Item 12.8

Notices of Motion

Require the Chief Executive Officer to Report when Contract Extension Options are Exercised

By Councillor Arkins

It is resolved that:

(A) Council note that:

(i) currently when an option to extend a service contract is exercised by the City's Chief Executive Officer, Councillors are not advised;

(ii) in September 2025, Ventia notified the Australian Stock Exchange that the City of Sydney had exercised an option to extend the City's $400 million facilities management contract for 2 years from January 2026, yet Councillors were not advised that this decision had been made;

(iii) City staff regularly recommend contract terms beyond a 4-year Council term, with multiple multi-year options to extend the contract beyond the initial term delegated to the Chief Executive Officer to exercise;

(iv) as a result, a number of major service contracts don't come before Council for decision for multiple Council terms, limiting the community's ability to democratically influence decisions on the delivery model for Council services at local government elections every 4 years;

(v) Council adopted the Sourcing Framework Principles in August 2025, which sets out Council's policy and approach to determining the delivery model for the City's major services; and

(vi) information about contracts over $150,000 in value are publicly disclosed by the City of Sydney under the Government Information (Public Access) Act 2009, inclusive of start date, duration and options, and published on the City of Sydney's website; and

(B) the Chief Executive Officer be requested to report to Councillors via the CEO Update when an option to extend a major service contract over $5 million is exercised under delegation.

X113758