Minutes of the Corporate, Finance, Properties and Tenders Committee - 5 May 2025

Members Lord Mayor - Councillor Clover Moore AO (Chair), Deputy Lord Mayor - Councillor Zann Maxwell, Councillor Olly Arkins, Councillor Sylvie Ellsmore, Councillor Lyndon Gannon, Councillor Robert Kok (Deputy Chair), Councillor Jess Miller, Councillor Matthew Thompson, Councillor Yvonne Weldon AM and Councillor Adam Worling.

At the commencement of business at 2.02pm, those present were –

The Lord Mayor, Councillors Arkins, Ellsmore, Gannon, Kok, Miller, Thompson, Weldon, and Worling.

Apologies

Councillor Maxwell extended his apologies for his inability to attend the meeting of the Corporate, Finance, Properties and Tenders Committee.

Adjournment

At 3:47pm, it was moved by the Chair (the Lord Mayor) seconded by Councillor Worling –

That the meeting of the Corporate, Finance, Properties and Tenders Committee be adjourned for approximately 15 minutes.

Carried unanimously.

At the resumption of the meeting of the Corporate, Finance, Properties and Tenders Committee at 4:06pm, all Councillors were present.

Hybrid Meeting Arrangements

Following the adjournment, at 4:06pm, the Chair (the Lord Mayor) advised that Councillor Thompson was attending the meeting of the Corporate, Finance, Properties and Tenders Committee remotely, via audio visual link, pursuant to the provisions of clause 4.20 of the Code of Meeting Practice.

The meeting of the Corporate, Finance, Properties and Tenders Committee concluded at 4:11pm.

Item 1

Confirmation of Minutes

Moved by Councillor Kok, seconded by the Chair (the Lord Mayor) –

That the Minutes of the meeting of the Corporate, Finance, Properties and Tenders Committee of Monday 31 March 2025, as circulated to Councillors, be confirmed.

Carried unanimously.

Item 2

Statement of Ethical Obligations and Disclosures of Interest

No 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 recommended the following:

Item 3

2024/25 Quarter 3 Review – Delivery Program 2022-2026

It is resolved that Council:

(A) note the financial performance of Council for the third quarter, ending 31 March 2025, including a Quarter 3 Operating Result (before depreciation, interest income, capital related costs and capital grants and contributions) of $90.6M and the full year forecast of $119.6M and Net Operating Result of $100.1M and a full year forecast of $134.3M as outlined in the subject report and summarised in Attachment A to the subject report;

(B) note the Quarter 3 Capital Works expenditure of $154.5M and a revised full year forecast of $236.0M, and approve the proposed adjustments to the adopted budget, including bringing forward $8.13M of funds into the 2024/25 capital budget, the transfer of $0.1M 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) note the Technology and Digital Services Capital Works expenditure of $10.9M, and a full year forecast of $20.4M and approve the proposed adjustments to the adopted budget including bringing forward $0.05M of funds into the 2024/25 capital budget, the transfer of $0.44M from the capital works contingency, and to reallocate funds within relevant programs within capital budget as detailed in Attachment B to the subject report;

(D) note the Quarter 3 Plant and Equipment expenditure of $14.8M, net of disposals, and a revised full year forecast of $23.3M;

(E) note net Property Acquisitions of $70.4M as at Quarter 3, and the full year forecast for net Property Acquisitions of $65.3M; and

(F) note the supplementary reports, which detail the quick response, street banner and venue hire support grants and sponsorship programs, major legal issues, international travel, and contracts over $50,000 within the quarter, as detailed in Attachment C 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 the Chair (the Lord Mayor), and carried unanimously.)

X101909

Item 4

Public Exhibition - Integrated Planning and Reporting Program and Budget 2025/26

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 2025-2029 as shown at Attachment A to the subject report;
- (ii) the draft Operational Plan 2025/26 as shown at Attachment B to the subject report; and
- (iii) the draft Resourcing Strategy 2025 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 2025/2026 and draft Resourcing Strategy 2025 including:

- (i) Operating income of \$748.5M, operating expenditure before depreciation of \$631.4M for an Operating Result of \$117.1M, and a Net Surplus of \$108.9M after allowing for interest, depreciation and capital contributions;
- (ii) Capital Works expenditure of \$268.7M and a capital works contingency of \$8.0M;
- (iii) Plant and Assets net expenditure of \$23.2M;
- (iv) Capital Works (Technology and Digital Services) of \$24.0M; and
- (v) Net Property Divestments of \$122.3M;

(C) Council endorse the draft Rates, Domestic Waste Management Charges, Stormwater Charges and User Fees and Charges discussed within the subject report and included within the draft Operational Plan 2025/26;

(D) Council approve the draft Outdoor Dining Guidelines shown at Attachment D to the subject report for public exhibition; and

(E) authority be delegated to the Chief Executive Officer to approve any minor editorial and document design corrections prior to exhibition.

