principles can be done as part of this process. In addition, the City of Sydney has a strong practice of community and stakeholder engagement and consultation as part of its core business as identified in the City's engagement strategy published on the City's website. Where relevant, the principles can be

		tested as part of the engagement with the community and stakeholders at project development.
Suggestion to prioritise projects that deliver most immediate positive impacts and value to the community and business and publish the prioritisation framework so that potential partners have visibility of what priorities will shape decision making going forward.	2	Noted. Time to benefit capture is factored into decision making for the initiation of projects and specific prioritisation of all projects at the City is considered within the broader corporate planning framework in the delivery of the City's Community Strategic Plan which is published on the City's website.
Suggestion to undertake an impact pathway planning exercise as part of implementation planning.	1	Noted. This is factored into project planning and articulated through a benefits realisation framework.
Visual amenity & liveability/environmental outcomes	**Total raising this subject**	**City of Sydney Response**
Endorsement of the City's zero emissions ambition and acknowledgement of how environmental monitoring and energy management systems can contribute toward zero emissions. Suggestion to include carbon positive outcomes from adoption of renewable energy technologies. Suggestion to more explicitly include priority areas such as green-roofs/walls, cycleways and accessibility outcomes.	2	These outcomes are high priority for the City of Sydney and are included as specific outcomes and/or target within the City's Sustainable Sydney 2030 strategic plan and related actions plans. Rather than duplicate all of those outcomes in this framework, the intention is to articulate how technology and data can help achieve the outcomes and vision of Sustainable Sydney 2030. A carbon positive outcome and an additional example of how smart sensors and data can help us better manage water use for irrigation to green the city, and a carbon positive outcome has been added to Strategic Outcome 3, Priority 2 to further illustrate this point.
Suggestion to factor impact on visual amenity into deployment of infrastructure (such as 5G) and reduce visual clutter.	1	The deployment of increasing amounts of technology infrastructure is of concern and the City is advocating for interventions, both practical and regulatory, that minimise the impact of this infrastructure while delivering the best quality of telecommunications services demanded by citizens and business. A specific reference to this issue has been added to "physical landscape and infrastructure" within the "Smart infrastructure" section of the framework.

Engagement activities

Public exhibition activities

Several activities were undertaken to engage stakeholders and the community on this consultation.

1. Email to key stakeholders

89 stakeholders were contacted directly about the public exhibition via email.

2. Sydney Your Say webpage

A Sydney Your Say webpage, https://www.cityofsydney.nsw.gov.au/council/your-say/smart-city-strategic-framework was created. The page included an electronic copy of the Smart City Strategic Framework, survey and other key information about the consultation.

3. Online feedback form via Survey Monkey

The community and stakeholders were able to give feedback using an online feedback form. A link to the feedback form was provided on the Sydney Your Say website.

4. Sydney Your Say e-News

The consultation was included in the Sydney Your Say February 2020 e-Newsletter (4,064 subscribers).
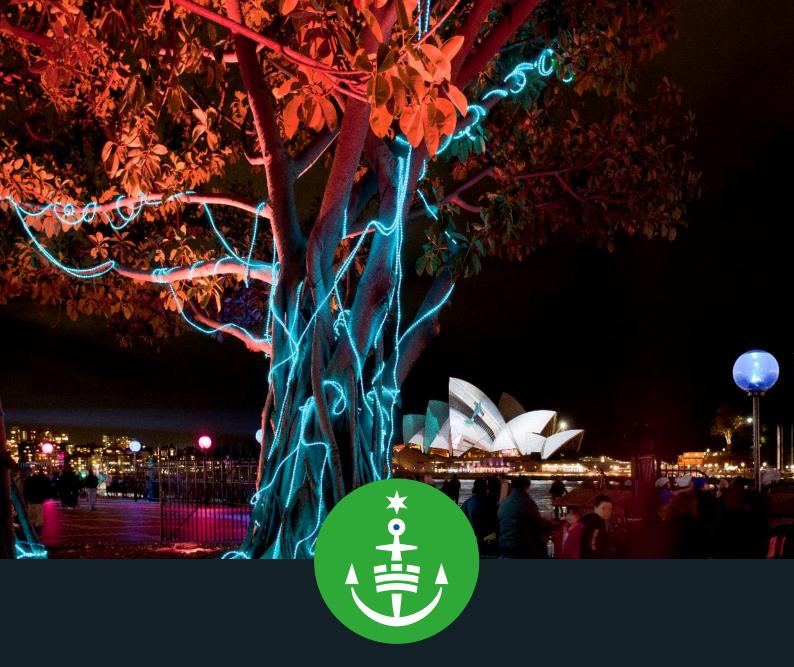
5. LinkedIn and Twitter

A LinkedIn post was placed on the City's LinkedIn page on 4 February 2020 to promote the consultation. This post performed well with over 200 clicks and 70 reactions. The post was shared by key stakeholders such as the Smart Cities Council which helped to further amplify the reach. The post was also tweeted on the City's channel.

6. City of Sydney News

The consultation was included in the City's news digest, which was published on 4 February 2020.

Attachment B

Smart City Strategic Framework – Final (accessible)

Smart City Strategic Framework

CITY OF SYDNEY

Contents

Terminology
Within this document, the City of Sydney as an organisation is referred to as 'the City'. The geographical local government area which is managed by the City is referred to interchangeably as 'the city' and 'the local area'.

Cover image credit: Vivid Lights, City of Sydney

Lord Mayor's message

Sydney is a dynamic hub of innovation.

As our city experiences rapid change, we are harnessing the opportunities of the digital technology to sustain our reputation as a leading place to live, work, learn and play, now and into the future.

We have developed this Smart City Strategic Framework to set a clear direction for this ongoing transformation to smart Sydney.

We see digital technology as a tool to support our diverse community to address pressing challenges and unlock new opportunities.

By working with our business community, residents, non-government organisations and other specialists to develop this framework, we have developed a shared vision for the future of technology and our city.

We want a future in which technology and data help us make better decisions and respond with agility to deliver a high quality of life for all. We want to enable a robust digital infrastructure to support our thriving knowledge economy and make our city an even more attractive place to work, study and or visit. We want a future of connected and lively villages in which community members participate in creating unique places. And we want to equip the community to adapt to change, including the impacts of accelerating climate change.

But this framework is just the beginning. Becoming a smart city is a complex process and we need our entire community to work together to shape the policies, processes, technologies and culture that will enable us to deliver this vision.

The City of Sydney is committed to driving the smart transformation of Greater Sydney by sharing knowledge, data and learnings.

I am excited to advance on this journey together to embrace the future with confidence and realise our vision of creating a thriving, inclusive and resilient place for all.

Clover Moore
Lord Mayor

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Executive summary

The City of Sydney is experiencing rapid change. Our population and jobs are growing. The needs of our community and environment are intensifying. And, everyday, new technological advancements are disrupting our urban realm.

Against this backdrop, we have developed a Smart City Strategic Framework to harness the opportunities brought about by digital disruption, to plan for uncertainty and to sustain our global reputation as a leading place to live, work, learn and visit, now and into the future.

This framework provides our overarching approach to putting technology and data to work to make better decisions and enhance quality of life for our diverse communities.

This is a bold vision for smart transformation, which puts people at the centre. We are committed to leading a problem-driven, evidence-based approach to ensure the delivery of tangible impact for our communities. Rather than set a static agenda, this framework is a living document that we will regularly review and adapt to meet new challenges and unlock new opportunities as the city evolves.

A smart city cannot be master-planned and this framework is a call to action for the spectrum of stakeholders across our city – to state and federal government, local governments across Greater Sydney, established businesses and growing startups, academic institutions, community organisations and all of the people who use and enjoy our city each day.

Your courage, commitment and collaboration are essential to achieving the vision for our city of the future, and we will work hard to develop the enabling infrastructure and environment to support a thriving innovation ecosystem.

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Strategic context

The City of Sydney's Community Strategic Plan is a cornerstone for advancing Sydney's global reputation as one of the most beautiful, thriving and liveable cities. It provides a platform to enhance the city's unique places and environment, foster its innovation ecosystem, celebrate its rich cultural diversity and **strengthen the sense of community and belonging across its villages.**

But the city, like similar cities around the world is under increasing pressure.

Rapid urbanisation, globalisation and climate change are challenging the city's ability to keep pace. From 2013 to 2018, the city was the largest growing area in NSW. Around 1.3 million people live, work, learn and visit in our local area each day, and this number is expected to grow to reach 1.7 million by 2036. Densification is putting pressure on essential services, infrastructure and housing. Sydney is experiencing a range of stresses, such as rising inequality and congestion, and shocks, such as extreme weather events and cyber attacks.

At the same time, new and emerging technologies are fundamentally disrupting the economy, reshaping the urban realm, redefining traditional relationships between governments and citizens, and reimagining the human experience of the city.

We are recognised as Australia's premier global city and leading knowledge-based economy, contributing

22% and **7%**
NSW GDP of national GDP

We have welcomed more than

67,000

new residents to our area in the last decade and created 116,365 additional jobs

We have created 21 new parks and

163

rain gardens to filter pollution before it reaches our waterways

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We have reduced greenhouse gas emissions by

20%

across the local area, based on 2006 levels

We are home to

27%

of Australia's tech startups, representing the largest startup ecosystem in the country

We have planted

13,200

trees, providing shade and making our streets places for enjoyment

The smart city opportunity

The City of Sydney recognises the transformative opportunities of the digital age for improving the delivery of services and enhancing quality of life for its community. The City sees technology and data as key enablers to capitalise on the local area's strengths and rich natural assets, address pressing challenges and unlock new opportunities.

Becoming smart is not about installing technology for technology's sake, or collecting data for data's sake. Smart transformation means putting technology and data to work to make better decisions, navigate uncertainty and deliver better outcomes for the City's diverse community of residents, workers, visitors and businesses. In an environment of constrained resources, becoming smart will enable the City to do more with less and optimise space to accommodate a growing population whilst maintaining the high quality of life for which Sydney is world-renowned.

As such, the City of Sydney has developed a Smart City Strategic Framework to guide the City's smart transformation. The framework does not assume a blank slate. Rather, it is a key tool enabling the City to deliver on the goals of the Community Strategic Plan in collaboration with its diverse stakeholders.

The framework builds on and supports existing strategies, such as the Resilient Sydney strategy, the City's digital strategy and the City's tech startups action plan. Together, these strategies will help Sydney establish the foundations necessary to adapt and thrive in the face of continuous disruption.

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Why we need a Smart City Strategic Framework

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We are experiencing a global technological revolution, which is disrupting every industry, every organisation and every community. **The time is ripe for the City of Sydney to harness the opportunities** brought about by digital disruption, embrace change and sustain Sydney's reputation as a leading place to live, work, learn and play, now and into the future.

This framework is an approach to guide the design and development of a city which integrates physical, digital and human systems. This will enable collaboration and unlock the city's collective intelligence to solve pressing challenges and discover new opportunities.

Without a clear playbook for smart transformation, the City of Sydney risks losing its global competitiveness and falling behind its peers.

Image credit: Virtual Reality in Customs House, City of Sydney

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The purpose of the Smart City Strategic Framework

1. **Establish an overarching vision to drive a holistic, sustainable approach to the city's smart transformation**

Organising the urban ecosystem around a shared vision, which has been developed in close alignment with community needs and priorities, will ensure a coordinated, inclusive approach to smart transformation.

2. **Galvanise collaboration across all actors in the city's ecosystem**

By anchoring the city's smart development in a common vocabulary and approach, the framework will enable the sharing of knowledge, data, resources and experience.

3. **Connect the dots**

The framework will connect smart projects and initiatives already underway across the city, helping to sustain and scale them beyond their pilot stage.

4. **Play a key role in driving the smart transformation of Greater Sydney**

By sharing learnings from its own smart city journey, the City can work with other councils of Greater Sydney which are facing similar challenges to champion smart transformation.

The Smart City Strategic Framework puts people at the centre. Rather than prescribing specific technological solutions, the framework promotes an outcomes-focused approach in which technology is woven into the fabric of everyday life to respond to real needs and flexibly adapt as contexts evolve and needs change.

Co-creating the strategic framework

The City of Sydney has anchored its Smart City Strategic Framework in the pressing challenges and needs of the local area and the Greater Sydney region.

The City undertook a highly collaborative process to develop the framework, which comprised **a rich blend of global best practice standards and case studies combined with the ideas, expertise and experience of Sydney's diverse stakeholders.**

Learning from global best practice

Facing similar economic, social and environmental challenges in an age of rapid urbanisation, cities across the globe are increasingly seeking to harness emerging technologies to embrace disruption, do more with less and deliver better outcomes for their communities.

We undertook comparative analysis of global smart cities to identify key insights and learnings to inform the development of this strategic framework. Rather than seeking to reinvent the wheel, this analysis called out characteristics of actionable smart city strategies and programs. These have been tailored to inform the City's strategic framework in order to guide the delivery of transformational value for Sydney.

This framework aligns with ISO 37106:2018, the internationally recognised standard for creating a smart city framework. Consequently, the City has embedded interoperability as an integral part of our smart city transformation, positioning the City to be able to share data, platforms and solutions with other cities, the private sector, academia and our communities.
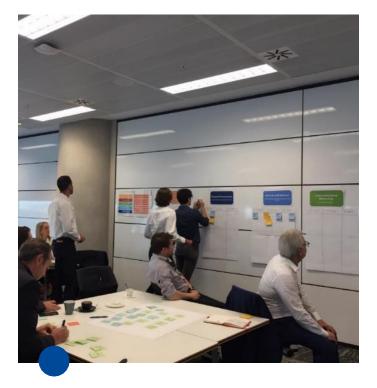
Collaborating to create an actionable strategic framework

Smart city transformation is a complex process, dependent on the commitment and participation of a broad cohort of City stakeholders. It is not something we can achieve in isolation.

The City views collaboration as a cornerstone to realising its smart City vision. We undertook engagement activities to ensure a diverse representation of stakeholders in the creation of this framework. The co-creation process involved workshops with representatives from across the City, state government, industry, startups, academia, not-for-profits and community.

Participants worked collaboratively in the workshops to:

✓ Explore the city's key strengths, challenges and opportunities

✓ Step into the shoes of Sydney's future citizens, workers, students and visitors to explore how digital technology could be leveraged to enhance quality of life and unlock new opportunities

✓ Contribute to the creation of the smart city vision

✓ Identify tangible actions and partnerships to drive smart transformation

This framework stitches together the key ambitions and ideas that emerged during the engagement process. Successful execution relies upon the city's ecosystem taking ownership of the framework and working together.

