

Item 6**Report of the Corporate, Finance, Properties and Tenders Committee - 9 May 2022****Item 6.1****Disclosures of Interest**

Councillor Linda Scott disclosed a less than significant non-pecuniary interest in Item 6.10 on the agenda, in that she is currently on the advisory group for the CSIRO Ending Plastic Waste Mission in her capacity as President of the Australian Local Government Association. Councillor Scott stated that she considers this non-pecuniary conflict of interest is not significant and does not require further action in the circumstances because, in her capacity as an advisory group member, she discussed strategic matters only.

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 Corporate, Finance, Properties and Tenders Committee recommends the following:

Item 6.2

2021/22 Quarter 3 Review - Delivery Program 2017-2021

It is resolved that Council:

- (A) note the financial performance of Council for the third quarter, ending 31 March 2022, including the Quarter 3 Net Surplus of \$32.7M and the full year Net Surplus forecast of \$22.3M, as outlined within the report and summarised at Attachment A to the subject report;
- (B) note the Quarter 3 Capital Works expenditure of \$118.0M and a revised full year forecast of \$177.4M, and approve the proposed adjustments to the adopted budget, including transferring \$1.0M from capital works contingency and bringing forward \$2.2M of future year's funds into 2021/22 as detailed at Attachment B to the subject report;
- (C) note the Technology and Digital Services capital expenditure of \$11.0M and the full year forecast of \$16.2M;
- (D) note the Quarter 3 Plant and Assets expenditure of \$4.6M (net of disposals), and the full year net forecast of \$12.0M;
- (E) note the Quarter 3 net Property Divestment proceeds of \$33.8M, and the full year forecast net Property Divestment of \$24.1M;
- (F) note the supplementary reports, including contracts issued over \$50,000, major legal issues, property and land use matters approved under delegation, international travel and the Quick and Community Emergency Quick Response, Banner Pole and Venue Hire Support Grant Programs in Quarter 3, as detailed in Attachment C to the subject report; and
- (G) note the seventh Community Recovery Plan report, as shown at Attachment D to the subject report.

(Note – at the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Scully, seconded by the Chair (the Lord Mayor), and carried on the following show of hands:

Ayes (9) The Chair (the Lord Mayor), Councillors Chan, Davis, Gannon, Jarrett, Kok, Scott, Scully and Weldon

Noes (1) Councillor Ellsmore*

* Councillor Ellsmore abstained from voting on this matter. Pursuant to the provisions of clause 9.4 of the Code of Meeting Practice, Councillor Ellsmore is taken to have voted against the motion.)

X039568

The Corporate, Finance, Properties and Tenders Committee recommends the following:

Item 6.3

Public Exhibition - Integrated Planning and Reporting Program and Budget 2022/23

It is resolved that:

- (A) Council endorse the suite of Integrated Planning and Reporting documents for public exhibition for a period of 28 days, including:
 - (i) the draft Delivery Program 2022 - 2026 as shown at Attachment A to the subject report;
 - (ii) the draft Operational Plan 2022/23 as shown at Attachment B to the subject report; and
 - (iii) the draft Resourcing Strategy 2022 as shown at Attachment C to the subject report;
- (B) Council endorse the draft Operating and Capital Budget, and future years' forward estimates, as reflected in the Operational Plan 2022/2023 and draft Resourcing Strategy (2022) including:
 - (i) Operating income of \$651.1M, operating expenditure before depreciation of \$530.1M for an Operating Result of \$121.0M, and a Net Surplus of \$77.1M after allowing for interest, depreciation and capital contributions;
 - (ii) Capital Works expenditure of \$202.1M and a capital works contingency of \$10.0M;
 - (iii) Plant and Assets net expenditure of \$19.9M including Information Technology Capital Works of \$7.0M; and
 - (iv) Net Property Acquisitions of \$147.8M;
- (C) Council note that the main financial schedules presented as part of the Long Term Financial Plan (LTFP), included in the Resourcing Strategy, assume that the Independent Pricing and Regulatory Tribunal (IPART) will grant the City a permanent general rates increase of 2.5 per cent for 2022/23 and future years;
- (D) Council note that the additional financial schedules presented in the Long Term Financial Plan include an alternate scenario showing the impact of an temporary one year increase of 2.5 per cent just for 2022/23, and a further alternate scenario showing the impact of no increase above the 1.4 per cent increase initially determined by the Independent Pricing and Regulatory Tribunal (IPART) for 2022/23;
- (E) Council note that all fees associated with footway dining are proposed to be set at zero dollars for the 2022/23 financial year;
- (F) authority be delegated to the Chief Executive Officer to extend the temporary provisions of the Outdoor Dining Guidelines, noting a full update to the Outdoor Dining Policy, Outdoor Dining Guidelines and Display of Goods on the Footway Local Approvals Policy will be reported for public exhibition;
- (G) authority be delegated to the Chief Executive Officer to extend existing footway approvals to cover the notification and assessment period where the operator has lodged a new footway application prior to 30 June 2022; and

- (H) Council endorse Domestic Waste Management Charges, Stormwater Charges and User Fees and Charges discussed within the subject report and included within the draft Operational Plan 2022/23.