(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.)

X115821

Item 5

Investments Held as at 31 March 2025

It is resolved that the Investment Report as at 31 March 2025 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 the Chair (the Lord Mayor), and carried unanimously.)

X020701

Item 6

Investments Held as at 30 April 2025

It is resolved that the Investment Report as at 30 April 2025 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

Item 7

Public Exhibition - Grants and Sponsorship Guidelines

It is resolved that:

(A) Council approve for public exhibition the draft Grants and Sponsorship Guidelines, as shown at Attachment A to the subject report;

(B) Council note that the Grants and Sponsorship Guidelines, including any recommended changes, will be reported to Council for adoption following the exhibition period; and

(C) authority be delegated to the Chief Executive Officer to make minor editorial amendments for clarity or correction of drafting errors prior to the exhibition of the draft Grants and Sponsorship Guidelines.

(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.)

S117676

Item 8

Adoption - Stretch Reconciliation Action Plan 2025-2028

It is resolved that:

(A) Council note the finalisation of the City of Sydney Stretch Reconciliation Action Plan (RAP) for 2020–2024, outlined in the Stretch Reconciliation Action Plan Annual Report 2024 as shown at Attachment C to the subject report;

(B) Council adopt the City of Sydney Stretch Reconciliation Action Plan (RAP) for 2025–2028, as shown at Attachment A to the subject report;

(C) Council note the submissions received from the community on the draft Stretch Reconciliation Action Plan 2025-2028, as shown at Attachment B to the subject report; and

(D) authority be delegated to the Chief Executive Officer to make minor amendments to the City of Sydney Stretch Reconciliation Action Plan May 2025 - April 2028 in order to correct any minor 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 Councillor Worling, and carried unanimously.)

X116837.001

Speakers

La Toya Pinner (Co-Chair, Aboriginal and Torres Strait Islander Advisory Panel) and Todd Phillips (Panellist, Aboriginal and Torres Strait Islander Advisory Panel) addressed the meeting of the Corporate, Finance, Properties and Tenders Committee on Item 8.

Item 9

Adoption - Investment Property Policy

It is resolved that:

(A) Council adopt the Investment Property Policy for the management of the City's Investment Property Portfolio as shown at Attachment A to the subject report;

(B) Council note the current Investment Property Portfolio List as contained at Attachment B to the subject report; and

(C) authority be delegated to the Chief Executive Officer to make amendments to the Investment Property Policy to correct any minor 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.)

S118279.015

Item 10

Audit Risk and Compliance Committee - Appointment of New Chair

It is resolved that:

(A) Council acknowledge and thank Elizabeth Crouch AM and Carolyn Walsh for their valuable service on the Audit, Risk and Compliance Committee;

(B) Council appoint Stephen Horne as the incoming chair of the Audit Risk and Compliance Committee for a 3-year term, commencing 1 July 2025, as recommended by the current Chair, and ending on 31 December 2028, when his current term will end; and

(C) Council note that Audit, Risk and Compliance Committee members can be reappointed by Council for a further 4-year term, subject to performance appraisal. The total period of continuous membership on the Audit ,Risk and Compliance Committee cannot exceed 8 years in any 10-year period (i.e. 2 terms). This includes any term as Chair of the Audit Risk and Compliance Committee.

(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.)