Representatives from industry, academia and community organisations brainstorm smart city opportunities

Workshop ideation exercise with stakeholders from across the City.

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Our vision

Sydney is a dynamic, responsive city, harnessing technology and data to enable collaborative innovation and create a thriving, inclusive and resilient future for all.

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Image credit: Sydney New Years Eve, City of Sydney

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A smart city uses information and communications technology to enhance its liveability, workability and sustainability

Smart Cities Council

Guiding principles

A set of principles has been collaboratively developed to underpin the City of Sydney's smart city transformation. By articulating our fundamental values and ethics, these principles will help us to navigate the rapidly evolving urban landscape, address complex challenges and ensure the design, development and deployment of our smart future is grounded in our true purpose.

Community-first
We ensure that our people are at the heart of everything we do, putting technology and data to work to support and empower our communities in their everyday life.

Collaborative
We foster strong connections across our diverse stakeholders, breaking down silos and unlocking the value of our city's collective intelligence.

Innovative
We harness disruption and promote the development of bold ideas to address pressing challenges and unlock new opportunities.

Problem-driven, evidence-based
Our approach is firmly grounded in the challenges facing our local area and the outcomes we want to achieve, and we consistently measure our impact to iterate and improve.

Flexible and adaptive
We embrace a learning by doing approach, flexibly adapting and responding to our rapidly evolving urban landscape and changing community needs.

Secure and ethical by design
We pride ourselves on being an ethical innovator in the information marketplace and we embed security and privacy protocols from the beginning to safeguard digital rights.

Inclusive
We celebrate our rich diversity and ensure everyone can participate and belong.

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It is refreshing to see a city council take the lead in creating a framework that recognises and includes all parties that are needed to make a city smart

Frank Zeichner
CEO, Internet of Things Alliance Australia

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Our Smart City Strategic Framework

Our vision

Sydney is a dynamic, responsive city, harnessing technology and data to enable collaborative innovation and create a thriving, inclusive and resilient future for all.

The Smart City Strategic Framework is structured around **five strategic outcomes**. While each outcome focuses on a specific domain, the success of the city's smart transformation is dependent on a holistic approach, whereby the five outcomes seamlessly integrate and support each other.

A city supporting
connected, empowered communities

A city providing
customer-centric, efficient services

A city fuelling
global economic competitiveness and attracting and retaining global talent

A city cultivating
vibrant, liveable places

A city future-proofing
its environment and bolstering resilience

01 02 03 04 05

Five Strategic Outcomes

Smart Infrastructure

Enabling Environment

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The framework in detail

Smart Infrastructure

- ✓ User interfaces and delivery channels
- ✓ Data integration and analytics platforms
- ✓ Communications and connectivity networks
- ✓ Sensors
- ✓ Physical landscape and infrastructure

Enabling Environment

- Leadership and governance
- Funding and financing
- Culture
- Monitoring and measurement
- Partnerships
- Standards
- Ethical innovation

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01 A city supporting
connected, empowered communities

Objective
Equipping communities with the skills and tools required to participate and flourish in the digital future, ensuring that no one is left behind.

Priorities
1. A digital-ready community for a digitally-inclusive future
2. Community co-creation in the design and delivery of the city
3. Open data informing better community decision-making to improve quality of life

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02 A city fuelling
global economic competitiveness and attracting and retaining global talent

Objective
Embracing digital disruption to foster an innovation ecosystem and sustain Sydney's position as a global magnet for talent.

Priorities
1. A thriving innovation ecosystem cultivating a culture of experimentation
2. A knowledge economy and workforce equipped with the skills and supporting structures to leverage new technologies, accelerating productivity and scalability
3. A world-class destination with a superior visitor experience and vibrant night-time economy

---

03 A city future-proofing
its environment and bolstering resilience

Objective
Accelerating the journey towards a sustainable city, able to adapt and thrive in the face of expected and unexpected challenges.

Priorities
1. Data-driven monitoring, prediction and management of city conditions and impacts of shocks and stresses
2. New technologies propelling a greener city and a carbon-neutral future, powered by the circular economy and affordable renewable energy
3. Informed and prepared communities actively participating to strengthen the local area's sustainability and resilience

---

04 A city cultivating
vibrant, liveable places

Objective
Integrating the digital and physical landscapes to create diverse, safe, inclusive and creative places for people

Priorities
1. An integrated mobility network supporting active transport
2. Real-time visibility across the urban realm to optimise planning, building and maintenance of infrastructure, assets and systems
3. Seamless integration of the physical and digital to strengthen the community's connection to place and to each other, celebrating the unique identity, culture and history of the local area

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05 A city providing
customer-centric, efficient services

Objective
Operating as a connected organisation to optimise the customer experience and maximise efficiencies

Priorities
1. Integrated understanding of community needs and preferences across the City of Sydney to inform joined-up design and delivery of services
2. Multi-channel interactions between the City of Sydney and its communities to deliver responsive, inclusive, personalised services and experiences
3. A smart city operating model to capture maximal efficiencies

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Image credit: Green Square Library and Plaza, City of Sydney

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A city supporting connected, empowered communities

Objective
Equipping communities with the skills and tools required to participate and flourish in the digital future, ensuring that no one is left behind.

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Priority One: A digital-ready community for a digitally-inclusive future

As the pace of technology development accelerates, the divide between the 'digital haves' and the 'digital have-nots' is increasing. Without affordable access to digital tools and platforms, and the skills to harness them, communities are not able to thrive in the digital era.

Supporting communities to successfully transition to a smart future requires orienting educational programs to equip citizens with the skills to leverage digital infrastructure and unlock opportunities.

The traditional model of education, in which learning is front-loaded in early life, is not fit to help citizens keep pace with technological advancement. By providing opportunities for lifelong learning and upskilling, the City has a significant opportunity to bridge the digital divide and design a future urban realm that enables the participation and flourishing of all.

Opportunities

- Accelerate the transformation of the City of Sydney's libraries as digital community learning hubs. By continuing to partner with schools, universities and community organisations, the City can expand its offering of multi-channel digital courses and diffuse the value of lifelong digital learning across the community. This can include initiatives developed to target vulnerable sectors of the community.

- Embed digital inclusion standards and principles in all Smart planning, projects and procurement.

- Use data to identify segments of the community which are not able to access or leverage digital tools and platforms in order to efficiently target resources to promote equal opportunity.

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Priority Two: Community co-creation in the design and delivery of the city

Traditionally, the relationship between local governments and citizens has been uni-directional, with local governments delivering information and services to citizens as passive recipients. However, new technologies are increasingly disrupting this paradigm. By leveraging digital technologies and platforms alongside other innovative engagement approaches, cities are seeking to enlist citizens as partners in building the cities of the future.

With a legacy of facilitating genuine community engagement, the City is championing a co-creation approach to smart transformation. The City recognises the significant value that can be realised by using digital civic engagement tools to tap into the knowledge, experience and innovation of its communities to co-create meaningful solutions that address real needs.

New technologies enable the City to continue to build a model of governance that 'truly values the intelligence and dedication of its employees and the imagination and spirit of its citizens'.[1]

Open dialogue builds trust and strengthens the legitimacy of resulting plans.[2] By encouraging open communication, the City is seeking to foster a culture which embraces ethical experimentation. Within this culture, failure is seen as a necessary step to drive learning and adaptation for smart transformation, rather than as an end-state to be avoided by never taking risks.

Opportunities

- Develop digital civic innovation platforms and physical living labs and makerspaces that enable citizens to contribute their knowledge, skills and experience, experiment with new technologies, and collaborate to create new ideas and solutions.

- Support dynamic two-way communication between the City and its diverse communities. Transparent feedback loops enable the community to express particular needs, report issues and share ideas as a way to test and improve Smart solutions, projects and services in partnership with the City.

- Support the development of peer-to-peer digital platforms that promote social cohesion and provide avenues for sharing information and strengthening neighbourhood interactions, both digital and physical.

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[1] Goldsmith, S and Crawford, S 2014, *The Responsive City: Engaging Communities through data-smart governance*
[2] The Committee for Sydney 2018, *Smart Engagement: Leveraging Technology for a More Inclusive Sydney*

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Priority Three: Open data informing better community decision-making to improve quality of life

By opening up the vast data streams they collect, local governments are fundamentally changing the human experience of cities. Open data empowers communities to make more effective decisions, improve their own quality of life and chart a better future. In this way, cities are creating a 'digital urban commons', whereby communities have the tools and space to innovate and thrive.

However, simply publishing data through a portal or dashboard is insufficient for it to be optimally leveraged. The City is committed to accelerating the transformation of data into actionable knowledge by supporting the development of platforms that structure, integrate and analyse data. This involves building citizen-centric interfaces that visualise data and render it easy to understand and be used by communities.

The City also recognises the imperative of adopting a 'security-by-design' approach to open data. The City's open data policy and governance framework ensures the ethical publication of data, protecting security and privacy and safeguarding digital rights.

Opportunities

- Increase awareness and understanding of the City's open data policy and governance framework to guide the secure and ethical publishing of data for community consumption and transformation.

- Accelerate the publishing of data through the City's open data portal and promote the portal as the central hub for urban data. Continue to explore new ways to transform the data into accessible insights, such as through visualisations and data-driven storytelling. This could also include facilitating challenges to encourage communities to leverage open data to develop new ideas and solutions for the benefit of the city.

- Work with state, federal and other local governments to share data across jurisdictions to enhance outcomes for the community that are not constrained by arbitrary geographical or bureaucratic boundaries.

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We have a unique opportunity to design for the needs of people with disabilities to ensure they are included in the future urban landscapes - and in doing so, it might just mean better design for everyone.

Pete Horsley
Founder, Remarkable, disability-tech accelerator

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A city fuelling global economic competitiveness and attracting and retaining global talent

Objective

Embracing digital disruption to foster an innovation ecosystem and sustain Sydney's position as a global magnet for talent

Priority One: A thriving innovation ecosystem cultivating a culture of experimentation

Rapid globalisation, coupled with the speed of technological change, is forcing cities to shift away from traditional economic models and embrace the 'innovation economy'. This shift has spurred the agglomeration of knowledge-intensive industries, organisations and talent in cities across the globe, giving rise to 'innovation districts'.[3] Against this backdrop, smart city transformation has the potential to increase GDP per capita by 21%, but this value can only be reaped if cities foster a strong innovation ecosystem.[4]

The City of Sydney local area is an engine of economic growth and competitiveness, representing over 30% of the Greater Sydney economy and over 22% of the GDP for NSW. The city is home to some of Australia's leading academic institutions, global technology and knowledge-based companies, over 27% of the country's tech startups and a highly diverse community. This ecosystem represents a fertile landscape for the establishment of innovation districts.

The concentration of diverse knowledge, skills and experience within an innovation district is a powerful force for the co-creation of new solutions and the commercialisation of ideas. This creates a virtuous cycle of economic growth as our city strengthens its global reputation and competitiveness, supports the global expansion of local companies and intensifies its magnetic pull on global talent.

Opportunities

- Foster innovation districts to further activate the city's innovation ecosystem, driving collaboration across the city's academic and health institutions, companies, start-ups and community organisations. Open, ubiquitous connectivity networks are an essential foundation to support innovation districts and the culture of experimentation required to thrive. Innovation districts can also be sites for smart city 'sandboxes' where smart solutions, policies and frameworks can be tested and refined, before implementation.

- Embed standards across the city's digital infrastructure to facilitate a seamless flow of data, enabling stakeholders to access and transform it.

- Contribute to the information economy through building a trusted environment to support the sharing of data, both internally across the City and with external parties.

[3] NSW Innovation and Productivity Council 2018, *The Innovation Economy: Implications and Imperatives for States and Regions*
[4] ESI ThoughtLab 2018, *Smarter Cities 2025: Building a sustainable business and financing plan*

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Priority Two: A knowledge economy and workforce equipped with the skills and supporting structures to leverage new technologies, accelerating productivity and scalability

Powerful new technologies, including machine learning, artificial intelligence and robotics, are transforming the national and global economies. It is estimated that between 25%-46% of current workplace activities in Australia could be automated by 2030, yielding a boost to the national economy of approximately $1.2 trillion.

By increasing productivity, automation can drive inclusive income growth, and it is estimated that each Australian could reap an additional $4,000 in annual income.[5] Automation represents the opportunity to boost workforce participation by enabling more flexible working arrangements and improving the quality and safety of work.

The City of Sydney can help to create a conducive environment in which established companies can boost productivity by harnessing new technologies, and local entrepreneurs and tech startups can grow and scale.

The City can also help the adoption of new business models, such as the sharing economy, and support workers through job and skill transitions.

Opportunities

- Strengthen the city's entrepreneurial culture and community by accelerating delivery of the five focus areas in the City's tech startups action plan.

- Explore how new technologies can be leveraged to advance productivity in areas of competitive advantage and existing specialisations, including Australia's world-class research and development capabilities, services (in particular education, health care and financial), and quantum computing.

- Continue to provide learning opportunities that build digital and technological skills to enable the city's workers and disadvantaged groups to effectively transition to the economy of the future.

5 McKinsey & Company 2019, *Australia's Automation Opportunity*

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Priority Three: A world-class destination with a superior visitor experience and vibrant night-time economy

A vibrant night-time economy and rich tourist experience are critical factors in ensuring the City of Sydney creates new jobs, attracts and retains a talented workforce, and remains a top destination for international students and visitors.[6]

Evidence shows that providing rich cultural and social experiences is also important for the connectedness, resilience and wellbeing of all Sydneysiders.[7]

The City of Sydney has maintained strong performance for its overall cultural and social amenity. Sydney hosts some of the most high profile cultural and night-time events in the world. For example, Vivid Sydney is the largest night-time arts and cultural festival of its kind. In 2017, Vivid contributed $143 million in economic value, attracting 2.33 million people.[8] The City's night-time economy is estimated to produce $3.64 billion in revenue per year, involving 4,608 businesses and employing 32,411 people.[9]

However, recent benchmarking studies have highlighted disadvantages pertaining to the quality of the city's visitor experience, including overcrowding, lack of inclusive nightlife and under-performing cultural offerings.[10]

A coordinated focus on building the city's brand identity is required to maximise the economic and social potential of being a global metropolis in the innovation economy. This is especially important given the concentration of significant arts and cultural sites and organisations within the local area.

Smart technologies can help accentuate the city's natural and cultural advantages and existing events to provide a superior cultural and social experience, tell a compelling story and grow Sydney's reputation as a global 24-hour city. For example, smart street lighting can simultaneously be a mechanism for enhancing the sense of safety, as well as a channel for creative art and place-making.