(Note – at the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Scully, seconded by the Chair (the Lord Mayor), and carried on the following show of hands:

Ayes (9) The Chair (the Lord Mayor), Councillors Chan, Davis, Gannon, Jarrett, Kok, Scott, Scully and Weldon

Noes (1) Councillor Ellsmore*

* Councillor Ellsmore abstained from voting on this matter. Pursuant to the provisions of clause 9.4 of the Code of Meeting Practice, Councillor Ellsmore is taken to have voted against the motion.)

X084366

Speakers

Vanessa Knight (Coalition Caring for Community Centres), Mary Mortimer (Coalition Caring for Community Centres) and Leonard Lloyd (Pymont Sings) addressed the meeting of the Corporate, Finance, Properties and Tenders Committee on Item 6.3.

The Corporate, Finance, Properties and Tenders Committee recommends the following:

Item 6.4

Investments Held as at 30 April 2022

It is resolved that the Investment Report as at 30 April 2022 be received and noted.

(Note – at the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Scully, seconded by the Chair (the Lord Mayor), and carried on the following show of hands:

Ayes (9) The Chair (the Lord Mayor), Councillors Chan, Davis, Gannon, Jarrett, Kok, Scott, Scully and Weldon

Noes (1) Councillor Ellsmore*

* Councillor Ellsmore abstained from voting on this matter. Pursuant to the provisions of clause 9.4 of the Code of Meeting Practice, Councillor Ellsmore is taken to have voted against the motion.)

X020701

The Corporate, Finance, Properties and Tenders Committee recommends the following:

Item 6.5

Lease Approval - Levels 4 and 5 - 540 George Street, Sydney

It is resolved that:

- (A) Council approve a lease to IH Sydney Training Services Pty Ltd for Level 4 and Level 5, 540 George Street, Sydney, in accordance with the essential lease terms and conditions contained within Confidential Attachment A to the subject report; and
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the terms of the lease, including in relation to the exercise of the option, in accordance with the essential terms and conditions contained within Confidential Attachment A to the subject report.

(Note – at the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Scully, seconded by the Chair (the Lord Mayor), and carried on the following show of hands:

Ayes (9) The Chair (the Lord Mayor), Councillors Chan, Davis, Gannon, Jarrett, Kok, Scott, Scully and Weldon

Noes (1) Councillor Ellsmore*

* Councillor Ellsmore abstained from voting on this matter. Pursuant to the provisions of clause 9.4 of the Code of Meeting Practice, Councillor Ellsmore is taken to have voted against the motion.)

S098637

The Corporate, Finance, Properties and Tenders Committee recommends the following:

Item 6.6

Lease Approval - Levels 6 and 7 - 540 George Street, Sydney

It is resolved that:

- (A) Council approve a lease to ILSC (Brisbane) Pty Ltd for Level 6 and Level 7, 540 George Street, Sydney, in accordance with the essential lease terms and conditions contained within Confidential Attachment A to the subject report; and
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the terms of the lease, including in relation to the exercise of the option, in accordance with the essential lease terms and conditions contained within Confidential Attachment A to the subject report.

(Note – at the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Scully, seconded by Councillor Kok, and carried on the following show of hands:

Ayes (9) The Chair (the Lord Mayor), Councillors Chan, Davis, Gannon, Jarrett, Kok, Scott, Scully and Weldon

Noes (1) Councillor Ellsmore*

* Councillor Ellsmore abstained from voting on this matter. Pursuant to the provisions of clause 9.4 of the Code of Meeting Practice, Councillor Ellsmore is taken to have voted against the motion.)

S098637.008

The Corporate, Finance, Properties and Tenders Committee recommends the following:-

Item 6.7

Lease Approval - Level 8 - 540 George Street, Sydney

It is resolved that:

- (A) Council approve a lease to the Queensland Institute of Higher Education Pty Ltd for Level 8, 540 George Street, Sydney, in accordance with the essential lease terms and conditions contained within Confidential Attachment A to the subject report; and
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the terms of the lease, including in relation to the exercise of the option, in accordance with the essential lease terms and conditions contained within Confidential Attachment A to the subject report.

