

Item 6.**Report of the Corporate, Finance, Properties and Tenders Committee - 4 February 2019****Item 6.1****Disclosures of Interest**

Councillor Linda Scott disclosed a significant, pecuniary interest in Item 6.6 on the agenda in her capacity as President of Local Government NSW. Local Government NSW receives an annual payment and has sponsorship from an entity associated with one of the tenderers. Councillor Scott stated that she would leave the room for this item.

No other Councillors disclosed any pecuniary or non-pecuniary interests in any matters on the agenda for this meeting of the Corporate, Finance, Properties and Tenders Committee.

The Committee recommends the following:-

Item 6.2

2018/19 Quarter 2 Review – Delivery Program 2017–2021

It is resolved that Council:

- (A) note the financial performance of Council for the first quarter, ending 31 December 2018, including the Quarter 2 Net Deficit of \$1.2M and the full year Net Surplus forecast of \$4.7M, as outlined in the subject report and summarised in Attachment A to the subject report;
- (B) note the Quarter 2 Capital Works expenditure of \$117.3M and a revised full year forecast of \$255.3M, and approve the proposed adjustments to the adopted budget, including the transfer of \$0.3M from capital works contingency, and bringing forward of \$4.1M in funds into 2018/19 capital budget, as detailed in Attachment B to the subject report;
- (C) note the Information Services capital expenditure of \$3.8M, and a full year forecast of \$12.9M, and approve the transfer of \$0.4M from capital works contingency;
- (D) note the Quarter 2 Plant and Assets expenditure of \$5.7M, net of disposals, and the full year forecast of \$19.6M;
- (E) note the Quarter 2 Property Acquisition/Divestment net proceeds of \$3.6M, and the full year forecast net proceeds of \$117.0M;
- (F) note the operational performance indicators and Quarter 2 achievements against the Operational Plan 2018/19 objectives, as detailed in Attachment C to the subject report;
- (G) note the supplementary reports, including contracts issued over \$50,000, major legal issues and the Quick Response, Banner Pole and Reduced Rate Grant Programs in Quarter 2, as detailed in Attachment D to the subject report; and
- (H) note the Environmental Sustainability Progress Report, as shown at Attachment E to the subject report.

(Note – at the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kok, seconded by Councillor Thalys, and carried unanimously.)

S096187

The Committee recommends the following:-

Item 6.3

Investments Held as at 30 November 2018

It is resolved that the Investment Report as at 30 November 2018 be received and noted.

(Note – at the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kok, seconded by Councillor Scott, and carried unanimously.)

X011299

The Committee recommends the following:-

Item 6.4

Investments Held as at 31 December 2018

It is resolved that the Investment Report as at 31 December 2018 be received and noted.

(Note – at the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kok, seconded by Councillor Miller, and carried unanimously.)

X020701

The Committee recommends the following:-

Item 6.5

Conduct of the 2020 Local Government Election

It is resolved that:

- (A) pursuant to s296(2) and (3) of the Local Government Act 1993 (NSW), that an election arrangement be entered into by contract for the NSW Electoral Commissioner to administer all elections of the Council;
- (B) pursuant to s296(2) and (3) of the Act, as applied and modified by s.18, that a council poll arrangement be entered into by contract for the NSW Electoral Commissioner to administer all council polls of the Council;
- (C) pursuant to s296(2) and (3) of the Act, as applied and modified by s18, that a constitutional referendum arrangement be entered into by contract for the NSW Electoral Commissioner to administer all constitutional referenda of the Council;
- (D) authority be delegated to the Chief Executive Officer to negotiate and execute each contract with the NSW Electoral Commissioner; and
- (E) the means of voting will be by way of a combination of attendance and postal voting.

(Note – at the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kok, seconded by Councillor Miller, and carried unanimously.)

X001937

The Committee recommends the following:-

Item 6.6

Tender - Insurance Broking Services

It is resolved that:

- (A) Council accept the tender offer of Tenderer A for insurance broking services which includes the placement of Council's insurance contracts for a period of four years, with the option of two 12 month extensions;
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contracts relating to the tender; and
- (C) authority be delegated to the Chief Executive Officer to exercise the option referred to in clause (A), on the best possible terms.

(Note – at the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kok, seconded by Councillor Miller, and carried unanimously.)