Opportunities

- Deploy internet of things sensor networks to improve the management of festivals and events. Data could be used to enhance the effectiveness of crowd management, reducing queue times, and helping businesses capitalise on opportunities for growth by understanding the spread and activity of people during events.

- Explore how new technologies, such as smart lighting, smart CCTV and smart transportation, can improve safety after dark and encourage greater numbers of businesses and creative organisations to participate in the night-time economy.

- Use our extensive digital media channels for creative and compelling storytelling that builds Sydney's reputation globally.

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[6] The Committee for Sydney 2018, *Sydney as a 24-Hour City*
[7] City of Sydney 2017, *An Open and Creative City: Discussion Paper*
[8] Destination New South Wales 2017, *Record attendance at Vivid Sydney 2017*
[9] City of Sydney 2017, *An Open and Creative City: Discussion Paper*
[10] The Committee for Sydney 2018, *Sustaining the Advantage: Benchmarking Sydney's Performance 2018*

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With a world that is changing faster than our ability to even understand how to manage it, it has never been more critical to embrace and nurture innovation and the individuals who are dedicating their lives to solving some of our biggest problems.

Our city's future depends on it, Australia's economy will be re-built with it. Sydney will thrive because we have invested in ensuring we take care of our community through smart use of the technologies and solutions being developed in our midst. This tech ecosystem, strongly supported, will enable responsible management of a growing population, and economic strength and stability into the future.

Topaz Conway
Director, Cicada Innovations and StartupAus

A city future-proofing its environment and bolstering resilience

Five
Strategic
Outcomes

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05

Objective
Accelerating the journey towards a sustainable city, able to adapt and thrive in the face of expected and unexpected challenges.

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Priority One: Data-driven monitoring, prediction and management of city conditions and impacts of shocks and stresses

The City of Sydney has demonstrated significant leadership in championing the development of the Resilient Sydney strategy which sets a vision for Greater Sydney to be a 'metropolis that is connected, inclusive and resilient'.[11] To deliver this vision, we need a deep understanding of the day-to-day conditions of the urban realm. With this knowledge, we will be able to support the community to survive, adapt and thrive in the face of shocks and stresses, such as extreme weather events and increasing pressures on critical infrastructure and services. Importantly, we must gain an understanding of the vulnerabilities and risks experienced by different parts of the city and the likelihood and impacts of various disruptions upon people, infrastructure and systems.

New technologies have the capability to provide real-time data on a diversity of urban health indicators, including carbon emissions, water and air quality, infrastructure functionality, crime incident locations and social cohesion. While risk maps are not new, the vast increase in the availability and quality of data presents the opportunity for us to understand its conditions with a far greater degree of granularity.

New technologies enable us to integrate and overlay disparate data streams, creating an evidence base to inform the development of management plans. Resilience challenges are not confined within council borders and is committed to pursuing a networked approach, sharing data with councils and other key stakeholders across Greater Sydney to drive integrated planning and responsiveness.

Due to the significant value of data, the City sees cyber resilience as a foundational component for overall resilience. Consequently, the City has adopted a 'security by design' approach to its smart transformation, embedding security measures and protocols across its digital infrastructure from the beginning in order to protect long-term integrity.

Opportunities

- Use data to map vulnerabilities, risks and interdependencies across the local area to enable the development of targeted resilience plans and interventions. For example, the City could map temperature variance, informing actions to reduce impacts of extreme heat. Predictive analytics can be applied to anticipate and plan for future disruptions, shocks and stresses. Analysing data on urban conditions before and after a disaster can also provide a valuable evidence base to 'build back better' in the recovery phase, future-proofing against further damage.

- Share data with councils across Greater Sydney, emergency services, state government agencies, utilities and other stakeholders responsible for critical infrastructure, services and assets to enable integrated planning, preparedness and responsiveness.

- Continue to focus on cyber risk management, providing advanced threat monitoring and scanning. This is critical to ensuring an effective response to a cyber security breach, minimising damage and ensuring swift recovery.

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[11] Resilient Sydney (2018), *Resilient Sydney: A strategy for city resilience 2018*, published by the City of Sydney on behalf of the metropolitan Councils of Sydney, with the support of 100 Resilient Cities.

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Priority Two: New technologies propelling a greener city and a carbon-neutral future, powered by the circular economy and affordable renewable energy

Acting on climate change has long been a top priority for the City of Sydney. We are committed to achieving a target of net-zero carbon emissions across the local area by 2050 and, by mid-2020, will purchase 100% of its operational electricity from renewable energy sources. The City strongly supports the transition away from the traditional, linear model of 'take, make and dispose' to a circular economy approach for resource management.[12]

Technological advancements can support us to accelerate the transition to affordable, renewable energy and a carbon-neutral future. Data and digital technology can help to manage flows of materials and assets across the city, fostering an urban system that is regenerative and restorative.[13]

Smart approaches to precinct and building construction, intensifying installation of solar panels, mobility/transport options (hydrogen and electric vehicles) and community involvement in clean energy initiatives (microgrids), are just some of the potential directions that need to be considered for a carbon-neutral or carbon-positive future.

Trees and green spaces represent some of our local area's most valuable assets. This 'green infrastructure' is critical to minimising urban heat island effect by cooling the city, filtering air pollution, absorbing stormwater and maintaining our prized urban amenity and high quality of life.

Opportunities

- Explore options for accelerating the uptake of clean energy vehicles across our organisation, such as through electric vehicle and hydrogen technologies, including by developing the required supporting infrastructure to deliver on sustainability commitments.

- Expand use of urban canopy mapping technologies to monitor tree location, species and health, as well as to quantify urban forest benefits, enabling us to target low canopy areas and improve urban forest diversity.

- Explore options for developing artificial intelligence capabilities to drive efficient resource use, and advance the circular economy. Machine learning capabilities can analyse data collected from sensor networks to monitor quality of urban conditions and automate decisions. For example, a smart stormwater system could determine cleaning and maintenance schedules and identify flooding risks, or smart irrigation can help us manage water use to green the city.

[12] City of Sydney 2018, *Green Environmental Sustainability Progress Report: July to December 2018*
[13] Ellen Macarthur Foundation & Google 2017, *Cities in the Circular Economy: The Role of Digital Technology*

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Priority Three: Informed and prepared communities actively participating to strengthen the local area's sustainability and resilience

The resilience of cities in times of crisis hinges on the preparedness of their communities. In the face of rapid change, resilient cities equip communities with the digital infrastructure and skills required to easily find real-time information as an event unfolds, access resources and communicate with family, neighbours and emergency services.

The Resilient Sydney strategy highlights the opportunities that new technologies can unlock to help strengthen communities. The City of Sydney recognises the 'resilience dividend' to be captured from investing in these new innovations, that is the significant reduction of impacts on people, infrastructure and the environment from acute shocks and chronic stresses. For example, digital platforms, including mobile apps, smart street furniture and social media, can provide valuable channels for pushing out real-time alerts as emergencies happen, arming communities with the information required to make effective decisions.

Data on environmental conditions can also improve public health outcomes. For example, the NSW Government relays real-time data on air pollution levels which can help people who suffer with asthma to make better decisions. Augmented reality, which blends the digital and physical worlds, can also be a powerful tool, enabling citizens to visualise and experience simulated impacts of emergencies or natural disasters and plan accordingly.

Enlisting citizens as partners in sustainability and resilience initiatives helps to raise awareness, foster a sense of community stewardship and prepare communities to face the unexpected. 'Citizen science' programs are becoming increasingly common components of smart city agendas across the world, whereby citizens actively participate in collecting data, such as water quality or sightings of bird species. Such projects have not only resulted in the generation of knowledge, but have also proven to strengthen community connectedness and cohesion, fundamental for city resilience.[14]

Opportunities

- Leverage digital channels to provide stronger support for communities to plan and prepare for emergencies. Examples include promoting the 'Get Prepared' app as a one-stop disaster preparedness tool,[15] as well as by pushing out real-time alerts and updates to help communities make optimal decisions during times of crisis.

- Encourage citizens to participate in activities that build resilience in their local communities, such as by monitoring neighbourhood water consumption and working together to improve water use.

- Explore options for developing virtual and augmented reality apps. These can enable citizens to see and experience proposed developments and projects to inform their feedback. Apps can also enable citizens to experience impacts of emergency events to help them plan accordingly.

[14] Hecker, S et al. UCL Press 2018, *Citizen Science: Innovation in Open Science, Society and Policy*
[15] The 'Get Prepared' app was created by the Red Cross and Insurance Australia Group (IAG). Further information can be found in Resilient Sydney (2018), *Resilient Sydney: A strategy for city resilience 2018*, published by the City of Sydney on behalf of the metropolitan Councils of Sydney, with the support of 100 Resilient Cities.

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When everything in a city is connected, then everything shares system risks. Being a smart city means using tools and technology to understand both how we are interconnected, but also how we can manage risks together. The key is collaboration.

Beck Dawson
Chief Resilience Officer, Resilient Sydney

Strategic Outcome 04

A city cultivating vibrant, liveable places

Five
Strategic
Outcomes

01
02
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Objective
Integrating the digital and
physical landscapes to create
diverse, safe, inclusive and
creative places for people

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Priority One: An integrated mobility network supporting active transport

Mobility plays a crucial role in shaping the urban realm. Global city centres are served by integrated mobility systems that protect public places and support active transport.[16]

The City of Sydney aims to create a '10-minute neighbourhoods' in which residents are able to meet their everyday needs within a 10-minute walk. The City sees the development of such neighbourhoods as key to realising the vision for Greater Sydney of a network of '30-minute cities' in which home, work and play are all accessible within 30 minutes.[17]

Digital technologies can help the us to optimise street space allocation to prioritise active transport options. By leveraging data, we can develop the pedestrian infrastructure required to improve the walkability of the public domain.

Walkable places have been shown to generate enhanced health and wellbeing outcomes for communities, stimulate the local economy and reduce environmental impact by deprioritising cars. In this way, we can create places for people.

Opportunities

- Analyse data to inform the optimal allocation of street space and the development of pedestrian infrastructure. This will promote active transport and support equitable access of the public domain for all.

- Help to alleviate overcrowding on public transport by working with state government to proactively push out notifications to inform commuters of congested routes and direct them to better alternatives. This could include offering incentives for choosing active transport options.

- Expand the smart pedestrian sensing network to provide information on characteristics of different areas of the city. For example, data from the project could be visualised to map active transport routes with a high degree of walkability, areas with cultural sites or areas considered safe for walking at night.

[16] Transport for NSW 2018, *Future Transport Strategy 2056*
[17] Greater Sydney Commission 2018, *A Metropolis of Three Cities*

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Priority Two: Visibility across the urban realm to optimise planning, building and maintenance of infrastructure, assets and systems

A smart city depends on smart planning. The pace of population growth is placing pressure on traditional planning processes, necessitating the adoption of a more agile approach which will enable cities to dynamically respond to changing demands.[18]

Embedding a digital intelligence layer across the city will provide visibility over the conditions and operations of infrastructure, assets and systems. This layer will not only enable us to watch events as they unfold but will generate a range of multiplier effects. By tracking and assessing performance, we have the opportunity to reap more from existing assets, target resources and identify gaps.

We can develop this layer into a 'digital twin' to simulate proposed developments and test for impacts to optimise land use planning and ensure the city's future liveability. We can also open this information up to the public by visualising the digital twin as a virtual model to help communities understand, contribute to and plan for future developments.

This is particularly important in the face of increasing housing affordability challenges. By modelling different housing mix scenarios, we can help shape an inclusive future which provides a diversity of housing options.

Opportunities

- Develop a city activity layer project providing detailed visibility of activity across the city, including both real-time activity, e.g. movement across transport networks, and planned activity, e.g. slated roadworks. Using predictive data analytics, the layer can alert the City when public assets and systems require maintenance in order to forestall interruptions or break-downs.

- Use the city activity layer as a base to develop a digital twin which can visualise the impacts of proposed developments and determine their desirability and feasibility. The digital twin can help us understand the local spatial impacts of growth across the city to drive better planning decisions, improve the sequencing of infrastructure development and maintain liveability as the city grows. In addition, the digital twin can run computer-generated simulations, for example simulations of emergency situations, in order to establish a map of potential impacts and target preparations accordingly.

- Maximise the benefits captured when creating liveable, connected places by creating a common vocabulary and sharing data with the property sector to ensure seamless integration across smart buildings, smart precincts and, ultimately, the smart city.

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[18] Infrastructure Australia 2018, *Planning Liveable Cities: A place-based approach to sequencing infrastructure and growth*

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Priority Three: Seamless integration of the physical and digital to strengthen the community's connection to place and to each other, celebrating the unique identity, culture and history of the local area

The City of Sydney has a unique combination of people, history, culture and place. As the traditional custodians of the land, the First Nations people have retained a strong connection to the local area. Today, the city's community is a melting pot of cultures, with the majority of residents having been born overseas. It is also home to a vast array of arts and cultural organisations.

New technologies hold the potential for the city to preserve, strengthen and celebrate its rich cultural diversity. This is fundamental to the concept of 'digital place-making' whereby digital platforms provide opportunities for supporting the community to develop meaningful connections to place and to each other.[19]

By leveraging new technologies, we can provide greater opportunities for local artistic and cultural expression, and activate a network of vibrant public places. While technology is often perceived to be a homogenising force, we have the opportunity to use it for the opposite effect and tell our city's unique story.

Seamlessly embedding smart technology into the physical landscape is important to prevent it from adding further clutter to the public domain, which would undermine its amenity and appeal as a place for communities to meet and explore.

Ultimately the City can foster a stronger sense of belonging by bringing people together and can enhance the city's lovability, as well as its liveability, for all who experience it.

Opportunities

- Leverage the City's wayfinding network as a platform for interactive art installations, such as virtual/augmented reality and digital city walks, enabling communities to experience local art and architecture as well as the history and culture of the First Nations people. Working with the local area's art and cultural institutions can help promote the digital amplification of their assets across the community.

- Expand the deployment of free wifi across the local area. This can unlock a range of opportunities to enhance the city's liveability and social connectedness. For example, the network can help tourists navigate the city and support communities to create online groups, share ideas and resources and organise meet-ups.

- Support the creation of immersive experiences for communities to use technology to creatively interact with the physical landscape and with each other.

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[19] Iyer, J. Carnegie Mellon University 2017, *The Heart of Smart Cites: A case for the relevance of art in data driven cities*

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Great places are made when artistic, cultural and creative works are visible, valued, distinctive and accessible.