(Note – at the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Scully, seconded by Councillor Chan, and carried on the following show of hands:

Ayes (9) The Chair (the Lord Mayor), Councillors Chan, Davis, Gannon, Jarrett, Kok, Scott, Scully and Weldon

Noes (1) Councillor Ellsmore*

* Councillor Ellsmore abstained from voting on this matter. Pursuant to the provisions of clause 9.4 of the Code of Meeting Practice, Councillor Ellsmore is taken to have voted against the motion.)

S098637

The Corporate, Finance, Properties and Tenders Committee recommends the following:

Item 6.8

Tender - Reject and Negotiate - T-2021-487 - Inspection and Condition Assessment of Road Reserve Assets

It is resolved that:

- (A) Council decline to accept the tender offers for the Inspection and Condition Assessment of Road Reserve Assets 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 vendor via the CEO Update.

(Note – at the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Scully, seconded by Councillor Kok, and carried on the following show of hands:

Ayes (9) The Chair (the Lord Mayor), Councillors Chan, Davis, Gannon, Jarrett, Kok, Scott, Scully and Weldon

Noes (1) Councillor Ellsmore*

* Councillor Ellsmore abstained from voting on this matter. Pursuant to the provisions of clause 9.4 of the Code of Meeting Practice, Councillor Ellsmore is taken to have voted against the motion.)

X019123

The Corporate, Finance, Properties and Tenders Committee recommends the following:

Item 6.9

Exemption from Tender - Migration to Ungerboeck Cloud

It is resolved that:

- (A) Council approve an exemption from tender to enter into a contract with Ungerboeck Systems International Pty Ltd for the Ungerboeck transition to, and continued service in, a cloud based service as the unavailability of competitive tenders would not achieve a satisfactory result by inviting tenders;
- (B) Council note that a satisfactory result would not be achieved by inviting tenders because the existing supplier is the sole provider of the relevant software services that have been customised specifically for the City, and a competitive tender process within the required time frame for transition is not possible; and
- (C) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contract(s) relating to the Ungerboeck transition to, and ongoing service in, a cloud based service on terms acceptable to the City, for the term and total contract sum detailed in Confidential Attachment A to the subject report.

(Note – at the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Scully, seconded by Councillor Kok, and carried on the following show of hands:

Ayes (9) The Chair (the Lord Mayor), Councillors Chan, Davis, Gannon, Jarrett, Kok, Scott, Scully and Weldon

Noes (1) Councillor Ellsmore*

* Councillor Ellsmore abstained from voting on this matter. Pursuant to the provisions of clause 9.4 of the Code of Meeting Practice, Councillor Ellsmore is taken to have voted against the motion.)

X079471.001

The Corporate, Finance, Properties and Tenders Committee recommends the following:

Item 6.10

Exemption from Tender and Contract Variations - Alternate Resource Recovery Processing and Cleansing Waste (Putrescible) Receipt, Processing and Disposal Services Agreement

It is resolved that:

- (A) Council approve an exemption from tender in accordance with section 55(3)(i) of the Local Government Act 1993 to extend the duration of the:
- (i) Alternative Resource Recovery Processing Agreement for the processing of domestic waste; and
 - (ii) Cleansing Waste (Putrescible) Receipt, Processing and Disposal Services Agreement contract for the processing of public place and parks waste;
- to 31 December 2022, on the terms set out in Confidential Attachments A and B to the subject report by reason of extenuating circumstances, noting that a satisfactory result for the City would not be achieved by inviting tenders at this time;
- (B) Council note that a satisfactory result would not be achieved by inviting tenders because:
- (i) the market of suitable suppliers is extremely limited, with only two suppliers, one of which is at capacity and the other which is the current City supplier;
- (C) Council approve a variation to the contracts for the processing of domestic waste; and Cleansing Waste (Putrescible) Receipt and Processing to 31 December 2022; as detailed in Confidential Attachments A and B to the subject report; and
- (D) authority be delegated to the Chief Executive Officer to finalise negotiations and enter into any necessary documentation to give effect to the resolutions above.

(Note – at the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Scully, seconded by the Chair (the Lord Mayor), and carried on the following show of hands:

Ayes (9) The Chair (the Lord Mayor), Councillors Chan, Davis, Gannon, Jarrett, Kok, Scott, Scully and Weldon

Noes (1) Councillor Ellsmore*

* Councillor Ellsmore abstained from voting on this matter. Pursuant to the provisions of clause 9.4 of the Code of Meeting Practice, Councillor Ellsmore is taken to have voted against the motion.)

X085362.004