

Item 6

Report of the Corporate, Finance, Properties and Tenders Committee - 17 October 2022

Item 6.1

Confirmation of Minutes

Moved by Councillor Scully, seconded by Councillor Ellsmore –

That the Minutes of the meeting of the Corporate, Finance, Properties and Tenders Committee of Monday 12 September 2022, as circulated to Councillors, be confirmed.

Carried unanimously.

Item 6.2

Statement of Ethical Obligations and Disclosures of Interest

Councillor Linda Scott made the following disclosures:

- a less than significant, non-pecuniary interest in Item 6.5 on the agenda, in that she is Chair of an industry super fund, CareSuper, which also undertakes investment activity.

Councillor Scott stated that this non-pecuniary conflict of interest is not significant and does not require further action in the circumstances because she sees no crossover, but makes this disclosure out of an abundance of caution.

- a pecuniary interest in Item 6.8 on the agenda, in that she is president of the Australian Local Government Association, of which the NSW Local Government Association is a member. Additionally, Councillor Scott is the City's delegate to SSROC, and Senator John Faulkner, who she understands was involved in the establishment of the Bondi to Manly Walk Supporters, is a previous employer.

Councillor Scott stated that she would not be voting on this matter.

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 6.3

Presentation of the 2021/22 Financial Statements and Audit Reports to Council

It is resolved that Council:

- (A) receive the Financial Statements for City of Sydney for the year ended 30 June 2022, as shown at Attachment A to the subject report;
- (B) authorise the Lord Mayor, Councillor Jess Scully (member - Audit, Risk and Compliance Committee), Chief Executive Officer, and the Chief Financial Officer to sign the General Purpose Financial Statements;
- (C) authorise the Lord Mayor, Councillor Jess Scully (member - Audit, Risk and Compliance Committee), Chief Executive Officer, and the Chief Financial Officer to sign the Special Purpose Financial Statements;
- (D) receive the auditor's reports on the 2021/22 Annual Financial Statements;
- (E) note that due to the timing of Council's meeting calendar for 2022, a short extension has been sought from the Office of Local Government for submission of the Annual Financial Statements to allow Council approval and receipt of signed Auditor's reports; and
- (F) authorise that notice be given, through Sydney Your Say, of public presentation of the audited 2021/22 Financial Statements for the City of Sydney at the Council meeting on 21 November 2022.

(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 unanimously.)

X084202

Speakers

Margaret Crawford (NSW Auditor-General) and Carolyn Karakatsanis (Director Financial Audit) 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

Audit Risk and Compliance Committee Annual Report to Council 2021/22

It is resolved that Council note the Audit Risk and Compliance Committee's 2021/22 Annual Report, as shown as 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 unanimously.)

S083523

Speaker

Carolyn Walsh (Chair of the Audit, Risk and Compliance Committee) addressed the meeting of the Corporate, Finance, Properties and Tenders Committee on Item 6.4.

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

Item 6.5

Review of the Investment Policy and Strategy

It is resolved that Council adopt the revised Investment Policy and Investment Strategy for the management and investment of Council's funds, as shown in Attachments A and B 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 unanimously.)

X020701

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

Item 6.6

Investments Held as at 30 September 2022

It is resolved that the Investment Report as at 30 September 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 unanimously.)

X020701

Item 6.7**Public Exhibition - Naming Policy**

The Corporate, Finance, Properties and Tenders Committee decided that consideration of this matter shall be deferred to the meeting of Council on 31 October 2022.

Officer's Recommendation

The officer's recommendation to the Corporate, Finance, Properties and Tenders Committee was as follows -

It is resolved that:

- (A) Council approve the public exhibition of the draft Naming Policy as shown in Attachment A to the subject report for a minimum of 28 days;
- (B) Council note the draft Naming Policy and any recommended changes will be reported back to Council following the exhibition period; and
- (C) authority be delegated to the Chief Executive Officer to undertake minor editorial corrections prior to the exhibition of the draft Naming Policy.

Officer's Report

The officer's report on this matter can be found at Item 7 on the agenda of the meeting of the Corporate, Finance, Properties and Tenders Committee on 17 October 2022.