Greater Sydney Commission

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Strategic Outcome **05**

A city providing customer-centric, efficient services

Objective
Operating as a connected organisation to optimise the customer experience and maximise efficiencies

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Priority One: Integrated understanding of community needs and preferences across the City of Sydney to inform joined-up design and delivery of services

A key barrier impeding smart transformation for cities globally is the traditional service delivery model which is oriented around local government federated organisational structure, rather than centred on the customer. This model entrenches siloed operations, with each department seeking to gain an understanding of customer needs and preferences in isolation of the rest of the organisation.

The City of Sydney is seeking to build an integrated digital infrastructure which overcomes silos and legacy systems to enable the sharing of data across the organisation. This is imperative to realise the potential of data as a key strategic and operational asset.

The City is an engine for data generation and we have the opportunity to gain a deep understanding of the needs and preferences of its diverse customers by integrating and overlaying different streams of data. This wealth of data entails the responsibility to act as an ethical custodian by applying effective security and privacy controls.

In a time of rapidly changing community needs and expectations, achieving excellence in service delivery and customer experience relies on our ability to use data to know, respond and intuitively adapt.

Establishing a single view of the customer is a key building block for our smart transformation. An integrated approach to data management giving a real-time, holistic understanding of the customer would prevent the duplication and contradiction of data and provide the opportunity for joined-up service design and delivery.

Once the City has established a single source of truth across the organisation, external data sources can be integrated to further deepen insight into the needs and preferences of the City's customers. Crowdsourcing data directly from the community is another effective way we can sharpen our focus on the customer.

Opportunities

- Develop a unified view of the City's customers to provide a frictionless and personalised customer experience. This requires a shift away from legacy and disparate methods of managing data to a culture where data is shared across the City and captured in consistent and interoperable ways that uphold privacy principles.

- Use machine learning and advanced analytics to integrate and transform the City's diverse streams of data for actionable insights, informing the collaborative design and delivery of services.

- Explore options to crowdsource data from the community in order to supplement City data and gain deeper insights into the customer. This data could also be shared with other service providers to improve delivery to the community and develop better, more inclusive services.

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Priority Two: Multi-channel interactions between the City of Sydney and its communities to deliver responsive, inclusive, personalised services and experiences

Today's customers expect the same quality of service from governments as they do from the private sector. Across the board, customer satisfaction is dependent on the provision of a seamless user experience.

Transforming service delivery requires a customer-focused approach to the ways in which we interact with customers. Given the vast number of services provided by the City, this approach must be informed by the entire customer journey, rather than by specific touch points.

Developing multiple options for interacting with customers, spanning both face-to-face and digital channels, represents the opportunity to deliver next-generation services, tailored to individual preferences and needs anytime, anywhere.

Coordination of channels is critical to ensure consistent communications and to prevent the need for customers to navigate the City's organisational structure. Customers are increasingly showing a preference for self-service options, and cities are responding by building self-service portals as part of their channel options.[20]

Embracing service delivery transformation is a key component of our smart city vision. The objective is to make service delivery as seamless as possible and render our organisational structures invisible and irrelevant to the customer.

The City not only recognises the opportunity to enhance the customer experience, but also how the use of multiple channels can improve the inclusivity of service delivery by lowering accessibility barriers.[21] Considering the needs of the most vulnerable members of the community in the design of channels can improve equitable access to information and services, closing gaps and redressing disadvantage.[22] Finally, by conducting iterative service delivery reviews, we can drive a culture of continuous improvement and smarter investment in service delivery.

Opportunities

- Continue to map end-to-end customer journeys and create a service blueprint that illustrates the people, process, policy, partners and technology involved at each stage.

- Identify the customer pain points across the journeys, including underlying causes of pain, to inform a redesign of the end-to-end customer experience. We can invoke digital channels and applications to streamline and personalise the customer experience.

- Rationalise the City's digital assets into a focused online environment that supports self-service capability.

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[20] McKinsey & Co 2015, *Implementing a citizen-centric approach to delivering government services*
[21] The Committee for Sydney 2017, *#Wethecity3: Towards a Data-driven and Responsive Sydney*
[22] The Ethics Centre 2018, *Ethical by Design: Principles for Good Technology*

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Priority Three: A smart city operating model to capture maximal efficiencies

Local governments are often hamstrung by outdated operating models and legacy IT systems, unable to keep pace with the rapid pace of technological change required to support the quality of service delivery expected by citizens.

Shifting to a smart city operating model enables cities to unlock data from individual silos and drive city-wide innovation at speed. This requires a dedicated focus to ensure the City's back and middle offices provide a strong foundation to deliver outcomes through its front-office. As a connected organisation, we will be able to effectively align with customers, employees, suppliers and partners across the City's ecosystem to unlock efficiencies and deliver excellence.[23]

A flexible, integrated digital infrastructure can realise a range of efficiencies, for example by removing duplicative processes across departments, connecting office and field systems and reducing time to serve customers. A connected digital foundation can also support a whole-of-organisation approach to smart city resourcing and budgeting, with a focus on value for money. This includes determining the optimal blend of human and automated capabilities for a future-fit workforce, with automation technologies providing decision-making support that bolsters human capability rather than competes with it.

Opportunities

- Develop a centralised smart city register of projects and an integrated approach to smart city governance, budgeting and resourcing.

- Develop an integrated digital infrastructure architecture at an organisational level to drive a connected enterprise and operating model, share data and improve business intelligence.

- Continue to expand and improve the use of technology across the workforce to fully integrate and digitise internal operations, for example by integrating field workforce activities with in-house systems and eliminating unnecessary manual and paper-based processes.

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[23] KPMG 2017, *Competing for growth: Creating a customer-centric connected enterprise*

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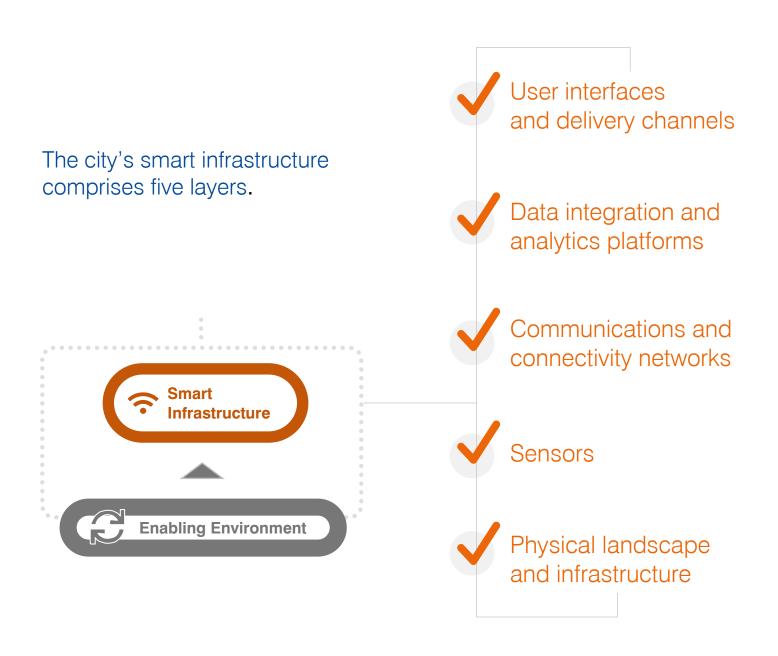To support a smart Sydney, the City of Sydney as an organisation needs to work smart. We need to be agile, coordinated and lean, and provide our workforce with the skills they need in the digital age. We need to effectively use data and technology to make intelligent decisions and efficiently deliver services and facilities that optimise outcomes for our community.

Monica Barone
CEO, City of Sydney

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Smart infrastructure

What success looks like

The city's smart infrastructure comprises five layers.

- ✓ User interfaces and delivery channels
- ✓ Data integration and analytics platforms
- ✓ Communications and connectivity networks
- ✓ Sensors
- ✓ Physical landscape and infrastructure

Smart Infrastructure

Enabling Environment

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The digital instrumentation of the city's physical landscape and infrastructure – its road networks, parks, benches, poles and rubbish bins – is the backbone for smart transformation.

Physical landscape and infrastructure

The City of Sydney local area's physical landscape – its structures and assets, including road networks, benches, poles and rubbish bins – represents the backbone for the digital instrumentation driving the smart transformation of the city. In the smart city, each physical component serves multiple purposes for digital connectivity. For example, a rubbish bin is not only a repository for waste, but rather has the capability to be fitted with sensors which can capture data on waste levels, street transport flows, pedestrian movement and more. However as the volume of physical infrastructure increases, the impact on the public domain needs to be managed. The City advocates for interventions, both practical and regulatory, that help to minimise this impact.

Sensors

At the data gathering layer, sensors collect real-time information across the urban realm, for example, temperature, congestion, pedestrian movement, carbon emissions and noise. This layer reveals visibility of the local area's condition, behaviour and change, with an unprecedented degree of granularity.

Communications and connectivity networks

The communications and connectivity networks layer serves as the city's digital plumbing, transporting the vast volumes of data gathered at the sensors layer and enabling communication between different components of the urban realm. There is a range of different networks criss-crossing the local area, including 3G/4G/5G, broadband, wifi and low-power wide-area networks (LPWAN), with additional innovations on the horizon.
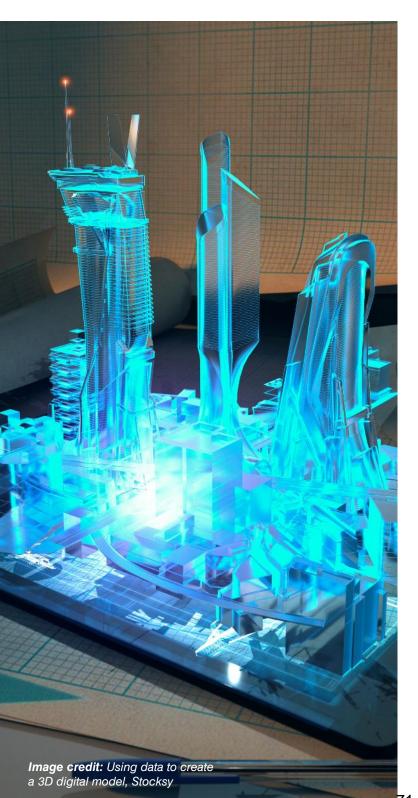
Data integration and analytics platforms

The data integration and analytics platforms layer is the hub for all of the data that is gathered by the sensors and transported by the communications and connectivity networks. This layer is where the real value of data is unlocked – through the integration, analysis and transformation of unstructured facts and figures into deep knowledge. Underpinned by a blueprint embedding interoperability standards, platforms can be opened up and serve as the bedrock of the city's innovation ecosystem. Platforms can enable all stakeholders to experiment with data and build new products and services with public value, creating a 'digital urban commons'.

User interfaces and delivery channels

While the data integration and analytics platforms layer can powerfully transform data into knowledge, the user interfaces and delivery channels layer renders that knowledge into an accessible and useable format. Through personalised and fun interfaces, the City can engage the community in meaningful dialogue, understand their needs and intuitively respond. Presenting urban data in clear formats, such as visualisation dashboards, enables communities to make better decisions and builds trust across the city. In this way, communities are enlisted as partners and co-creators in the urban realm.
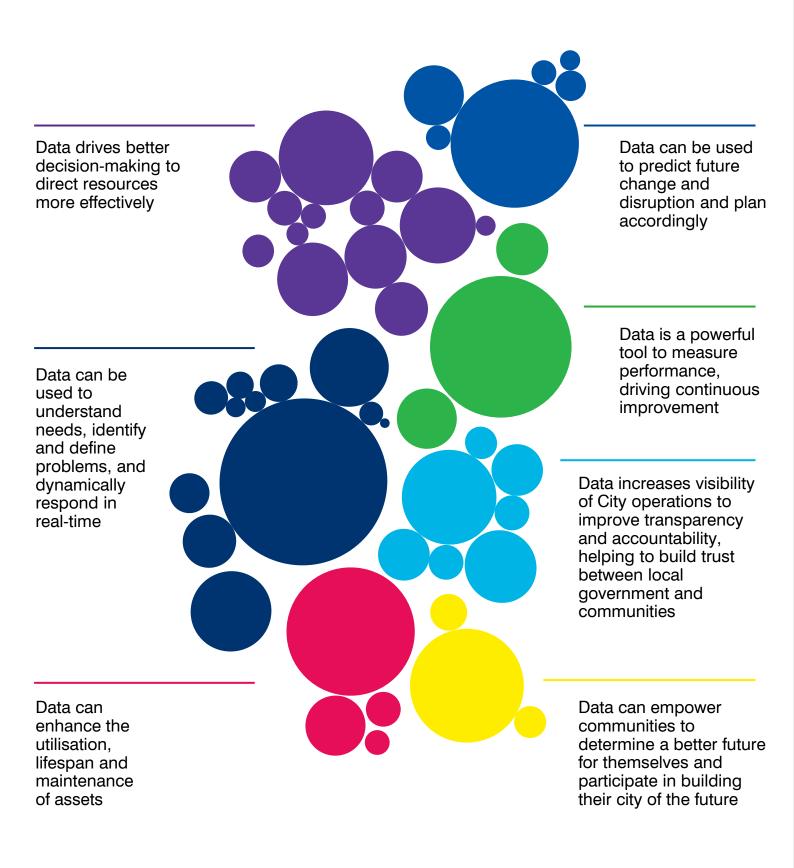
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Unlocking the power of data

As the amount of available data grows exponentially, cities globally are seeking to leverage it in order to drive more effective, evidence-based decision-making and deliver a better quality of life for their communities. Embedding a secure and ethical by design digital layer across the City of Sydney will enable us to harness both existing and new flows of data.

However, merely collecting raw data is insufficient. The real value of data that is collected for a clear purpose is in the stories that it can tell. Transforming raw data into actionable knowledge requires advanced smart infrastructure capable of structuring, integration and analysis, and it also requires an enabling environment and culture.

Critically, the more that data is shared, the more value that can be harnessed. Embedding standards that are adopted by all actors in the smart city ecosystem will facilitate interoperability across the city's smart infrastructure and will enable the seamless flow and exchange of data. This will support stakeholders to leverage the data to unlock new opportunities. Such standards also protect the City from vendor lock-in, ensuring the flexibility required for us to benefit from new data-powered applications and solutions.

Image credit: Using data to create a 3D digital model, Stocksy

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The transformative value of data is in the stories that it can tell.