X018237

The Committee recommends the following:-

Item 6.7

Alternative Housing (Sustainable Sydney 2050) Ideas Challenge

It is resolved that:

- (A) Council endorse the establishment, operation, public notification and public exhibition of an Alternative Housing (Sustainable Sydney 2050) Ideas Challenge;
- (B) Council endorse the development of a brief that will call for the submission of ideas for innovative models (models) based on the following principles:
 - (i) the model must demonstrate innovation in at least two of the following areas: planning, design, ownership type, tenancy type, management (including sharing of facilities), construction, urban land supply and/or financing;
 - (ii) the model must result in housing that is either demonstrably cheaper to market, where the relative purchase or rental affordability is secured in perpetuity, or it must be affordable housing, as defined by the City;
 - (iii) where applicable, the model must demonstrate economic, social and environmental sustainability principles, with a focus on economic viability;
 - (iv) where the model relates to a physical development or redevelopment, the model must have a high level of residential amenity that would be generally acceptable to the community;
 - (v) where the model proposes the use of City owned land, models which retain public ownership in perpetuity, such as through land trusts or long-term leases, will be preferred;
 - (vi) the model must be scalable, replicable and self-sustaining; and
 - (vii) where the model relates to a physical development or redevelopment, models that work for small sites and/or include a mix of residential and non-residential uses will be considered;
- (C) Council will, through an Expression of Interest process open to all interested parties, select up to six applicants and pay each selected applicant \$20,000 (excluding GST) for their idea/proposal. The payment is intended to be an honorarium for the selected applicants to further develop and prepare their proposals for the Ideas Challenge as part of Sustainable Sydney 2050 community consultation;
- (D) authority be delegated to the Chief Executive Officer to:
 - (i) develop the Alternative Housing (Sustainable Sydney 2050) Ideas Challenge brief in accordance with the principles described at (B);
 - (ii) run and publicise the Alternative Housing (Sustainable Sydney 2050) Ideas Challenge Expression of Interest;
 - (iii) select a jury to recommend up to six suitable proposals from the Alternative Housing (Sustainable Sydney 2050) Ideas Challenge Expression of Interest;

- (iv) select up to six applicants based on the jury's recommendations and arrange payment of \$20,000 (excluding GST) to each selected applicant; and
 - (v) negotiate, execute and administer any agreements required to facilitate the Ideas Challenge; and
- (E) Council approve the allocation of up to \$350,000 (excluding GST) from the 2018/19 General Contingency Fund, to be sourced from the Affordable and Diverse Housing Fund, for the purpose of executing the above program within the 2019 Calendar Year.

(Note – at the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kok, seconded by Councillor Thalys, and carried unanimously.)

X022267

The Committee recommends the following:-

Item 6.8

Land Classification - 119 Redfern Street Redfern (Lot 1 in DP 776807)

It is resolved that Council classify 119 Redfern Street, Redfern, being the whole of the land contained in Lot 1 in Deposited Plan 776807, as Operational land in accordance with section 31 of the Local Government Act 1993.

(Note – at the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kok, seconded by Councillor Scully, and carried unanimously.)

X020956

The Committee recommends the following:-

Item 6.9

Tender - Reject and Negotiate - Hyde Park Master Plan Lighting Project

It is resolved that:

- (A) Council reject the tenders received for the design consultancy services for the Hyde Park Master Plan Lighting works, for the reasons set out in Confidential Attachment A to the subject report;
- (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 enter into negotiations with any person with a view to entering into a contract in relation to the subject matter of the tender;
- (D) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contracts relating to the tender; and
- (E) Council be informed of the successful company by CEO Update prior to executing and administering the contracts relating to the tender.

(Note – at the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kok, seconded by the Chair (the Lord Mayor), and carried unanimously.)

X000251

The Committee recommends the following:-

Item 6.10

Tender - Parks and Open Space Maintenance Services

It is resolved that:

- (A) Council accept the tender offer of Tenderer C for Parks and Open Space Maintenance Services for the price and contingency outlined in Confidential Attachment A to the subject report for a period of five years, with the option of an extension of two years if appropriate;
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contracts relating to the tender;
- (C) authority be delegated to the Chief Executive Officer to exercise the option referred to in clause (A), if appropriate, and negotiate the price to extend the contract accordingly;
- (D) authority be delegated to the Chief Executive Officer to exercise the option to include the tendered possible future sites as per the pricing schedules; and
- (E) Council approve the contingency outlined in Confidential Attachment A to the subject report to service new and upgraded parks that come under the contract (in addition to the possible future sites).

(Note – at the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kok, seconded by the Chair (the Lord Mayor), and carried unanimously.)

X014434

The Committee recommends the following:-

Item 6.11

Contract Extension - Self Insurance Management System

It is resolved that:

- (A) Council approve a variation of the Self-Insurance Management System contract to provide for an increase to the overall contract price for the extension of the contract term; and
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the variation of the Self-Insurance Management System contract to provide for an increase to the overall contract price for the extension of the contract term.

(Note – at the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kok, seconded by Councillor Scully, and carried unanimously.)

S121973