X091474

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

Item 6.8

External Memberships

It is resolved that Council:

- (A) receive and note the City's membership of the associations outlined in Attachment A to the subject report; and
- (B) note that final membership amounts change from time to time and any significant changes will be reported back to Council 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 unanimously.)

S076031

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

Item 6.9

Land Classification - 4C-4F Huntley Street, Alexandria

It is resolved that Council endorse the classification of the City owned property at 4C-4F Huntley Street, Alexandria (being Folio Identifiers 5/270849, 4/270849, 3/270849, 2/270849) as operational land in accordance with section 31 of the Local Government Act 1993 (NSW).

(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 unanimously.)

X086236.011

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

Item 6.10

Ashmore Precinct Trunk Stormwater Project - Amendment to Project Agreement with Sydney Water

It is resolved that:

- (A) Council note that the updated extensive flood modelling for the Ashmore Precinct Trunk Stormwater Project confirms the significant stormwater works, already undertaken and to be undertaken as part of the redevelopment of the Ashmore precinct, will significantly reduce flooding in the precinct;
- (B) Council note that the Concept Design Report in Confidential Attachment C to the subject report has recommended the scope include construction of a large inlet structure on Coulson Street, Transition Structure within 165-175 Mitchell Road, culvert improvements on Euston Road and short-term flap gate(s) installation along Burrows Road, Erskineville. This reduced scope will still meet the original objectives of the Project;
- (C) Council approve the substantive terms of the draft contract variation, set out in Annexure 1 to the Original Ashmore Project Agreement between the City and Sydney Water Corporation for the Ashmore Precinct Trunk Stormwater Project, as detailed in Confidential Attachment B to the subject report;
- (D) Council note that, as detailed in Confidential Attachment B to the subject report, on execution of the contract variation, the new scope will be split between the parties for delivery. Sydney Water will engage third party service providers for their works and the City will complete their works under an existing Voluntary Planning Agreement (VPA);
- (E) Council note that, as detailed in Confidential Attachment B to the subject report, Sydney Water will reimburse the City's costs on the project to date to offset Green Square Trunk Drain descope works, Sydney Water will deliver all scope not covered by an existing VPA and both parties will cover their own costs after execution;
- (F) Council not invite tenders for the City's works in accordance with the tendering requirements set out in section 55 of the Local Government Act 1993 as the work will be completed under an existing Voluntary Planning Agreement; and
- (G) authority be delegated to the Chief Executive Officer to finalise negotiations, execute and administer the contract variation to the Original Ashmore Project Agreement, based on terms substantially the same as the terms shown at Confidential Attachment B 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 unanimously.)

X008356.006

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

Item 6.11

Green Square Trunk Drain - Updated Project Agreement with Sydney Water

It is resolved that:

- (A) Council note that the delivery of the eastern section (approximately 400 metres) of the project from Rose Valley Way to Link Road has been staged due to buildings at the time being located over the stormwater drain. Delivery of this section is being timed with the redevelopment of three properties via Voluntary Planning Agreements, of which two are substantially complete;
- (B) Council approve the substantive terms of the Deed of Asset Ownership and amendment to the original Project Agreement for the Green Square Trunk Stormwater Project between the City and Sydney Water Corporation, as detailed in Confidential Attachment B to the subject report; and
- (C) authority be delegated to the Chief Executive Officer to finalise negotiations, execute and administer the Deed of Asset Ownership and amendment to the original Project Agreement, substantially on the same terms shown at Confidential Attachment B 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 unanimously.)

S121015

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

Item 6.12

Contract Variations – Construction Contract and Design Consultancy Contract for the Green Square to Ashmore Connector Road

It is resolved that Council:

- (A) approve additional contract contingency for the consultancy contract with AECOM Australia for additional design and construction stage services for the Green Square to Ashmore Connector, as outlined in Confidential Attachment A to the subject report;
- (B) approve additional contract contingency for the construction contract with Ford Civil Contracting Pty Ltd for construction of the Green Square to Ashmore Connector Road and Associated Works, as outlined in Confidential Attachment A to the subject report; and
- (C) approve the additional funds sought for the Green Square to Ashmore Connector Road project as 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 the Chair (the Lord Mayor), and carried unanimously.)