Data drives better decision-making to direct resources more effectively

Data can be used to understand needs, identify and define problems, and dynamically respond in real-time

Data can enhance the utilisation, lifespan and maintenance of assets

Data can be used to predict future change and disruption and plan accordingly

Data is a powerful tool to measure performance, driving continuous improvement

Data increases visibility of City operations to improve transparency and accountability, helping to build trust between local government and communities

Data can empower communities to determine a better future for themselves and participate in building their city of the future

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Creating the enabling environment

Whilst a robust technology and data architecture is an essential component of the City's smart transformation, it cannot be seen as a silver bullet. The environment in which the technology and data is used is the key determinant of its success. This environment encompasses the people, processes, policies and politics that either serve to enable or impede the use of technology and data to deliver upon the smart city vision.

There is a range of components required to create an environment that unlocks the true value of technology and data to drive sustainable, scalable smart city transformation.

Leadership and governance

Strong, long-term commitment from leaders across all three levels of government, industry, academia and community, underpinned by effective governance structures and processes, is imperative to drive a clear smart city agenda. However, in place of traditional top-down governance frameworks, a distributed governance model is required to ensure the broad sharing of accountabilities both across the whole of the City of Sydney as well as the local area.

Clear roles and responsibilities of all ecosystem actors need to be established at two levels:

1. The strategic governance level which focuses on agenda-setting and outcomes definition.

2. The delivery governance level which focuses on implementation that involves the intended beneficiaries via user testing to ensure outcomes are actually realised.
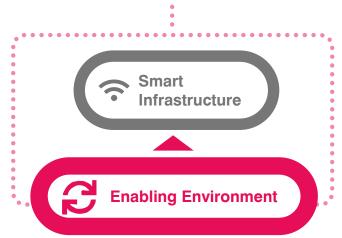
Funding and financing

Securing investment is simultaneously one of the biggest opportunities and challenges for the City's smart transformation. The City is committed to exploring creative approaches to procurement as well as collaborative funding mechanisms, including grants that drive innovation and enable the delivery of game-changing solutions to pressing challenges. This requires adopting a problems-based approach and streamlining complex processes in order to attract startups and new entrants to work with the City.

Culture

The City is embracing a culture of experimentation to disrupt traditional risk-aversion which stifles innovation. This culture will promote the City as a test-bed for rapid pilots of new ideas in order to learn, iterate and improve before scaling up.

Monitoring and measurement

Establishing a robust framework for monitoring and measuring outcomes is imperative to drive improvement. The City will define a set of clear goals and KPIs, focused on improved access and outcomes for the community, as well as project outcomes, and develop feedback loops to capture learnings. These learnings will inform scaling of existing projects as well as the development of new projects, so that the City does not have to reinvent the wheel for each Smart project. Committed to transparency of operations, the City will report on its progress and publish learnings.

Smart Infrastructure

Enabling Environment

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This environment encompasses the people, processes, policies and politics that either serve to enable or impede the use of technology and data to deliver the smart city vision.

Partnerships

Delivering the smart city vision cannot be achieved without meaningful collaboration. Building a thriving innovation ecosystem open to the full spectrum of city stakeholders is at the heart of the City's approach to smart transformation. This approach values co-creation, recognising the knowledge, skills and experience that each stakeholder can contribute in building the city of the future.

Standards

Standards play a critical role in supporting and fostering the open innovation ecosystem required for smart transformation. The City is driving a standards-based approach to becoming a smart city. This framework is aligned to the internationally-recognised standard released by the International Organization for Standardization – ISO 37106:2018 'Sustainable cities and communities – Guidance on establishing smart city operating models for sustainable communities'.

By providing common vocabularies and frameworks, standards embed interoperability across the city, enabling the sharing of data and avoiding becoming 'locked-in' to a particular solution or vendor.

Ethical innovation

A smart city is built on trust. As outlined in the City's digital strategy, the City is committed to being an ethical innovator in the information marketplace, and has adopted an 'ethical-by-design' approach to its smart transformation. This includes building the principles of ethics, privacy and security into planning new projects and when partnering with others.

In line with the Privacy and Personal Information Protection Act 1998 and the NSW Government Privacy Governance Framework, the City is establishing a foundational ethical infrastructure to drive a system-wide approach, ensuring long-term integrity in the face of disruption. The City will continue to engage with those working on ethics in technology and data and will work to ensure the ethical infrastructure is transparent, clearly understood by the community and delivers a public interest.

Image credit: Something Else is Alive exhibition at Customs House, City of Sydney

Protecting the digital rights of citizens is at the heart of the City's ethical infrastructure. The City is developing data policies and guidelines based on the citizen-centric identity management model outlined in ISO 37106:2018, which comprises six principles: 'Consent', 'Checkability', 'Choice', 'Control', 'Convenience' and 'Content'.

The City is also a signatory of the Declaration of Cities Coalition for Digital Rights, which commits to the following evolving principles:

1. Universal and equal access to the internet and global literacy

2. Privacy, data protection and security

3. Transparency, accountability and non-discrimination of data, content and algorithm

4. Participatory democracy, diversity and inclusion

5. Open and ethical digital service standards

Technology and data designs can carry biases which can undermine the fairness of outcomes. In its embrace of new technologies, the City is committed to reducing the likelihood of biases becoming embedded in technology by including diverse teams in the design process and building robust processes for detection and remediation.

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The City of Sydney's role

It takes a village to build a smart city

A smart city cannot be master-planned. The City of Sydney is adopting a range of roles in order to help align the interests and expertise of its diverse stakeholders, create a conducive regulatory environment and enable collaborative innovation to drive sustainable smart transformation.

Driver

The City has led the creation of this strategic framework and will help provide strategic direction as the city's smart transformation progresses. The City will work collaboratively to advocate for the creation of a regulatory environment that comprises enabling policy levers, cultivates a culture of innovation and attracts investment. The City will also measure progress and maintain a flexible and future-proofed smart city agenda.

Enabler

The City will support collaborative innovation across the city's diverse stakeholders. We encourage the sharing of data and resources, as well as experimentation and learning. By championing this inclusive approach to smart transformation, we can empower communities with the knowledge and tools required to participate as co-creators in the development of their future city.

Custodian

While a smart city is powered by technology and data, it is sustained by trust. Trust is paramount for the uptake of new technologies, for collaboration and for harnessing data to deliver valuable outcomes. The City will operate as the custodian of the data it manages, maintaining and building trust through an unrelenting commitment to integrity and transparency in the use of that data.

Collaborating to compete: A smart transformation for Greater Sydney

Addressing the complex and interconnectedness of the challenges which cut across the 33 councils comprising Greater Sydney requires deep collaboration across all councils, the Greater Sydney Commission and the state and federal Governments. Sharing data, resources and learnings will drive an integrated approach to building a smart Greater Sydney, serving to bolster global competitiveness, deliver efficiencies of scale, enhance quality of life outcomes and ensure these are spread equitably across the region.

The City is committed to sharing knowledge and learnings from its own smart city journey and from its participation in global city networks, such as the C40 Cities Climate Leadership Group.

Working Smarter:
Building a future-ready City of Sydney

In order to establish the foundation for delivering the smart city vision, the City requires a future-ready workforce. Future-readiness comprises three key components:

1. Structure

Allocating adequate resources and funding is fundamental to enable the execution of the smart city agenda. The joined-up nature of smart city projects requires a focus on value for money beyond standard departmental boundaries. The City believes that successful smart transformation requires involvement from the entire organisation, as well as strong digital leadership across strategy, technology, data, project development, innovation and organisational capability. Working to identify barriers to effective collaboration will be key to the success of the transformation.

2. Skills

Future-ready organisations need the right skills and expertise to adapt to rapid advances in technology and changing community needs. The City will map the skills requirements across the organisation and identify any gaps. The City will support its workforce to develop the knowledge and skills required to thrive in a digital future and accelerate the City's smart transformation. For example, the City is already rolling out human-centred design, agile and LEAN training programs for its staff.

3. Culture

The City is seeking to cultivate a culture of innovation across the entire organisation. This involves overcoming fear of failure to encourage responsible experimentation, providing the space, incentives and environment for staff to discover new solutions to complex challenges.

Image credit: Visiting Entrepreneur Program seminar, City of Sydney

The road ahead

Smart transformation will not occur overnight. It requires commitment and energy from stakeholders across the city's ecosystem. This strategic framework provides the foundation and common organising structure to drive an integrated, sustainable smart city program.

A dynamic framework: monitoring and improvement

The City of Sydney is experiencing rapid change. As such, the Smart City Strategic Framework has not been developed to be a static document. Rather, the City sees the framework as a critical enabler to help embrace change and plan for uncertainty. The City is committed to ensuring the smart city agenda delivers tangible impact for its community. Through a collaborative approach of doing, testing, learning, measuring and improving, the City will flexibly adapt the framework to meet new challenges and harness new opportunities as the city evolves.

Activating the strategic framework

The City is bringing this framework to life through an actionable implementation roadmap to direct the operational roll-out of the smart city program. The roadmap is guided by the strategic framework and comprises five key phases, which mirror the ISO 37106:2018 standard.

As part of the roadmap, the City has developed a prioritisation framework to determine the optimal sequencing of projects for maximal value. This framework ensures that a clear problem statement is defined for each smart project considered by the City and that the development of each smart solution is grounded in a robust evidence base. The roadmap is also guiding the City in weighing up costs and benefits and in determining optimal resourcing and funding models. The roadmap will remain dynamic and flexible to accommodate inevitable changes over time.

Smart City Strategic Framework

Our smart city vision

Sydney is a dynamic, responsive city, harnessing technology and data to enable collaborative innovation and create a thriving, inclusive and resilient future for all.

A city supporting
connected, empowered communities

01

A city fuelling global economic competitiveness and attracting and retaining global talent

02

Five Strategic Outcomes

A city providing customer-centric, efficient service delivery

05

04

03

A city cultivating vibrant, liveable places

A city future-proofing its environment and bolstering resilience

🛜 **Smart Infrastructure**

🔄 **Enabling Environment**

Smart City Implementation Roadmap

Plan

Develop a roadmap which sequences smart projects across a multi-year transformation period, identifying key interdependencies.

Initiate

Commence implementation by focusing on building maximum momentum for projects with minimum delivery risk.

This involves both the identification of 'quick wins' which can serve as proof points to galvanise further action, as well as establishing the building blocks to drive sustainability and scalability.
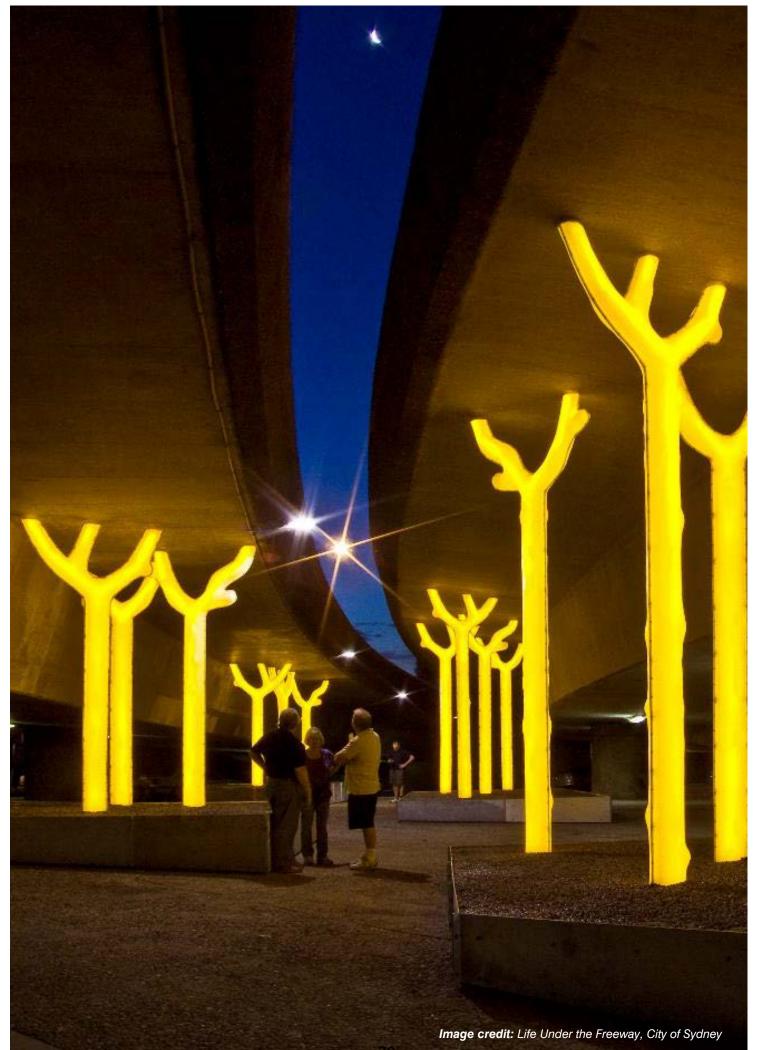
Deliver

Build on the foundations to shift the focus from driving take-up of pilot smart projects to delivering more significant investment in smart platforms to support a range of projects.

Consolidate

Continually measure performance to improve and iterate. By capturing and sharing learnings, smart projects can be scaled across the city and the greater region, and new initiatives can be developed following a similar smart blueprint.

Transform

Transformation is realised when smart principles, smart policies, smart technology and smart ways of working become embedded as part of the 'DNA' of the City.

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Glossary

Artificial Intelligence (AI)

The theory and development of computer systems that can perform tasks that otherwise require human intelligence, such as visual perception, speech recognition and decision-making.

Big data

Large structured and unstructured data sets that can be analysed using computers to identify trends, patterns, associations and interactions. Big data is defined by four key dimensions: volume, variety, velocity and veracity.

Digital divide

The gap in opportunities experienced by those with limited access to technology and control of technology.

Future-proof

Ensuring that planning, services and infrastructure are delivered in such a way that allows for changes or developments to cater for future needs and populations.

Internet of Things (IoT)

A development of the Internet in which objects are instrumented with sensors which have network connectivity, allowing them to send and receive data.

Interoperability

A characteristic of a product or system whose interfaces and processes are able to work seamlessly with a defined set of other products or systems.

Open data

Data that is freely available to everyone to use and republish as they wish, without copyright, patent, or other restrictions.

Predictive analytics

A range of statistical techniques from predictive modelling, machine learning, and data mining that analyse existing data to make predictions about future events.

Smart city

A smart city uses information and communications technology to enhance its liveability, workability and sustainability.

