

**Item 6**

**Report of the Corporate, Finance, Properties and Tenders Committee - 6 November 2023**

**Item 6.1**

**Confirmation of Minutes**

Moved by Councillor Kok, seconded by Councillor Ellsmore –

That the Minutes of the meeting of the Corporate, Finance, Properties and Tenders Committee of Monday 16 October 2023, as circulated to Councillors, be confirmed.

**Item 6.2****Statement of Ethical Obligations and Disclosures of Interest**

Councillor Linda Scott disclosed a less than significant, non-pecuniary interest in Items 6.3 and 6.5 on the agenda, in that she is the Chair of CareSuper and Deputy President of ACSI. Members of City staff may be members of CareSuper, an industry superannuation fund, and ACSI undertakes environmental, social and governance (ESG) advice for their members, and whilst the City is not a member, the ESG work is notable.

Councillor Scott considers that this non-pecuniary conflict of interest is not significant and does not require further action in the circumstances as these roles do not pertain directly to these items on the agenda, and she applies her judgement to the decisions as a councillor for the City of Sydney.

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**

#### **City of Sydney 2022/23 Annual Reporting and Public Presentation of the 2022/23 Financial Statements and Audit Reports to Council**

It is resolved that:

- (A) Council present the 2022/23 Annual Financial Statements and auditor's reports to the public as shown at Attachment A to the subject report;
- (B) Council adopt the 2022/23 Annual Financial Reports subject to the receipt of any submissions over the ensuing seven day period;
- (C) Council endorse the 2022/23 Annual Report, including the Statutory Returns, Financial Statements and Delivery Program 2022-26 Progress Report for 2022/23 as shown at Attachments A, B and C to the subject report;
- (D) Council note the 2022/23 annual report on the City's Inclusion (Disability) Action Plan 2021–2025 as shown at Attachment D to the subject report;
- (E) Council note the 2022/23 Green Report as shown at Attachment E to the subject report; and
- (F) authority be delegated to the Chief Executive Officer to make any minor amendments to the reports to correct any drafting errors and finalise design, artwork and accessible formats for publication.

(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.)

X084202

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

#### **Item 6.4**

#### **2023/24 Quarter 1 Review – Delivery Program 2022-2026**

It is resolved that:

- (A) Council note the financial performance of Council for the first quarter, ending 30 September 2023, including a Quarter 1 Operating Result (before depreciation, interest, capital related costs and income) of \$30.7M and the full year forecast of \$115.3M and a Net Operating Result of \$19.9M and a full year forecast of \$106.8M as outlined in the subject report and summarised in Attachment A to the subject report;
- (B) Council note the Quarter 1 Capital Works expenditure of \$46.1M and a revised full year forecast of \$218.8M, and approve the proposed adjustments to the adopted budget, including bringing forward \$5.0M of funds into the 2023/24 capital budget, \$0.6M from the capital works contingency, and to reallocate funds within relevant programs within capital budget as detailed in Attachment B to the subject report;
- (C) Council note the Technology and Digital Services Capital Works expenditure of \$5.3M, net of disposals, and a full year forecast of \$19.2M, approve \$0.3M allocation from the capital works contingency, and approve bringing forward \$0.2M of funds into the 2023/24 capital budget as detailed in Attachment B to the subject report;
- (D) Council note the Quarter 1 Plant and Equipment expenditure of \$1.7M, net of disposals, and a revised full year forecast of \$14.7M as detailed in Attachment B to the subject report;
- (E) Council note that there were no Property Acquisitions or Disposal transactions in Quarter 1, and the full year forecast for net Property Acquisitions of \$194.1M;
- (F) Council note the supplementary reports, which detail major legal issues, the quick response, street banner and venue hire support grants and sponsorship programs, fee-waived and discounted community facilities hire, international travel, property and land use matters approved under delegation and contracts over \$50,000 in Quarter 1, as detailed in Attachment C to the subject report;
- (G) Council approve the write-off of a commercial property debt of \$251,086.33 (including GST), for Ion Training Pty Ltd, as their appointed liquidator is in the final phases of submitting a report to the Australian Securities and Investments Commission (ASIC) to wind up the company with little prospect of returning any future dividend to its registered unsecured creditors including the City;
- (H) Council note the attached letter from the Office of Local Government pertaining to 2023/24 Financial Assistance Grants - Advice to Councils at shown at Attachment D to the subject report; and
- (I) Council note the Global Cooksafe Coalition Statement of Intent signed by the Chief Executive Officer on 17 October 2023 as shown at Attachment E to the subject report and note that any related activities will be explored for inclusion in the next review of the City's Operational Plan and budget.

(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.)

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

**Item 6.5**

**Investments Held as at 31 October 2023**

It is resolved that the Investment Report as at 31 October 2023 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 Worling, and carried unanimously.)

X020701

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

## **Item 6.6**

### **Sale of Heritage Floor Space - City Owed Property**

It is resolved that:

- (A) Council endorse the sale of approximately 1,241.25 square metres of Heritage Floor Space awarded to the City in its capacity as a landowner of the heritage listed Corporation Building;
- (B) authority be delegated to the Chief Executive Officer to manage the sale of Heritage Floor Space for the Corporation Building, including supporting valuations, negotiations and executing all documentation to effect and complete the sale; and
- (C) Council note that it will be updated on the progress of the sale of Heritage Floor Space for the Corporation Building through CEO Updates as and when the sale of the Heritage Floor Space is completed.

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

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

### **Item 6.7**

#### **Tender - T-2022-906 - Tree Maintenance and Urban Forest Services**

It is resolved that:

- (A) Council accept the tender offer of Tenderer B for the Northern Area and Tenderer A for the Southern Area of the Tree Maintenance and Urban Forest Services Tender for a period of six years, with the option of an extension of two further terms, of two years each, if appropriate;
- (B) Council note that the total contract sum and contingency for the Tree Maintenance and Urban Forest Services Tender project is outlined in Confidential Attachment B to the subject report;
- (C) authority be delegated to the Chief Executive Officer to finalise, execute and administer the contracts relating to the tender; and
- (D) authority be delegated to the Chief Executive Officer to exercise the options referred to in (A), if appropriate, and negotiate the price to extend the contract accordingly.

(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 on the following show of hands:

Ayes (8)            The Chair (the Lord Mayor), Councillors Chan, Davis, Ellsmore, Gannon, Jarrett, Kok and Worling

Noes (2)            Councillor Scott and Weldon.)

Carried.

X094916

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

### **Item 6.8**

#### **Tender - T-2023-1028 - Loftus Street Upgrade**

It is resolved that:

- (A) Council note the changes to project scope as set out in Attachment A to the subject report;
- (B) Council accept the tender offer of Tenderer D for the design and construction of the Loftus Street Upgrade project;
- (C) Council note the total contract sum and contract contingency for the Loftus Street Upgrade project as outlined in Confidential Attachment B to the subject report;
- (D) Council note the tendered rates provided in Confidential Attachment C to the subject report;
- (E) authority be delegated to the Chief Executive Officer to finalise, execute and administer the contracts relating to the tender; and
- (F) Council approve the additional funding for the project, as outlined in 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 Kok, seconded by Councillor Worling, and carried unanimously.)

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