X010049

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

Item 6.13

Contract Variation - Design Consultants for the Bike Network Program

It is resolved that:

- (A) Council approve an increased contingency value for the existing Head Consultant Contract with AECOM Australia Pty Ltd for the Bike Network Program to cover additional services as described in Confidential Attachment A to the subject report; and
- (B) Council note the financial implications 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 the Chair (the Lord Mayor), and carried on the following show of hands –

Ayes (7) The Chair (the Lord Mayor), Councillors Chan, Ellsmore, Gannon, Kok, Scott and Scully

Noes (2) Councillors Jarrett and Weldon.)

X026113

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

Item 6.14

Exemption from Tender - SEEK and LinkedIn Job Board Subscription Services

It is resolved that:

- (A) Council approve an exemption from tender in accordance with section 55(3)(i) of the Local Government Act 1993 noting that, because of the unavailability of competitive or reliable tenderers, a satisfactory result would not be achieved by inviting tenders to provide job board subscriptions;
- (B) Council note that a satisfactory result would not be achieved by inviting tenders for this work because:
 - (i) there is a lack of availability of alternative suppliers;
 - (ii) both SEEK and LinkedIn are unique platforms in the Australian job market without viable competitors; and
 - (iii) both SEEK and LinkedIn are central to the City's advertising strategy to attract talent;
- (C) Council approve entering into contracts with:
 - (i) SEEK Limited, and
 - (ii) LinkedIn Singapore PTE LTD;for job board subscription services for a period of up to five years subject to satisfactory performance, which will be reviewed annually;
- (D) Council note that the total contract sums and contingency for SEEK Limited and LinkedIn Singapore PTE LTD job board subscriptions are outlined in Confidential Attachment A to the subject report; and
- (E) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contracts relating to the SEEK and LinkedIn job board subscriptions.

(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 unanimously.)

X084308

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

Item 6.15

Cancellation of Tender - T-2022-802 and Exemption from Tender - Construction, Installation, and De-Installation of Lantern Toppers and Ground Based Lanterns for 2023 Sydney Lunar Festival

It is resolved that:

- (A) Council cancel the tender for the construction, installation and de-installation of Lantern Toppers and Ground Based Lanterns for 2023 Sydney Lunar Festival as no responses were received;
- (B) Council approve an exemption from tender to enter into agreement(s) of up to three-years (subject to the outcome of the negotiations) with suitable supplier(s) for the construction of Lantern Toppers and Ground Based Lanterns for the 2023 Sydney Lunar Festival together with the installation and de-installation for the 2024 and 2025 events;
- (C) Council approve an exemption from tender to enter into one-year agreement(s) with suitable supplier(s) for the repair, installation and de-installation of existing Zodiac Lanterns for the 2023 Sydney Lunar Festival;
- (D) Council approve an exemption from tender to enter into one-year agreement(s) with suitable supplier(s) for the supply, installation and de-installation of alternate decorations for 2023 Sydney Lunar Festival;
- (E) Council note that the maximum contract sum for all contracts that may be entered into under (B), (C) and (D) is outlined in Confidential Attachment B to the subject report;
- (F) Council note the reasons a satisfactory outcome would not be achieved by inviting fresh tenders is due to the following extenuating circumstances:
 - (i) there is insufficient time to undertake required scoping discussions and a tender process for these services, given the timing constraints for construction of the lanterns ahead of the festival in January 2023;
 - (ii) the industry is currently experiencing unexpected demand and capacity issues and timing in the market is very difficult at the moment. As a result, the City needs to work with suppliers to determine the scope that can be delivered within the remaining timeframes; and
 - (iii) it is considered that inviting fresh tenders would not attract additional suitable suppliers to deliver the services;
- (G) authority be delegated to the Chief Executive Officer to finalise negotiations and enter into any necessary documentation to give effect to these resolutions; and
- (H) Council be informed of the outcome of negotiations, including the final scope to be delivered, 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 the Chair (the Lord Mayor), and carried unanimously.)