All definitions are based on those contained within the NSW State Infrastructure Strategy 2018-2038: https://insw-sis.visualise.today/documents/INSW_2018SIS_BuildingMomentum.pdf and standard definitions provided by the Smart Cities Council: https://rg.smartcitiescouncil.com/master-glossary

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City of Sydney Documents

- Sustainable Sydney 2030: Community Strategic Plan 2017-2021

- Resilient Sydney: A strategy for city resilience 2018

- City of Sydney Digital Strategy 2017

- An Open and Creative City: Planning for culture and the night time economy Discussion Paper October 2017

- City of Sydney Visitor Profile and Experience Survey Report 2017

- City of Sydney Wellbeing Survey 2018

- City of Sydney Green Environmental Sustainability Progress Report: July to December 2018

- Minute by the Lord Mayor 13 August 2018: Sustainable Sydney 2050

Image credit: Sydney Lunar Festival, City of Sydney

CITY OF SYDNEY

Thank you

We would like to thank all of the participants across our community who contributed their valuable insights, energy and expertise to the creation of this strategic framework.

We look forward to continuing to collaborate with all of you as we progress the implementation of Sydney's smart transformation.

Item 4.

Policy - Adoption - Fraud and Corruption Internal Reporting Policy

File No: S121629.035

Summary

Under Section6D of the Public Interest Disclosures Act 1994 (PID Act), the City of Sydney (the City) is required to have a policy that provides for its procedures for receiving, assessing and dealing with public interest disclosures (PIDs) and the City must have regard to the Ombudsman's guidelines (including any model policy) when formulating this policy. The City's Fraud and Corruption Internal Reporting Policy was developed to meet these requirements and is now due for review.

The new Fraud and Corruption Internal Reporting Policy has been prepared to align with the NSW Ombudsman's 2014 Model Internal Reporting Policy and to also incorporate key elements of new Commonwealth 'whistleblower' legislation.

The Fraud and Corruption Internal Reporting Policy was endorsed by the Executive on 19 February 2020 and the Audit Risk and Compliance Committee on 5 March 2020.

Recommendation

It is resolved that Council adopt the draft Fraud and Corruption Internal Reporting Policy, as shown at Attachment A to the subject report.

Attachments

Attachment A.   Fraud and Corruption Internal Reporting Policy

Background

1.   Under Section 6D of the Public Interest Disclosures Act 1994 (PID Act), the City is required to have a policy that provides for its procedures for receiving, assessing and dealing with public interest disclosures (PIDs) and the City must have regard to the Ombudsman's guidelines (including any model policy) when formulating this policy. The City's Fraud and Corruption Internal Reporting Policy was developed to meet these requirements and is now due for review.

2.   Following a recent review, the new Fraud and Corruption Internal Reporting Policy has been prepared to align with the NSW Ombudsman's 2014 Model Internal Reporting Policy and to also incorporate key elements of new Commonwealth 'whistleblower' legislation.

3.   The purpose of this policy is to ensure that there is consistency and transparency in the management of public interest disclosures, and to promote awareness of the protections available to councillors and employees who report wrongdoing. In particular, the policy documents the City's internal reporting system which enables councillors and employees to report wrongdoing without fear of reprisal. It sets out what can be reported, who to report wrongdoing to at the City and how reports of wrongdoing will be dealt with.

4.   This review has been undertaken in conjunction with the preparation of a new internal Fraud and Corruption Control Plan. The Fraud and Corruption Control Plan underpins the City's commitment to fraud and corruption control. It details the City's intended action in implementing and monitoring fraud and corruption prevention, detection and response initiatives.

Commonwealth 'whistleblower' legislation

5.   The Commonwealth Treasury Laws Amendment (Enhancing Whistle-blower Protections) Act 2019 introduced strengthened whistleblower protections in the Corporations Act 2001 and a range of other Commonwealth financial industry legislation. These new provisions apply not only to companies but also to any entity that is a 'trading or financial corporation' within the meaning of the Constitution. The NSW Ombudsman has advised that this may include a number of councils including the City.

6.   Whilst the new legislation is primarily focussed on the finance industry, the NSW Ombudsman has raised concerns with the NSW Government about the concurrent application of the Commonwealth legislation to some NSW entities. Currently all NSW public authorities will continue to be subject to the PID Act, however, the NSW Ombudsman has advised that they may also be subject to the Commonwealth legislation and should update their policies to minimise the risk of 'inadvertent non-compliance' under this new regime until this matter is further clarified.

7.   The NSW Ombudsman has advised that the principal area of risk for public authorities under the new Commonwealth whistleblower protections relates to the maintenance of confidentiality when reporting PIDs to external bodies. The general prohibition against the disclosure of the identity of a whistleblower under the Commonwealth legislation takes precedence over the reporting provisions under the NSW PID Act. The NSW Ombudsman's office has advised that there is a review of the PID Act under way, which should ensure that there is consistency between state and federal legislation. In the interim, the Policy addresses both jurisdictions and the City will work with stakeholders to resolve any issues that arise due to inconsistencies in NSW and Commonwealth legislation.

Key Implications

8.   As noted above, the Policy has been reformatted to reflect the NSW Ombudsman's Model Internal Reporting Policy. The key changes to the content of the Policy are as set out below.

9.   The revised policy provides that the City should endeavour to gain specific consent from an internal reporter prior to reporting to an investigating authority under the requirements of the PID Act and if that consent is not provided, the report to the investigating authority should not disclose the identity of the internal reporter. Further advice will be sought should this matter arise in practice.

10.   Definitions of the five categories of serious misconduct, as established by the PID Act, are included in the section on 'What should be reported?' rather than as an appendix.

11.   The revised policy refers to employees rather than staff and the definition of employee has been extended to include trainees and students on work placements, to reflect current City policy.

12.   The policy now contains a detailed section on the roles and responsibilities of employees and councillors and, in particular the roles of key positions such as the CEO, the Disclosures Coordinator and Disclosures Officers.

Organisational Impact

13.   The policy and the new Fraud and Corruption Control Plan will be the subject of staff communications and training following adoption and Governance staff will work across the organisation to ensure the policy and plan are being appropriately implemented.

Strategic Alignment - Sustainable Sydney 2030 Vision

14.   Sustainable Sydney 2030 is a vision for the sustainable development of the City to 2030 and beyond. It includes 10 strategic directions to guide the future of the City, as well as 10 targets against which to measure progress. This policy is aligned with the following strategic directions and objectives:

(a)   Direction 10 - Implementation through Effective Governance and Partnerships - The City's Fraud and Corruption Internal Reporting Policy addresses the requirements of the Public Interest Disclosures Act 1994 to have a policy that provides for the City's procedures for receiving, assessing and dealing with public interest disclosures.

Relevant Legislation

15.   Corporations Act 2001 (Cth)

16.   Government Information (Public Access) Act 2009 (NSW)

17.   Independent Commission Against Corruption Act 1988 (NSW)

18.   Local Government Act 1993 (NSW)

19.   Public Interest Disclosures Act 1994 (NSW)

20.   Treasury Laws Amendment (Enhancing Whistleblower Protections) Act 2019 (Cth)

Public Consultation

21.   No public consultation is required in relation to this policy.

22.   The policy was presented to the Audit Risk and Compliance Committee on 5 March 2020, with one minor change (the addition of Governance contact details) requested by that Committee. That change has been incorporated into the draft Policy.

KIRSTEN MORRIN

Director Legal and Governance

Paulette Sutherland, Manager Risk and Governance

Attachment A

> ## Fraud and Corruption Internal Reporting Policy

Fraud and Corruption Internal Reporting Policy

Purpose

To document our internal reporting system which enables City of Sydney (City) employees and councillors to report wrongdoing without fear of reprisal. This policy sets out what can be reported, who you can report wrongdoing to at the City and how reports of wrongdoing will be dealt with.

This policy is designed to complement normal communication channels between supervisors and employees. Employees are encouraged to raise matters of concern at any time with their supervisors, but also have the option of making a report about a public interest issue in accordance with this policy and the *Public Interest Disclosures Act 1994* (PID Act).

The internal reporting system established under this policy is not intended to be used for employee grievances, which should be raised through our Grievance and Conflict Resolution Policy. If an employee makes a report under this policy which is substantially a grievance, the matter will be referred to Human Resources to be dealt with in accordance with our Grievance and Conflict Resolution Policy.

Scope

This policy applies to:
- City councillors
- City employees, including permanent (whether full-time or part-time), temporary and casual employees, agency staff, volunteers, trainees and students on work placements.

This policy also applies to public officials of another council or public authority who report wrongdoing relating to the City.

Definitions

Term	Meaning
Disclosures Coordinator	Director Legal & Governance
Disclosures Officers	All Directors and the Manager Risk & Governance
Employees	Permanent (whether full-time or part-time), temporary and casual employees, agency staff, volunteers, trainees and students on work placements
GIPA Act	Government Information (Public Access) Act 2009
ICAC Act	Independent Commission Against Corruption Act 1988
PID Act	Public Interest Disclosures Act 1994
Reporter	An employee, councillor or other person to whom this policy applies that has reported any suspected wrongdoing within the City, or any activities or incidents within the City that they believe are wrong, in accordance with this policy
Subject	Employee, councillor or other person to whom this policy applies who is the subject of a report of wrongdoing

Policy Statement

The City is committed to the highest standard of ethical and accountable conduct and will support and protect the reporting of wrongdoing. Individuals who come forward and report wrongdoing are helping to promote integrity, accountability and good management within the City.

The City will:

- create a climate of trust, where people are comfortable and confident about reporting wrongdoing

- encourage individuals to come forward if they become aware of wrongdoing within the City

- keep the identity of the person disclosing wrongdoing confidential, where this is possible and appropriate

- take steps to protect Reporters from reprisal and manage workplace conflict

- assess all reports of wrongdoing it receives from Reporters and deal with them appropriately, fairly, reasonably and impartially, respecting the rights of any person who is the subject of a report

- if some form of wrongdoing has been found, take appropriate action to rectify it
- keep the individual who makes a report informed of its progress and the outcome
- encourage the reporting of wrongdoing within the City, but respect any decision to disclose wrongdoing outside the City
- ensure managers and supervisors at all levels in the City understand the benefits of reporting wrongdoing, are familiar with this policy and aware of the needs of those who report wrongdoing
- review this policy periodically to ensure it is relevant and effective
- provide adequate resources to:
    - encourage reports of wrongdoing
    - protect and support those who make them
    - provide training about how to make reports
    - assess and review, investigate or otherwise deal with allegations
    - manage any workplace issues that the allegations identify or that result from a report
    - appropriately address any identified problems.

Once wrongdoing has been reported, the City decides whether a report should be investigated, and if so, how it should be investigated and by whom.

The City must report on our obligations under the PID Act and statistical information about public interest disclosures in our annual report and to the NSW Ombudsman every six months.

The City has a responsibility to refer actual or suspected corrupt conduct to the Independent Commission Against Corruption (ICAC) and any evidence of a reprisal offence under section 20 of the PID Act to the Commissioner of Police or the ICAC.

The City will request specific consent from a Reporter to disclose their identity to any external agency prior to referring a report of actual or suspected corrupt conduct or any evidence of a reprisal offence. If the Reporter does not grant consent, the City will keep the identity of the Reporter anonymous subject to any legal requirements for disclosure.

To ensure the City complies with the PID Act and deals with all reports of wrongdoing properly, all employees and councillors with roles outlined below and elsewhere in this policy will receive training on their responsibilities.

Roles

Position	Responsibility
Disclosures Coordinator	Receives and assesses reports and is the primary point of contact in the City for the Reporter.
Disclosures Officers	Disclosures Officers provide advice about the internal reporting system and the City's Fraud and Corruption Internal Reporting Policy, receive reports of wrongdoing and assist employees and councillors to make reports.

What should be reported?

You should report any suspected wrongdoing within the City, or any activities or incidents you see within the City that you believe are wrong.

Reports about five categories of serious misconduct will be dealt with under this policy. If they meet the criteria of a public interest disclosure, they will also be dealt with under the PID Act.

The five categories are:
  a) corrupt conduct
  b) maladministration
  c) serious and substantial waste of public money
  d) breach of the GIPA Act, and
  e) local government pecuniary interest contravention.

See below for details about these types of conduct. More information about what can be reported under the PID Act can also be found in the NSW Ombudsman's *Guideline B2: What should be reported?*

All other wrongdoing or suspected wrongdoing should be reported to your manager, supervisor or Human Resources staff to be dealt with in line with the relevant policies. This might include:

• harassment or unlawful discrimination

• practices that endanger the health or safety of employees or the public.

Even if these reports are not dealt with as public interest disclosures, the City recognises such reports may raise important issues. We will respond to all reports and make every attempt to protect the employee making the report from reprisal.

a) Corrupt conduct

Corrupt conduct is defined in Sections 7, 8 and 9 of the ICAC Act and is deliberate or intentional wrongdoing, not negligence or a mistake. It has to involve or affect a NSW public official or public sector organisation.

While it can take many forms, some examples of corrupt conduct include when:

- a public official improperly uses, or tries to improperly use, the knowledge, power or resources of their position for their own personal gain or the advantage of others
- a public official dishonestly exercises his or her official functions, or improperly exercises his or her official functions in a partial manner, breaches public trust or misuses information or material acquired during the course of his or her official functions
- a member of the public influences, or tries to influence a public official's exercise of functions.

b) Maladministration

Maladministration is conduct that involves action or inaction of a serious nature that is contrary to law, unreasonable, unjust, oppressive or improperly discriminatory or based wholly or partly on improper motives.

For example, this could include:

- making a decision and/or taking action that is unlawful
- refusing to grant an approval for reasons that are not related to the merits of the application.

c) Serious and substantial waste of public money

Serious and substantial waste is the uneconomical, inefficient or ineffective use of resources that could result in losing or wasting public money.

For example, this could include:

- not following a competitive tendering process for a large-scale contract
- having no or poor processes in place for a system involving large amounts of public funds.

d) Breach of the GIPA Act

A breach of the GIPA Act is a failure to properly fulfil functions under that Act.

For example, this could include:

- destroying, concealing or altering records to prevent them from being released
- knowingly making decisions that are contrary to the legislation
- directing another person to make a decision that is contrary to the legislation.

e) Local government pecuniary interest contravention

A local government pecuniary interest contravention is a failure to comply with requirements under the *Local Government Act 1993* relating to the management of pecuniary interests. These include obligations to lodge disclosure of interests returns, disclose pecuniary interests at council and council committee meetings and leave the meeting while the matter is being discussed.