S083523

Item 11

Continuing the Transformation of Central Sydney - Delivery of Town Hall Square

It is resolved that:

(A) Council note that a Town Hall Square within the block bounded by George, Pitt, Park and Bathurst Streets forms part of the continued transformation of Central Sydney and has been a long-term vision for this Council for over 40 years;

(B) Council note that there is an allocation of a capital works budget of $150M for the delivery of the Town Hall Square project included in the draft FY26 Long Term Financial Plan;

(C) Council note that the financial implications associated with the delivery of the Town Hall Square project that are currently known are included in the draft FY26 Long Term Financial Plan and are detailed in the Confidential Attachment B to the subject report;

(D) Council note that the Town Hall Square project area is as defined in the Sydney Local Environmental Plan 2012 which includes the properties 532-540 George Street, 542-544 George Street, part 546-552 George Street, 5-7 Park Street, 295-301 Pitt Street, 303-305 Pitt Street and 307 Pitt Street as per Attachment A to the subject report;

(E) Council note that Council has acquired 6 of the 7 buildings required for the development of the Town Hall Square and that the remaining building to be acquired by Council is Lot 13 in Deposited Plan 80276 (Folio ID 13/80276), known as 542-544 George Street, Sydney;

(F) Council note that the delivery of Town Hall Square is proposed to be accelerated, such that demolition works are targeted to commence by early 2028;

(G) Council note that the proposed acceleration of the delivery of the Town Hall Square project justifies commencing a process for the compulsory acquisition of 542-544 George Street, Sydney;

(H) Council note that the building at 307 Pitt Street houses City staff who will need to be relocated prior to demolition works commencing at Town Hall Square, and that this will be subject to a separate project;

(I) Council note that the buildings owned by the Council within Town Hall Square contain tenancies that will need to be vacated prior to demolition works commencing;

(J) Council endorse commencing the compulsory acquisition process with respect to the required interests in 542-544 George Street, Sydney for the purposes of the proposed Town Hall Square in accordance with the Land Acquisition (Just Terms Compensation) Act 1991 (NSW) (Just Terms Act) by issuing opening letters and seeking to negotiate with the relevant interest holders;

(K) Council endorse the development of a concept design for Town Hall Square as described in the subject report for the purposes of engaging design consultants, noting a concept plan will be submitted to Council for concept design approval once developed; and

(L) authority be delegated to the Chief Executive Officer to negotiate, execute and administer variations and surrender of leases, licences or other agreements and related documents as may be required to support alignment of the accelerated delivery of Town Hall Square.

(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 Arkins, Ellsmore, Gannon, Kok, Miller, Thompson and Worling

Noes (1) Councillor Weldon*.

Carried.

*Note - Councillor Weldon abstained from voting on this matter. Pursuant to the provisions of clause 10.4 of the Code of Meeting Practice, Councillor Weldon is taken to have voted against the motion.)

X118741

Item 12

Project Scope - Sydney Square Renewal

It is resolved that Council:

(A) endorse the project scope for the renewal of Sydney Square, including proposed works on land owned by other parties, as described in the subject report for the purposes of proceeding with documentation, planning application, and tender for construction works;

(B) note future Stage 2 works to be developed and undertaken at a later stage (currently estimated as being around 2032);

(C) note the proposed principles for agreements to be made with Sydney Anglican Property for the development and future operation of Sydney Square as set out in Confidential Attachment C to the subject report, noting that these matters will be the subject of a future report to Council following negotiations between the parties; and

(D) note the financial implications outlined in Confidential Attachment D 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 the Chair (the Lord Mayor), and carried unanimously.)

X096111.001

Speakers

Tim Green (Sydney Anglican Property) and Sandy Grant (Dean, St Andrew's Cathedral) addressed the meeting of the Corporate, Finance, Properties and Tenders Committee on Item 12.

Item 13

Tender - T-2024-1323 - Comingled Recyclables Processing Service

The Corporate, Finance, Properties and Tenders Committee decided that consideration of this matter shall be deferred to the meeting of Council on 12 May 2025.

Staff Recommendation

The staff recommendation to the Corporate, Finance, Properties and Tenders Committee was as follows -

It is resolved that:

(A) Council accept the tender offer of Tenderer A for Comingled Recyclables Processing Service for the Schedule of Rates outlined in Confidential Attachment B to the subject report and in accordance with the approved annual budget for a period of 5 years, with 2 options of an extension of 2 years each, if appropriate;

(B) Council note that the total contract sum and contingency for Comingled Recyclables Processing Service is outlined in Confidential Attachment A 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 clause (A), if appropriate.

Staff Report

The staff report on this matter can be found at Item 13 on the agenda of the meeting of the Corporate, Finance, Properties and Tenders Committee on 5 May 2025.

X112134