A pecuniary interest is an interest that a person has in a matter because of a reasonable likelihood or expectation of appreciable financial gain or loss to the person.

For example, this could include:

- a senior City employee recommending a family member for a City contract and not declaring the relationship

- a councillor participating in consideration of a DA for a property they or their family have an interest in.

Assessment of Reports

All reports will be promptly and thoroughly assessed to determine what action will be taken to deal with the report and whether or not the report will be treated as a public interest disclosure.

The Disclosures Coordinator is responsible for assessing reports, in consultation with the CEO where appropriate. All reports will be assessed on the information available to the Disclosures Coordinator at the time. It is up to the Disclosures Coordinator to decide whether a review or investigation should be carried out and how it should be carried out.

In assessing a report, the Disclosures Coordinator may decide that the report should be referred elsewhere or that no action should be taken.

When will a report be treated as a public interest disclosure?

The City will treat a report as a public interest disclosure if it meets the criteria of a public interest disclosure under the PID Act. These requirements are:

1. the report must be about one of the following five categories of serious wrongdoing – corrupt conduct, maladministration, serious and substantial waste of public money, breach of the GIPA Act or local government pecuniary interest contravention

2. the person making the disclosure must honestly believe on reasonable grounds that the information shows or tends to show wrongdoing

3. the report has to be made to the CEO (or, for reports about the CEO, the Lord Mayor), a position nominated in this policy (see below), an investigating authority or (in limited circumstances) to an MP or journalist.

Reports by employees are not public interest disclosures if they:

- mostly question the merits of government policy
- are made with the sole or substantial motive of avoiding dismissal or other disciplinary action.

Who can receive a report within the City?

Employees are encouraged to report general wrongdoing to their supervisor or Governance team. However, the PID Act requires that, for a report to be a public interest disclosure, it must be made to certain public officials identified in this policy or any supporting procedures.

The following positions are the only people within the City who are authorised to receive a public interest disclosure:

- CEO
- Lord Mayor (for reports about the CEO only)
- Disclosures Coordinator (Director Legal & Governance)
- Disclosures Officers (all Directors and the Manager Risk & Governance).

If your report involves a councillor, you should make it to the CEO. If your report relates to the CEO, you should make it to the Lord Mayor.

Any supervisor who receives a report that they believe may be a public interest disclosure is obliged to assist the employee to make the report to one of the positions listed above.
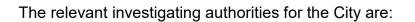
Who can receive a report outside the City?

Employees and councillors are encouraged to report wrongdoing within the City, but internal reporting is not your only option. You can also make a public interest disclosure to:

- An investigating authority.
- A Member of Parliament or a journalist, but only in the limited circumstances outlined below.

a)   Investigating authorities

The PID Act lists a number of investigating authorities in NSW that employees and councillors can report wrongdoing to and the type of wrongdoing each authority can deal with. In certain circumstances it may be preferable to make a report of wrongdoing to an investigating authority.

The relevant investigating authorities for the City are:

- the Independent Commission Against Corruption (ICAC) - for reports about corrupt conduct

- the NSW Ombudsman - for reports about maladministration

- the Information Commissioner - for disclosures about a breach of the GIPA Act

- the Auditor General - for reports about serious and substantial waste

- the Office of Local Government - for disclosures about local councils (e.g. pecuniary interest contraventions).

You should contact the relevant investigating authority for advice about how to make a disclosure to them. Contact details for each investigating authority are provided at the end of this policy.

You should be aware that the investigating authority may discuss any such reports with the City. We will make every effort to assist and cooperate with the investigating authority to ensure the matter is dealt with appropriately. We will also provide appropriate support and assistance to employees or councillors who report wrongdoing to an investigating authority, if we are made aware that this has occurred.

b)   Members of Parliament or journalists

To have the protections of the PID Act, employees reporting wrongdoing to a Member of Parliament (MP) or a journalist must have already made substantially the same report to at least one of the following:

- the CEO

- a person nominated in this policy, including the Mayor for reports about the CEO; or

- an investigating authority.

Additionally, the City or the investigating authority that received your initial report must have either:

- decided not to investigate the matter

- decided to investigate the matter, but not completed the investigation within six months of the original report

- investigated the matter but not recommended any action as a result; or

- not told the person who made the report, within six months of the report being made, whether the matter will be investigated.

It is important to note that a higher standard for protection under the PID Act applies (such as protection against legal action) if you report wrongdoing to an MP or journalist. You will not only need to believe that your disclosure is substantially true. It must also be proven that it is true in order for it to be a protected disclosure.

c)   Other external reporting

If you report wrongdoing to a person or authority that is not listed above or make a report to an MP or journalist without following the steps outlined above, you will not be protected under the PID Act. This may also mean that you could be in breach of legal obligations or our Code of Conduct, for example, by disclosing confidential information.

For more information about reporting wrongdoing outside the City, contact the Disclosures Coordinator or the NSW Ombudsman's Public Interest Disclosures Unit.

How to make a report

You can report wrongdoing in writing or verbally. You are encouraged to make a report in writing as this can help to avoid any confusion or misinterpretation. The City's Internal Report Form is also available for employees or councillors to use to make a report.

If a report is made verbally, the person receiving the report will make a comprehensive record of the report and ask the person making the report to sign this record. The Reporter should keep a copy of this record.

Can a report be anonymous?

There will be some situations where you may not want to identify yourself when you make a report. Although these reports will still be dealt with by the City, it is best if you identify yourself. This allows us to provide you with any necessary protection and support, as well as feedback about what action has or will been taken and the outcome of any review or investigation.

It is important to realise that making a disclosure anonymously may not prevent you from being identified by the subjects of the report or your colleagues.

If we do not know who made the report, it is very difficult for us to prevent any reprisal should others identify you.

Feedback to employees who report wrongdoing

Employees and councillors who report wrongdoing and provide their contact details will be told what is happening in response to their report.

a) Acknowledgement

When you make a report, the City will contact you to confirm that your report has been received and to advise:

- the timeframe within which you will receive further updates

- the name and contact details of the people who can tell you what is happening or handle any concerns you may have.

After a decision is made about how your report will be dealt with, the City will send you an acknowledgment letter, providing:

- information about how we will respond to your report

- the likely timeframes for any review or investigation or other action

- information about the internal and external resources or services available that you can access for support.

We will provide this information to you within ten working days from the date you make your report. We will also advise you if we decide to treat your report as a public interest disclosure and provide you with a copy of this policy at that time, as required by the PID Act.

Please note, if you make a report which meets the requirements of the PID Act but the report was made under a statutory or legal obligation or incidental to the performance of your day to day functions, you will not receive an acknowledgement letter or a copy of this policy.

b) Progress updates

While your report is being dealt with, such as by a review or investigation or making other enquiries, you will be given information about the progress of the review/investigation or other enquiries and reasons for any delay.

c) Feedback

Once the matter has been finalised you will be given:

- enough information to show that adequate and appropriate action was taken and/or is proposed to be taken in response to your disclosure and any problem that was identified

- advice about whether you are likely to be called as a witness in any further matters, such as disciplinary or criminal proceedings.

Maintaining Confidentiality

The City realises Reporters may want their identity and the fact they have made a report to remain confidential. This can help to prevent any action being taken against them for reporting wrongdoing.

Where possible and appropriate we will take all necessary steps to keep your identity, and the fact you have reported wrongdoing, confidential. We will discuss with you whether it is possible to keep your identity confidential.

If confidentiality cannot be maintained, we will develop a plan to support and protect you from reprisal in consultation with you.

If you report wrongdoing, it is important that you only discuss your report with those responsible for dealing with it. This will include the Disclosures Coordinator and the CEO, or in the case of a report about the CEO, the Disclosures Coordinator and the Lord Mayor. The fewer people who know about your report, before and after you make it, the more likely it will be that we can protect you from any reprisal.

Any employees or councillors involved in the investigation or handling of a report, including witnesses, are also required to maintain confidentiality and not disclose information about the process or allegations to any person except for those people responsible for handling the report.

Protection against reprisals

The City will not tolerate any reprisal against employees or councillors who report wrongdoing or are believed to have reported wrongdoing.

The PID Act provides protection for employees and councillors who have made a public interest disclosure by imposing penalties on anyone who takes detrimental action against another person substantially in reprisal for that person making a public interest disclosure or because they believe or suspect the other person has made or may have made a public interest disclosure, even if they did not do so. Detrimental action means action causing, comprising or involving any of the following:

- injury, damage or loss
- intimidation or harassment
- discrimination, disadvantage or adverse treatment in relation to employment
- dismissal from, or prejudice in, employment
- disciplinary proceedings.

A person who is found to have committed a reprisal offence or has disclosed the identity of a Reporter (or information that is likely to lead to the identification of the Reporter) may face criminal penalties such as imprisonment and/or fines and may be required to pay the victim damages for any loss suffered as a result of the

detrimental action. Taking detrimental action in reprisal is also a breach of our Code of Conduct and may result in disciplinary action. In the case of councillors, such disciplinary action may be taken under the misconduct provisions of the *Local Government Act 1993* and may include suspension or disqualification from civic office.

The PID Act does not protect Reporters from disciplinary or other management action where the City has reasonable grounds to take such action.

a) Responding to allegations of reprisal

If you believe that detrimental action has been or is being taken against you or someone else in reprisal for reporting wrongdoing, you should tell your supervisor, the Disclosures Coordinator or the CEO immediately. In the case of an allegation of reprisal by the CEO, you can alternatively report this to the Lord Mayor.

All supervisors must notify the Disclosures Coordinator or the CEO if they suspect that reprisal against an employee is occurring or has occurred, or if any such allegations are made to them. In the case of an allegation of reprisal by the CEO, the Lord Mayor can alternatively be notified.

If the City becomes aware of or suspects that reprisal is being or has been taken against a person who has made a disclosure, the City will:

- assess the allegation of reprisal to decide whether the report should be treated as a public interest disclosure and whether the matter warrants investigation or if other action should be taken to resolve the issue
- if the reprisal allegation warrants investigation, ensure this is conducted by an appropriate employee or an external investigator
- if it is established that reprisal is occurring against someone who has made a report, take all steps possible to stop that activity and protect the Reporter
- take appropriate disciplinary action against anyone proven to have taken or threatened any action in reprisal for making a disclosure
- refer any breach of Part 9 of the City's Code of Conduct (detrimental action) by a councillor or the CEO to the Office of Local Government.
- refer any evidence of an offence under section 20 of the PID Act to the ICAC or NSW Police Force.

If you allege reprisal, you will be kept informed of the progress and outcome of any investigation or other action taken in response to your allegation.

If you have reported wrongdoing and are experiencing reprisal which you believe is not being dealt with effectively, contact the Office of Local Government, the Ombudsman, ICAC or the Auditor General (depending on the type of wrongdoing you reported).

b) Protection against legal action

If you make a public interest disclosure in accordance with the PID Act, you will not be subject to any liability, and no action, claim or demand can be taken against you for having made the public interest disclosure. You will not have breached any confidentiality or secrecy obligations and you will have the defence of absolute privilege in defamation.

Support for those reporting wrongdoing

The City will make sure that employees who have reported wrongdoing, regardless of whether their report is treated as a public interest disclosure, are provided with access to our Employee Assistance Program for any professional support they may need as a result of the reporting process – such as stress management or counselling services.

Access to support may also be available for other employees involved in the internal reporting process where appropriate. Reporters and other employees involved in the process can discuss their support options with the Disclosures Coordinator.

Sanctions for making false or misleading statements

It is important all employees and councillors are aware that it is a criminal offence under the PID Act to wilfully make a false or misleading statement when reporting wrongdoing. The City will not support employees or councillors who wilfully make false or misleading reports. Such conduct may also be a breach of the Code of Conduct and may result in disciplinary action. In the case of councillors, such disciplinary action may be taken under the misconduct provisions of the *Local Government Act 1993* and may include suspension or disqualification from civic office.

The rights of persons who are the subject of the report

The City is committed to ensuring employees or councillors who are the subject of a report of wrongdoing are treated fairly and reasonably. This includes keeping the identity of any person the subject of a report confidential where this is practical and appropriate.

Procedural fairness and natural justice will be considered at each stage of the investigation. If you are the subject of the report and if there may be adverse findings against you, at the appropriate time you will be:

- advised of substance of the allegation
- advised of your rights and obligations under the relevant related policies and procedures

- kept informed about the progress of any investigation

- given a reasonable opportunity to respond to any allegation made against you

- told the outcome of any investigation, including any decision made about if action will be taken against you.

However in some cases, there may be an overriding public interest in not adhering to certain procedural fairness requirements, such as situations involving serious risks to personal safety or where we are obliged to maintain confidentiality due to the requirements of an external body (e.g. ICAC, NSW Police).

Where the reported allegations against the subject are clearly wrong, or have been reviewed/investigated and unsubstantiated, the subject will be supported by the City. The fact of the allegations and any investigation will be kept confidential, where possible, unless otherwise agreed to by the subject.

Responsibilities

City employees and councillors will:

- report all known or suspected wrongdoing and support those who have made reports of wrongdoing

- assist those assessing, reviewing or investigating a report if requested, including supplying information on request, cooperating with any assessment, review or investigation and maintaining confidentiality

- treat any person dealing with a report of wrongdoing under this Policy with courtesy and respect

- respect the rights of any person the subject of reports

- adhere to the City's Code of Conduct

- not make false or misleading reports of wrongdoing

- not victimise or harass anyone who has made a report.

Lord Mayor

The Lord Mayor can receive reports from employees and councillors about the CEO. Where the Lord Mayor receives such reports, the Lord Mayor will:

- assess the reports to determine whether or not they should be treated as a public interest disclosure, and to decide how they will be dealt with

- deal with reports made under the City's Code of Conduct in accordance with the City's adopted Code of Conduct Procedures

- refer reports to an investigating authority, where appropriate

- liaise with the Disclosures Coordinator to ensure there are strategies in place to support Reporters, protect Reporters from reprisal and manage workplace conflict that may arise in relation to a report

- refer actual or suspected corrupt conduct to the ICAC

- refer any evidence of a reprisal offence under section 20 of the PID Act to the Commissioner of Police or the ICAC.
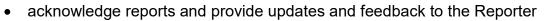
CEO

The CEO has ultimate responsibility for maintaining the internal reporting system and workplace reporting culture, and ensuring the City complies with the PID Act.

The CEO can receive reports from employees and councillors and will:

- assess reports received by or referred to them, to determine whether or not the report should be treated as a public interest disclosure, and to decide how the report will be dealt with

- deal with reports made under the City's Code of Conduct in accordance with the City's adopted Code of Conduct Procedures

- ensure there are strategies in place to support Reporters, protect Reporters from reprisal and manage workplace conflict that may arise in relation to a report

- make decisions following any investigation or appoint an appropriate decision-maker

- take appropriate remedial action where wrongdoing is substantiated, or systemic problems are identified

- refer actual or suspected corrupt conduct to the Independent Commission Against Corruption (ICAC)

- refer any evidence of a reprisal offence under section 20 of the PID Act to the Commissioner of Police or the ICAC.

Disclosures Coordinator will:

- assess reports to determine whether or not a report should be treated as a public interest disclosure, and to decide how each report will be dealt with (either under delegation or in consultation with the CEO)

- deal with reports made under the City's Code of Conduct in accordance with the City's Code of Conduct Procedures

- coordinate the City's response to a report

- acknowledge reports and provide updates and feedback to the Reporter

- assess whether it is possible and appropriate to keep the Reporter's identity confidential

- assess the risk of reprisal and workplace conflict related to or likely to arise out of a report, and develop strategies to manage any risk identified

- provide or coordinate support to staff involved in the reporting or investigation process, where required, including protecting the interests of any officer the subject of a report

- ensure the City complies with the PID Act

- ensure all employees and councillors with roles outlined in this policy receive training on their responsibilities

- provide six-monthly reports to the NSW Ombudsman in accordance with section 6CA of the PID Act

- refer actual or suspected corrupt conduct to the Independent Commission Against Corruption (ICAC) and any evidence of a reprisal offence under section 20 of the PID Act to the Commissioner of Police or the ICAC, as required.

Disclosures Officers will:

- document in writing any reports received verbally, and have the document signed and dated by the Reporter

- make arrangements to ensure Reporters can make reports privately and discreetly when requested, which may include away from the workplace

- discuss with the Reporter any concerns they may have about reprisal or workplace conflict

- forward reports to the Disclosures Coordinator or CEO for assessment.

Supervisors and managers will:

- have a comprehensive understanding of this Fraud and Corruption Internal Reporting Policy

- create a local work environment where employees are comfortable and confident about reporting wrongdoing

- encourage employees to report known or suspected wrongdoing within the organisation and support employees when they do

- identify reports made to them in the course of their work which could be public interest disclosures, and assist the employee to make the report to an officer authorised to receive public interest disclosures under this policy

- implement local management strategies, in consultation with the Disclosures Coordinator, to minimise the risk of reprisal or workplace conflict in relation to a report

- notify the Disclosures Coordinator or CEO immediately if they believe an employee is being subjected to reprisal as a result of reporting wrongdoing, or in the case of suspected reprisal by the CEO, notify the Lord Mayor.

Consultation

Governance consulted with the NSW Ombudsman. Governance also consulted with the Office of the CEO, Corporate Human Resources, Financial Plan & Report, Internal Audit, Legal and Procurement, who reviewed this policy and provided comments.

References

Laws and standards
• Corporations Act 2001 (Clth)
• Government Information (Public Access) Act 2009 (NSW)
• Independent Commission Against Corruption Act 1988 (NSW)
• Local Government Act 1993 (NSW)
• NSW Ombudsman's *Guideline B2: What should be reported?*
• NSW Ombudsman PID e-news (June 2019 Issue 38) - New Commonwealth whistleblower laws.
• Public Interest Disclosures Act 1994 (NSW)
• Treasury Laws Amendment (Enhancing Whistleblower Protections) Act 2019 (Clth)

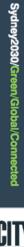| Policies, procedures and guidelines |
|---|
| • Code of Conduct |
| • Code of Conduct Procedures |
| • EEO and Anti-Discrimination Policy |
| • Fraud and Corruption Control Plan |
| • Grievance and Conflict Resolution Policy |
| • Harassment and Bullying Policy |
| • Work Health and Safety Policy |

Approval status

Council approved this policy on [   ] 2020.

Approval history

Stage	Date	Comment	TRIM Reference
Original Policy	23 June 2014	Approved by Council	2014/288568
Review	[ ] 2020	Update based on NSW Ombudsman model internal reporting policy and new whistleblower protection provisions in Corporations Act 2001 (Clth). Approved by Council	2019/628595
Next review	[ ] 2022		

Ownership and approval

Responsibility	Role
Author	Governance Officer
Owner	Manager Risk and Governance
Endorser	City of Sydney Executive
Approver	City of Sydney Council

Appendix A - External Reporting Authorities

The contact details for external investigating authorities that employees can make a report or public interest disclosure to or seek advice from are listed below.

For disclosures about:	External reporting authority
Corrupt conduct	Independent Commission Against Corruption (ICAC) Phone: 02 8281 5999 Toll free: 1800 463 909 NRS Speak and Listen Telephone: 1300555727 then ask for 028281 5999 Email: icac@icac.nsw.gov.au Web: www.icac.nsw.gov.au Address: Level 7, 255 Elizabeth Street Sydney NSW 2000
Maladministration	NSW Ombudsman Phone: 02 9286 1000 1800 451 524 NRS Speak and Listen Telephone: 1300 555 727 then ask for 02 9286 1000 Email: nswombo@ombo.nsw.gov.au Web: www.ombo.nsw.gov.au Address: Level 24, 580 George Street, Sydney NSW 2000
Serious and substantial waste	Auditor General Phone: 02 9275 7100 Email: mail@audit.nsw.gov.au Web: www.audit.nsw.gov.au Address: Level 15, 1 Margaret Street, Sydney NSW 2000
Breaches of the GIPA Act	Information Commissioner Phone: 1800 472 679 Email: ipcinfo@ipc.nsw.gov.au Web: www.ipc.nsw.gov.au Address: Level 17, 201 Elizabeth Street, Sydney NSW 2000 Postal: GPO Box 7011, Sydney NSW 2001
Local councils (e.g. pecuniary interest contravention)	Office of Local Government Phone: 02 4428 4100 Tel. typewriter (TTY): 02 4428 4209 Facsimile: 02 4428 4199 Email: olg@olg.nsw.gov.au Web: olg.nsw.gov.au Address: 5 O'Keefe Avenue, Nowra, NSW 2541 Postal: Locked Bag 3015, Nowra NSW 2541 Sydney Office: Level 16, 320 Pitt Street, Sydney NSW 2000

If you have any further questions about this policy or any governance matter, contact our Governance team:

Telephone	02 9265 9333 (City of Sydney switchboard and ask for Governance)
Email	governance@cityofsydney.nsw.gov.au
Website	City of Sydney – About Council - Our responsibilities – Governance.

Item 5.

Lease Approval - Part 540 George Street, Sydney and Stratum Stair Access Town Hall - Woolworths

Document to Follow

Item 6.

Tender - Reject and Negotiate - Renewable Energy Concierge

File No: X013361.005

Tender No: 1954

Summary

This report recommends to reject all Tenders received for the delivery of the Renewable Energy Concierge program and negotiate with any suitably qualified provider.

The Renewable Energy Concierge program is designed to facilitate greater uptake of solar in the local government area and uptake of large scale renewable energy generated offsite by residents and businesses, in line with the Renewable Energy Master Plan.

Tender submissions were received and evaluated for the Renewable Energy Concierge. Subsequently, it was identified that the service levels within the Request for Tender and the submissions were divergent enough to warrant a revised scope of works and control measures for the program.

To ensure high quality and timely service delivery, this report recommends Council reject all tender submissions received and enter into negotiations with any suitably qualified provider.

The program delivery timeframe remains unchanged at three years, meaning program completion by June 2023. This allows sufficient time for the negotiation process.

Recommendation

It is resolved that:

(A)   Council reject all tenders received for RFT 1954 Renewable Energy Concierge;

(B)   Council does not invite fresh tenders, as it is considered that inviting fresh tenders would not attract additional suitable vendors over and above those that have responded to this tender;

(C)   authority be delegated to the Chief Executive Officer to approach any suitably qualitied providers to negotiate, execute and administer the contracts relating to the tender in accordance with the register of delegations from the Chief Executive Officer to staff, as amended from time to time; and

(D)   Council be informed of the successful vendor via the CEO Update.

Attachments

Attachment A.   Tender Evaluation Summary (Confidential)

Background

1. The City has endorsed targets for 50 per cent of electricity used in the local government area to be from renewable energy sources by 2030 and for net zero greenhouse gas emissions by 2050. A suggested target of net zero by 2040 has also been noted by Council at the meeting held on 17 February 2020. Renewable energy is a key way to achieve these targets.

2. The Renewable Energy Concierge is an opportunity to deliver on an action within the City's Environmental Action Strategy to "invest up to $10 million to accelerate the uptake of renewable energy by our local businesses and residents, with a preference for local sources where feasible".

3. The aim of the Renewable Energy Concierge is to facilitate the installation of at least five megawatts (MW) of new solar photovoltaic (PV) within the City of Sydney by June 2023 and assist city residents and businesses to purchase offsite renewable energy for the remainder of their energy needs.

4. At present, there is around 10MW of local solar. On-site renewable energy uptake is lower in the City than many other Sydney metropolitan jurisdictions, due in part, to the number of multi-unit developments, high proportion of rental properties, and other information barriers. This program is intended to address these issues, and in particular facilitate access to appropriate and relevant information.

5. The Renewable Energy Concierge will provide comprehensive information, support and referral services to residents and businesses operating in the local government area regarding various renewable energy options including onsite solar PV and offsite options including GreenPower, power purchase agreements, and other mechanisms.

6. The service will be available to businesses and residents within the City including owners, tenants and relevant decision makers to provide independent advice that complements existing market services.

7. The Renewable Energy Concierge will be a qualified specialist who is able to respond to enquiries in an informed and consistent way, for example providing guidance on the planning process to solar PV and what planning restrictions are in place in heritage conservation areas.

8. The program will be integrated within other City initiatives including a Solar Challenge (identifies buildings most suited for solar); a renewable energy marketing campaign; and sector based sustainability programs.

9. The Renewable Energy Concierge will work with the City to integrate the service into existing sustainability programs, co-develop materials, and regularly review and enhance the service based on identified customer need.

10. A tender process was undertaken in accordance with the City's Procurement and Contract Management Policy. The City was able to attract four submissions as an outcome of this exercise.

11. Based on the tender evaluation process, none of the tenders were deemed to be compliant.

12.   As a result it is recommended Council reject all tender submissions for the Renewable Energy Concierge Tender, and enter into negotiations with suitably qualified service providers.

13.   It is anticipated that negotiation would result in the Renewable Energy Concierge delivering the same outcomes while mitigating against potential risk to the City through clarification of service levels, appropriate contract clauses and other controls.

Invitation to Tender

14.   The Request for Tender was released via Tenderlink on 23 July 2019 and closed 21 August 2019. It was advertised via Sydney Morning Herald and Daily telegraph newspapers on 16 July 2019.

Tender Submissions

15.   Four submissions were received from the following organisations:

- BOOMPower

- Komo Energy Pty Ltd

- Point Advisory

- The Trustee for BGe Unit Trust/Blue Green Engineering

16.   No late submissions were received.

Tender Evaluation

17.   All members of the Tender Evaluation Panel have signed Pecuniary Interest Declarations. No pecuniary interests were noted.

18.   None of the tenders were deemed to be compliant as outlined in the Confidential Tender Evaluation Summary – Attachment A.

19.   All submissions were assessed in accordance with the approved evaluation criteria being:

(a)   Lump sum price.

(b)   Qualifications, experience and availability of personnel (including sub-contractors) that will manage and/or provide renewable concierge services.

(c)   Methodology for identification, interaction and conversion of opportunities to customer investment or purchasing decisions including draft activity resourcing plan and schedule of activities.

(d)   Demonstrated capacity and experience to develop, manage and deliver advisory services relevant to both business and residential customers in the City in relation to solar PV design and installation at commercial (and desirably residential) scale.

(e)   Demonstrated capacity and experience to develop, manage and deliver advisory services relevant to both business and residential customers in the City in relation to purchasing of off-site renewable energy.

(f)   Demonstrated capacity and experience to develop, manage and deliver advisory services relevant to both business and residential customers in the City in relation to educational, promotional or advocacy services on a comparable scale within or on behalf of government or non-profit bodies.

(g)   Demonstrated understanding of customer service requirements relevant to the design, management and provision of concierge services, so as to ensure effective end-to-end advisory support.

(h)   Environmental management and Fair Work requirements.

(i)   Work Health and Safety and financial and commercial trading integrity including insurances.

Performance Measurement

20.   Upon entering into a contract, the City will ensure performance standards are monitored against specific key performance indicators:

(a)   Key objectives / deliverables as set out in the specification of Request For Tender and revised Service Levels;

(b)   Delivery of a high quality service- phone and email service to be monitored by relevant City authority;

(c)   Data Capture, Administration, Validation and Reporting; and

(d)   An increase in uptake in the local government area beyond business-as-usual rates

Financial Implications

21.   There are sufficient funds allocated for this project within the current year's budget and future years' forward estimates.

Relevant Legislation

22.   The tender has been conducted in accordance with the Local Government Act 1993, the Local Government (General) Regulation 2005 and the City's Procurement and Contract Management Policy.

23.   Local Government Act 1993 - Section 10A provides that a Council may close to the public so much of its meeting as comprises information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.

24.   Attachment A contains confidential details of Council's tender evaluation and contingencies which, if disclosed, would:

(a)   confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business; and

(b)   prejudice the commercial position of the person who supplied it.

25.   Discussion of the matter in an open meeting would, on balance, be contrary to the public interest because it would compromise Council's ability to negotiate fairly and commercially to achieve the best outcome for its ratepayers.

Critical Dates / Time Frames

26.   Negotiation period (subject to Council approval to reject and negotiate): April-May 2020

27.   Services engaged (subject to successful negotiation): June-July 2020

28.   Design phase: July-September 2020

29.   Program launch: October-November 2020

30.   Program completion: June 2023

Options

31.   Option 1: Reject and negotiate with suitably qualified contractors with demonstrated capacity to carry out the works and delegate authority to the Chief Executive Officer to enter into a contract. This option is recommended.

32.   Option 2: Reject all tenders and re-advertise. This option is not recommended as it is not considered this would attract additional suitable vendors over and above those that have responded to this tender.

33. Option 3: Cancel the tender process outright. This option is not recommended as this program has been designed to overcome known barriers to help city residents and businesses to install solar PV and purchase offsite renewable energy - necessary to meet the City's energy and emissions targets.

Public Consultation

34. There has been no public consultation regarding the tender.

KIM WOODBURY

Chief Operating Officer

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